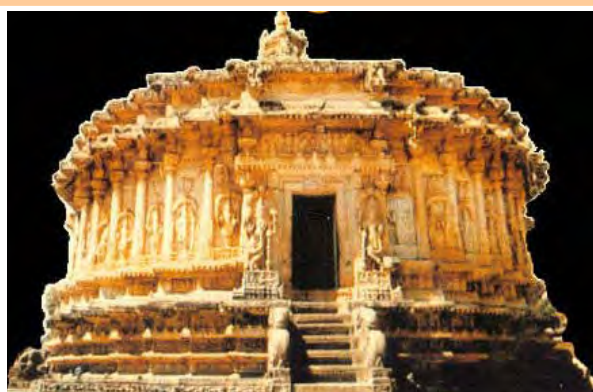


**GOVERNMENT OF INDIA
MINISTRY OF TOURISM & CULTURE
DEPARTMENT OF TOURISM
MARKET RESEARCH DIVISION**

**FINAL REPORT
ON
20 YEAR PERSPECTIVE PLAN FOR DEVELOPMENT OF
SUSTAINABLE TOURISM IN
KARNATAKA**



MARCH 2003

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EXECUTIVE SUMMARY

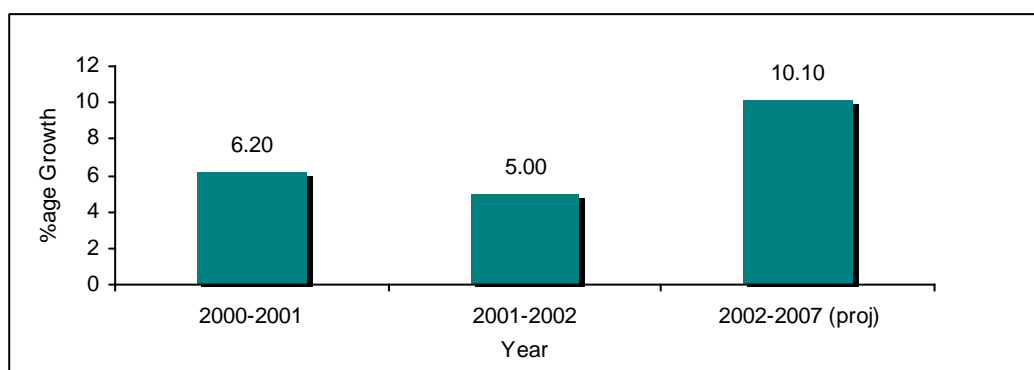
Executive Summary

Karnataka, is situated on the Western edge of the Deccan Plateau. This land of fragrance has all the ingredients of a great holiday. Its varieties lie in the relaxed length of the Arabian sea coastline, majestic Deccan rock to thick lush tropical forests, silk and sandalwood, an incredible variety of rare species of flora and fauna, a rich culture and heritage, forts, Palaces, ruins, Ornate Temples and pilgrim centers and Hill resorts. This miniature Indian State has plenty to offer and rightly poised to be one of the best Global Tourist destinations of the world in the coming years.

1.1 State Economy

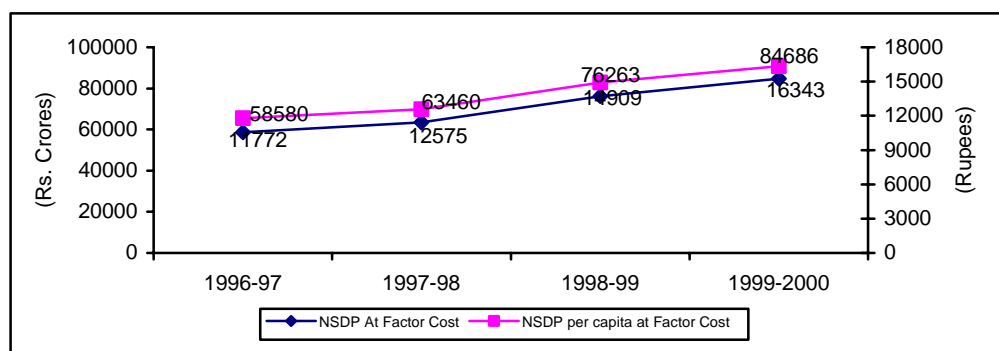
As per the State Economic Survey, 2001-2002, Karnataka shows a Gross Domestic Product (GDP) growth rate of 5%, which is less than the national average of 5.4%. The Gross State Domestic Product (GSDP) for 2000-2001 was Rs. 102,994 Crores. According to a recent report, the GDP of six states – Karnataka, Gujarat, Delhi, West Bengal, Tamil Nadu and Rajasthan - are expected to grow over 8% annually between 2002 and 2007. The average annual GSDP for Karnataka for the period 1994-1999 was around 7.6% and the projected figure for 2002-2007 is 10.1%.

Figure S.1: GDP Growth Rate



As per the Economic Survey, 2001-2002, the Net State Domestic Product (NSDP) at current price for the period 1999-2000 was Rs. 84,686 Crores, an increase of 10% over the previous year. The Per Capita Net State Domestic Product at current prices for the period 1999-2000 was Rs. 16,343 showing an increase of 9% over the previous year, i.e. 1998-1999.

Figure S.2: Trend in NSDP



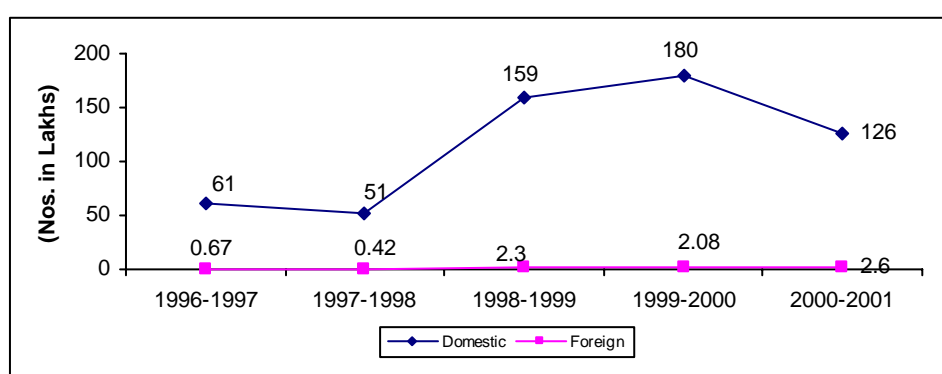
1.2 State Tourism scenario

1.2.1 Trend in Tourist Arrivals

The state currently ranks as the 4th most popular destination in the country. Around 12.6 million domestic tourist and 2,63,000 foreigners visited the state during 2000.

Karnataka	Arrivals-1999	Arrivals-2000	Arrivals-2001
Domestic	15902666	18000000	12600000
Foreign	229720	208000	260000

Figure S.3: Tourist inflow to Karnataka State



1.2.2 Past Tourist Arrivals in major tourist destinations in Karnataka

As per the information gathered from Ministry of Tourism, Govt. of India, Karnataka accounted for 4% of the total foreign tourists visiting India during the year 2000 and ranked 8th among all the Indian states. The states which are ahead of Karnataka in terms of foreign tourist arrivals are Delhi, Maharashtra, UP, Tamil Nadu, Rajasthan, Goa and Kerala. Domestic tourists for the same period accounted for around 8% of the total domestic tourists visiting different destinations in India and ranked 4th among all other Indian states only after UP, AP and Tamil Nadu.

Mysore accounts for the highest tourist arrivals in the state. The other major tourist destinations are Belur, Halebid, Jog falls, and Bijapur which together attract more than 75% of the total tourist arrivals in the state. Jog falls has shown the highest growth in the total tourist arrivals in the last few years. A negative growth rate in the recent past has been observed in tourist arrival in the destinations like Bijapur, Badami, Aihole Hospet, Hampi (world heritage center), Chitradurga, and Nandi Hills. Barring few places like Shravanabelagola, Bijapur, Aihole, Nandi Hills, in general, there has been an overall growth observed in the total tourist arrival during the period 1993-1999. The destinations like Mysore, Belur, Halebid attract maximum number of domestic tourists as well as foreigners visiting the State.

The State currently ranks as the 4th most popular destination in the country. Around 12.6 million domestic tourists and 2,63,000 foreigners visited the state during 2000. The state attracts around 4% of the foreign tourist arrivals to India. Tourism industry in Karnataka employed around 1.56 lakh people directly and 3.59 lakh indirectly, generating revenue of Rs.195.24 crore in 2000.

1.3 Tourist Infrastructure Facilities

1.3.1 Internal Transport

The state of Karnataka is well connected by different modes of transportation. The internal Air service is limited only to Bangalore and Mangalore, although there are quite a few number of airports / airstrips in the state. The regular bus services to various places in the state are well supported by both private and public sector enterprises. In Karnataka, KSRTC (Karnataka State Road Transport Corporation) plies more than 11,000 buses carrying around 6.5 million passenger everyday. The Elevated Light Rail Transit System project, to be completed by 2012, has also been undertaken for a long term benefit. As per Karnataka at a Glance – 2000-2001, there are around 19,242 Taxis, 1,52,809 Autorickshaws and 34,365 Omnibuses plying all over the state.

1.3.2 Accommodation

Accommodation facilities in the State are satisfactory only at major destinations at present with adequate rooms to accommodate the inflow of tourists of all classes and budget. Although, there is a need for more tourist accommodation specially in the places of tourists interest, the industry in general has been showing a slow growth in terms of number of rooms or new hotels coming up. Average annual occupancy ranges between 55-60%. As per the Karnataka Pradesh Hotel and Restaurant Association, there are over 1600 hotels and restaurants in the State. It was reported that besides the registered members of KPHRA, there are around 3000 Restaurants and 300-400 Lodges in the State. The Department of Tourism has listed more than 600 good accommodation facilities including Hotels, Lodges, Resorts, Forest Guest Houses, Inspection Bungalow, Religious lodges etc (having more than 17000 rooms) all over the State.

1.3.3 Entertainment and Shopping

As far as entertainment and recreational avenues are concerned, the state has a large number of Gardens and Amusement Parks, few Water Parks, Golf Courses, IT Parks, Theatre Complex, Art and Cultural centres / exhibitions, Fun worlds etc. Karnataka which is a culturally and heritage enriched state has a lot of things to offer like the traditional handicraft, artwork, wooden work, patchwork, speciality cuisine etc. These are displayed and available through a large number of shopping centres, stalls or exhibitions run by both private entrepreneurs as well as by the state government.

1.3.4 Tourist Information and Intermediaries

The State department of Tourism and the Karnataka State Tourism Development Corporation are bringing out more tourism related brochures and documents showcasing the state as ‘A Theatre of Inspiration’, and ‘A land of diverse tourist destinations’. There are around 30 booking agents of KSTDTC in the city and 50 all over the state. More than 100 travel and tour agents are operating through out the state. Currently, 75% of the tourists book through their agents. KSTDTC has future plans to open offices at a large number of strategic locations and extend all kind of assistance to the tourists including ticket booking, attractive package tour, Taxi arrangement, Pick up and drop facilities.

1.3.5 Communication and Banking Facilities

Karnataka currently has 2.73 telecom connections per 100 persons and is ranked as the 9th well connected state in the nation. Karnataka has better banking network than many states. Apart from 19 Nationalised banks, the state has State Bank of India and its 7 Associate banks. There are also over 25 private sector banks and 13 Regional Rural Banks in the state. Introduction of customer friendly banking facilities with an overwhelming presence of ATM services, 24-Hours Banking, Currency Exchanger, Credit Card Facilities etc have made life easier these days. However, the Banking facilities in rural and in the places of tourist attractions need to be improved, specially for the foreign tourists who faces a lot of inconvenience in the absence of smooth and hassle free banking facilities.

1.4 Existing Development / Investment Plans for Tourism Development

1.4.1 Capital investment/public spending in tourism

During the last decade in tourism, Private Investment to the tune of over Rs. 900 crore in 280 approved projects has been made. The revised Karnataka tourism master plan of 1997-2002 has envisaged an investment to the tune of Rs.4500 crore in the state for the development of tourism industry during the period 1997-2002, with special emphasis on the improvement of infrastructure facilities at various tourist circuits and destinations. The plan also envisages a major role to be played by the private sector contributing 70% of the total investment and the government in a new role as a catalyst contributing 30% of the total investment.

1.4.2 State Plan Outlay on Tourism

The state plan outlay on tourism from the year 1991-1992 to 2002-2003 is presented in the Table S.1. There was a substantial increase in the plan outlay during the period 1997-1999 as compared to the previous years. However, there was a drop in the tourism budget allocation for the subsequent periods. Again, during the current budget allocation (2002-2003), the total amount was substantially raised to the tune of Rs. 2090 lakh.

Table S.1: Tourism Budget Allocation (Rs. In Lakh)

Sl. No.	Year	Amount
1	1991-1992	310
2	1992-1993	188
3	1993-1994	521
4	1994-1995	985
5	1995-1996	925
6	1996-1997	1159
7	1997-1998	2250
8	1998-1999	2000
9	1999-2000	1010
10	2000-2001	1400
11	2001-2002	1350
12	2002-2003	2090

Source : Karnataka State Dept. of Tourism.

The details of the Tourism Budget allocation for the Year 2002-03 (Plan) is presented in the Table S.2

Table S.2: Tourism Budget allocation for 2000-2003 (Plan) – Karnataka

Sl. No.	Schemes / Projects	Budget Grant (2002-2003) (Rs. in Lakh)
1	Development of Beach Resorts	50
2	Centrally assisted Schemes for Tourist Promotion- Central Share	300
	Centrally assisted Schemes for Tourist Promotion -State Share	400
3	Direction and Administration	125
4	Tourist Bureau	90
5	Tourist Publicity	350
6	Tourism Promotion	450
7	Tourism as an Industry	300
8	Tourism Festival	25
Total		2090
State Share		1790
Central Share		300

Source : Karnataka State Dept. of Tourism/Govt. of Karnataka(GOK)

1.5 Categorisation of Existing & Potential Tourism Destinations

Five circuits have already been identified by the Government of Karnataka to develop tourism infrastructure and identify new tourism destinations.

1. Northern Circuit
2. Southern Circuit
3. Coastal Circuit
4. Wildlife Circuit and
5. Hill Resort Circuit

Under the current State Tourism Policy, the government has reclassified the tourist places of Karnataka under category A, B, C, D & E. Apart from the existing and potential tourism area, the government has also identified Special tourism areas, which is presented in the Table S.3

Table S.3: Special Tourism Areas in Karnataka

Sl. No.	District	Area
1.	Bijapur	Bijapur taluk, Hungund taluk
2.	Bidar	Bidar taluk, Basavakalyan taluk
3.	Chitradurga	Chitradurga taluk
4.	Hassan	Hassan taluk, Belur taluk, Channarayapatna taluk, Arakalgud taluk
5.	Kodagu	Madikeri taluk, Somawarpet taluk, Virajpet taluk
6.	Mandya	Srirangapatna taluk
7.	Mysore	Mysore taluk except Mysore Corporation Limits, Gundlupet taluk, T. Narasipur taluk, Kollegal taluk, Yelandur taluk
8.	North Kanara	One km. width of entire coast line from the hightide line
9.	Shimoga	Sagar taluk
10.	South Kanara	One km. width of entire coast line from the hightide line except the area covered by Mangalore City Corporation limits

1.6 Development of Tourist Circuits

Based on the availability of a huge variety and diversity in the places of tourist attraction with in the state, an effort has been made to identify and develop tourist circuits based on certain criteria, so as to

enable the tourist to extract maximum pleasure. Depending on the nature and the types of tourists the state receives, the identified circuits have been grouped into following heads:

1.6.1 Regional Circuits with Hubs and Spokes

1.6.2 Theme based Circuits

- Wild Life
- Temple
- Jain Pilgrimage
- Eco Tourism
- Plantation
- Spiritual
- Hill
- Coastal

1.6.3 Inter State Circuits

1.7 Evaluation of Existing & Potential Destinations

An evaluation of the various tourist destinations in the state was done to identify and prioritise the destinations in terms of their potential. The existing infrastructure, the relative strengths and weaknesses, prevailing climatic conditions, the accessibility etc., are some parameters considered while rating the destinations, projects as well as evaluating the destinations visited. Refer Appendix 3.4 (Chapter 3)

The destinations were evaluated on specific parameters, and ranked to prioritise the implementation and phasing of the projects over the twenty-year period.

Table S.4: Destination Evaluation

Sl. No.	Destination	Score as per the Evaluation	Sl. No.	Destination	Score as per the Evaluation
1	Bangalore	40	14	Halebid	34
2	Jog Falls	37	15	Chickmagalur	34
3	Mysore	37	16	Patadakal	34
4	Hampi	36	17	Hassan	33
5	Sringeri	35	18	Aihole	33
6	Udipi	35	19	Gokarna	32
7	Badami	35	20	Hospet	32
8	Mercara	35	21	Bandipur	32
9	Shravanabelagola	35	22	Kharapur	32
10	Mandya (KRS)	34	23	Karwar	31
11	Mangalore	34	24	Shimoga	30
12	Bijapur	34	25	Chitradurga	28
13	Belur	34	26	Dharwad	22

The evaluation of the various destinations provided a framework for the prioritization of tourism development in the State.

Projects and destination prioritisation matrix: Based on the scores arrived through evaluation criteria for the projects as well as the destinations (refer the evaluation of destination-wise projects attached as Appendix – 4.2 and the destination evaluation attached as Appendix – 4.3), a matrix can be generated for taking up projects on priority at prioritised destinations. Though criteria used for said evaluation may not be taken as the final evaluating criteria for the prioritisation of the destinations-wise projects, these would act as guiding factors for giving shape to identified projects. It is to be noted that priority for a project primarily depends on the ranking of the tourist destination along with the ranking of the specific tourism project itself. Therefore, if a destination is being developed on a priority, then projects have to be simultaneously set up at the place.

Considering the above, a small matrix showing the projects that may be taken up immediately at some of the prioritised destinations is presented below. Please note this is not an exhaustive matrix. More matrix can be generated in similar fashion for more destinations and the projects.

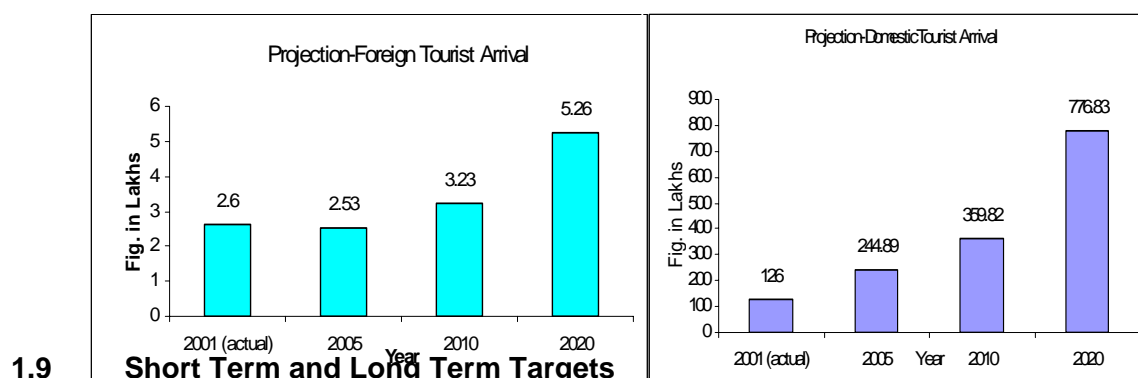
Destination and Project Matrix

Destinations	Projects
Mysore	Amusement Parks, Zoo and Children Park, Transportation, Information Centres and Light and Sound Programs
Mercara	Light and Sound, Cultural Heritage Centres, Amusement Park and Rope-way
Badami-Aihole-Pattadakal	Transportation, Public Facility, Amusement Park and Zoo and Children Park
Belur-Halebeid-Shravanabelagola	Rope-way (Shravanabelagola), Hotel and Accommodation
Bangalore	Air-strips, Cultural Heritage Centres, Amusement Park
Hampi	Information Centres, Transportation, Public Facilities, Hotel and Accommodation
Jog falls	Water Sports, Transportation, Cultural Heritage Centres, Amusement Park

1.8 Twenty Year Perspective Plan

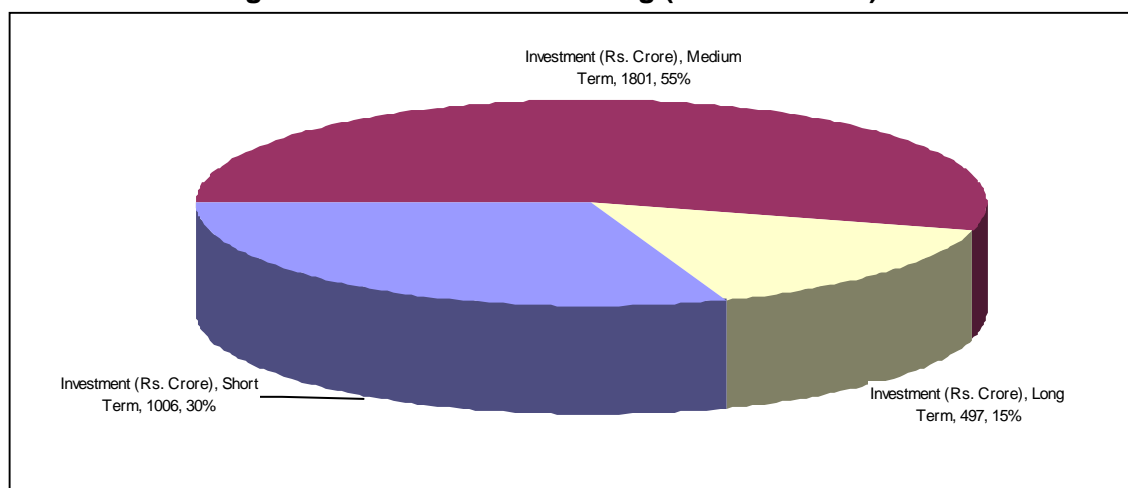
The projection of domestic and international tourist traffic is shown in Figure S.4

Figure S.4: TRAFFIC FLOW PROJECTIONS



Short term, medium term and long term targets are given in Figure S.5

Figure S.5: Investment Phasing (Value in lakhs)



1.10 Configuration of Likely Investment

The following total investment is required in the state over the next twenty years (2002-03 to 2021-22) to usher in a new era of tourism and to bring in more influx of both domestic and foreign tourists.

Table S.5: Total Investment

Investments/ Head wise	Total Investments Rs in crore
Basic Infrastructure Projects	1380
Tourism Projects	445
Tourism Infrastructure Projects	580
Projects In Pipeline(DOT)	362
Marketing and Publicity	225
Human Resources Management	110
Tourism management / Administration	70
Others (Incentives / subsidies)	130
Total Investments for the state	3302

1.11 Identified Tourism Projects

Projects have been identified based on, the existing tourism potential of the destinations, sustainability and maintenance of the eco-balance of the region, etc. These are the projects which can ‘stand-alone’ and attract local population, day tourists, apart from the domestic and foreign tourists visiting the destination.

- Coorg Restaurant
- Ropeway
- Galatta Camp
- Children's Park with restaurant
- Ethnic Village
- Adventurous Lake Camps
- Karna-trekking Camp
- Kannada shikara
- Doordarshini (Aqua Towers)
- Coffee Resorts
- Water Sports Complex
- Aero Gliding Sports
- Beach Cottage
- Five Star Hotel
- Museums/ Heritage Centres
- Fort/Palace/Temple Devpt
- Light & Sound Program
- Karnatic Saga-Luxury Train
- Integrated Jog Development Plan
- Development of World Heritage Centre Hampi
- Night Safari at Bannerghatta Park
- Golf Courses

1.12 Tourism Infrastructure Projects

The following projects are classified under the head Tourism Infrastructure projects primarily because they are Infrastructure projects catering to visitors and tourists. The Government of Karnataka has a key role to play in bringing in the investment from multilateral agencies and to encourage individual entrepreneurs to invest more in revenue generating projects in infrastructure.

1. Hotel and Other Accommodation
2. Information Centres
3. Signage
4. Transportation
5. Landscaping

1.12.1 Basic Infrastructure Projects

The basic infrastructure required in a particular destination like water supply, availability of uninterrupted power supply, storm water drainage facility and sewerage services, solid waste management etc., shall form part of these projects. For our estimation purposes, only three major aspects are considered, viz. Airports, Roads and Public facilities.

1.12.2 Project Concepts - To Be Explored

Apart from the above, some of the other project concepts that could be considered for detailed investigation before they are incorporated in the implementation plan include.

- Night Safari at Bannerghata National Park.
- Integrated Jog Development.
- Tourism Plaza at Bangalore.
- Re-creation of Dussehra in Mysore.
- Music Gurukul in Dharwad.
- Oceanarium in Mangalore.
- Ayurveda and Yoga Health Resorts

1.12.3 Feasibility / Viability for Identified Projects

A summary of Financial Indicators of the economic tourism projects are given in the following Table S.6.

Table S.6: Summary of Financial Indicators for Tourism Projects Considered

Sl. No.	Project Concept/Configuration	Investment Rs. Lakhs	Financial Indicators (ROI)	Employment Generation (Direct)
1	Coorg Restaurant	7.94	28.68%	10
2	Coffee Resorts	36.63	19.67%	14
3	Water Sports Complex	84.67	26.35%	19
4	Aero Sports	31.57	32.34%	11
5	Beach Cottage with Restaurant	22.85	27.16%	7
6	Karna- Trekking	3.12	31.06%	11
7	Galatta Camp	115.83	24.70%	15
8	Five Star Hotel	3891	24%	150
9	Rope-way	455.80	22.58%	11
10	Aqua Tower	24.95	23.27%	6
11	Adventurous Lake Camps	26.38	22.12%	12
12	Children's Park with Restaurant	78.09	22.93%	15
13	Ethnic Village	27.19	32.36%	10
14	Kannada Shikara	24.37	23.9%	15

1.12.4 Agencies responsible for implementation

Since tourism is a multi-sector project, agencies need to be identified who will be responsible for the execution of each sub-project. The following statement broadly indicates the sub-project and the executing agency for each sub-project:

Table S.7: Executing Agency for Projects

Sl. No.	Name of Sub-project	Department Responsible	Actual executing agency
1	Accommodation	DOT	KSTDTC, Private Sector
2	Transportation	DOT	DOT, KSTDTC, ITDC, Private Operators
3	Wayside amenities	DOT	KSTDTC, DOT
4	Wildlife and Adventure Tourism	DOT	DOT, Private Sector
5	Visitors Induction Centre	DOT	KSTDTC, DOT
6	Landscaping		
	- at wildlife sanctuaries	Forest Dept	Forest Dept
	- Flood lighting	DOT	DOT, Private Operators
	- Son et lumiere	DOT	DOT
	- Signage	DOT	DOT, Department of Archaeology, Municipal Corporation
	- Archaeology	Dept. of Archaeology	Dept. of Archaeology
7	Telecommunication	Dept. of Telecommunication	Dept. of Telecommunication
8	Roads	PWD	PWD

Sl. No.	Name of Sub-project	Department Responsible	Actual executing agency
9	Water & Sanitation	KVWSSB & PHE	KWSSB & PHE
10	Power	KEB	KEB
11	Air Strips	PWD	PWD/ KSTDC
12	Human Resource Development	DOT	DOT with the help of language training & other institutes
13	Marketing Strategy	DOT	DOT
14	Project monitoring and evaluation	DOT	DOT

1.13 Development Strategy

Karnataka's tourism development strategy should focus on the following priorities:

- The management and implementation of the Tourism Master Plan
- Promoting travel in Karnataka and establishing Karnataka's position as a world-class tourism destination while retaining its distinctive identity
- The restoration and preservation of tourism attractions and the promotion of eco-tourism
- Promoting repeat visits and educational trips
- Raising Karnataka's profile and showcasing the State as a global destination
- Increasing visitor arrivals and positioning Karnataka as a hub for meetings, conventions and exhibitions

1.14 Communicating the plan

Clear understanding of the perspective plan is essential to achieve goal congruence amongst various government departments. It enables the concerned departments to make amendments if possible in their policies and regulations related to tourism projects and also to provide feedback on the proposed projects. Communication of the plan can be done through different channels depending upon the audience. Communication of plan to the various state government bodies will be the responsibility of the Karnataka State Tourism Development Corporation.

1.15 Developing an Institutional framework

To communicate and co-ordinate with different government departments to get the required clearances, a high level co-coordinating committee is proposed to be set up with representation from all related state government departments. This Committee will be responsible for the implementation of the perspective plan and would be called as Tourism Steering and Controlling Committee or Co-ordination Committee (TSCC).

1.15.1 Promotion/ Marketing Cell of KSTDC/DOT

KSTDC's existing marketing department would handle promotion and publicity campaigns directed towards both tourists and investors. This department would work closely with other departments such as forests, ASI, arts and culture and promote tourist attractions related to all these departments.

1.15.2 Market Research, Planning and EIA Cell

The market research and planning department of KSTDC would undertake feasibility studies and detailed project reports for short-term projects. This cell would also perform an essential function of continuous monitoring of the impact on environment of a particular destination due to increase in the tourist inflow and setting up of new tourism projects.

1.15.3 Regional Execution Offices

The regional tourism offices of KSTDC / DOT would act as facilitators between investors and the government departments. These offices would be a single window clearance point for all projects proposed in that region.

The regional offices would also assist investors and funding agencies in the implementation stage for acquisition of land, augmentation of basic infrastructure, etc.

1.16 Human Resource Development

The availability of trained manpower is one of the major factors for the success and development of sustainable tourism. The role of trained guides, interpreters, tour operators and even the service providers in hotels and restaurants is of immense value adding to the comforts and the convenience of the tourists. It is proposed to undertake certain activities to enhance knowledge, skills and capabilities of persons and organisations in government and the private sector, to effectively operate and manage all aspects of human resources in the tourism sector.

1.17 Marketing Strategy

Marketing and Publicity plays a pivotal role in successful implementation of a perspective tourism development plan. The marketing effort should be addressed at both tourists and investors. The following elements would be included in formulating the marketing strategy:

1. Destination Prioritization
2. Target customer – Location-wise, Income-wise, Purpose-wise
3. Targeted Tourist inflow
4. Target investment inflow at each destination

From the Target Customers' point of view, marketing the tourist destinations in Karnataka will have to be done at two levels, i.e. marketing for the domestic tourists and marketing for the foreign tourists

Publicity in the print and Audio-visual media, Road shows and exhibitions, Interviews and newspaper articles, Familiarity (FAM) tours for tour operators, alliances with transporters, international airways, international tour operators, Tourist Information Center and Kiosks, etc. should be used to promote individual destinations, circuits and even the entire State. Such promotion of destinations would serve a dual purpose of attracting tourists as well as investments to that destination.

1.18 Financing

The Government has to prepare a strategy paper for disinvestment of the tourism projects. The Government has to limit its role to only that of a facilitator and take up the responsibility of providing the basic infrastructure necessary for the development of tourism in the State.

1.19 Infrastructure Development

Sustainable tourism development cannot be viewed in isolation. Unless the State gears up in improving the infrastructure, most of the plans will remain only on paper. It is therefore, imperative that adequate funds are allotted as detailed out and specific action plans have to be drawn out in the development of infrastructure projects.

1.20 Recommendations

Major plans, action and strategies proposed are compiled and presented as the following recommendations:

- Tourism Department should act as a nodal agency for co-ordinating with various other States and Central departments in order to promote the state and to provide better infrastructure.
- A single window clearance of tourism projects with a transparent process should be evolved.
- The dual reporting structure should be removed and the tourism heads at the district level should be at helm of affairs in their location. The role of the District Collector in Tourism needs to be re-examined.
- More budgetary support to the department should be provided by the state government
- Additional assistance from Central Government should be sought for developing mega tourism projects envisaged for the state
- Awareness should be created among the locals on the earning potential/employment opportunity on account of tourism, thereby changing the closed and conservative mindset of the people
- A tourism university can be developed with Mysore /Bangalore and the state should take the lead role in developing tourism professionals.
- The role of private entrepreneurs in Tourism promotion and in implementing projects should be recognised and a Public-Private Tourism model should be evolved.
- The Government should focus its efforts in promotion of the State abroad and in other States and act as a facilitator by limiting itself to providing infrastructure support.

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Study Report on Preparation of 20 Years Perspective Plan for Development of Sustainable Tourism in Karnataka

March 2003

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Study Report on Preparation of 20 Years Perspective Plan for Development of Sustainable Tourism in Karnataka

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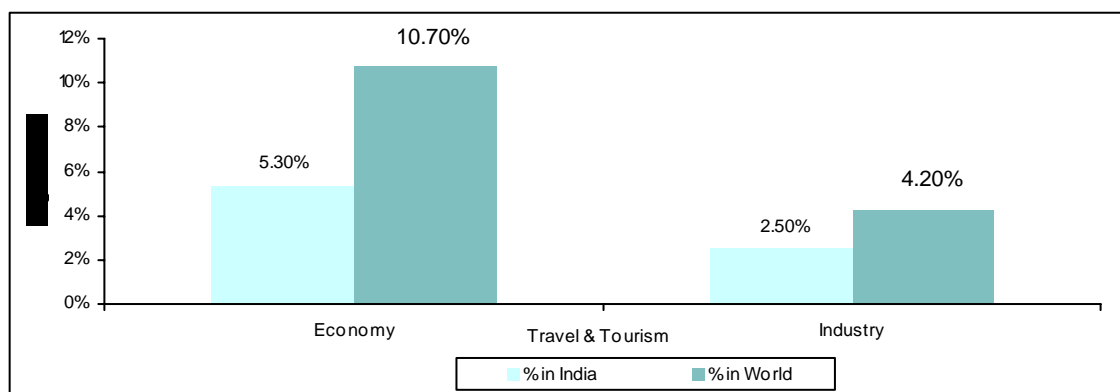
1 INTRODUCTION

1.1 TOURISM SCENARIO IN INDIA – AN OVERVIEW

1.1.1 Contribution to the economy

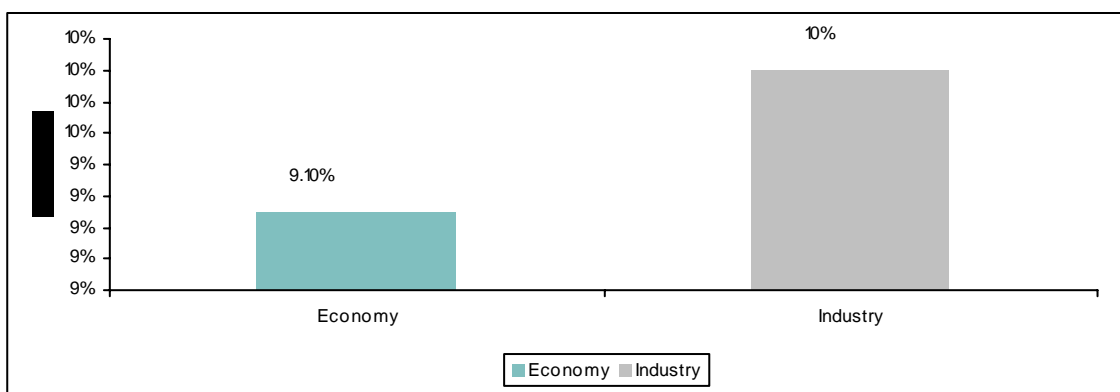
In 2001, Travel & Tourism (T&T) in India was expected to generate Rs 1564 bn of economic activity (total demand) making India the 22nd largest tourism market in the world.

Figure 1.1: Share of T&T economy and T&T industry (as % of GDP)



The T&T economy in India accounts for 5.3% of the GDP as against 10.7% of GDP worldwide. The T&T industry in India contributes 2.5% of GDP as compared to a world average of 4.2%.

Figure 1.2: Projected growth of T&T economy and T&T industry as % of GDP



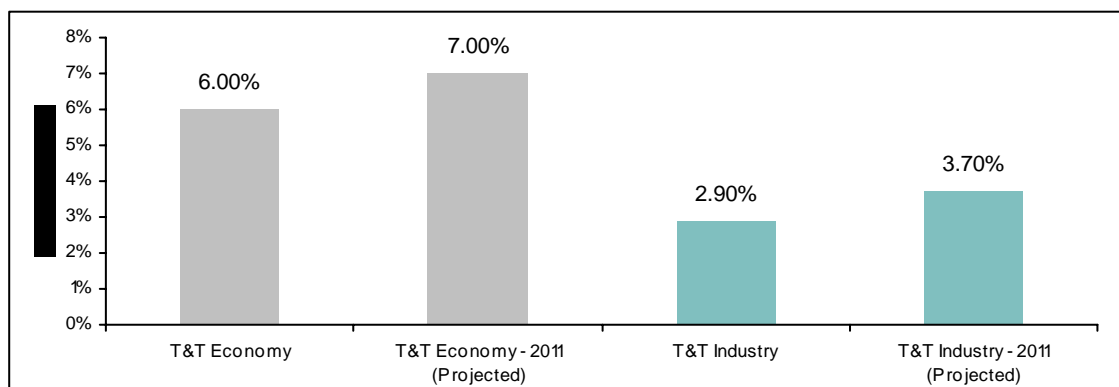
The T&T economy is projected to grow at 9.1% annually and the T&T industry is projected to grow at 10% annually through 2011.

(T&T industry produces products and services for visitor consumption while T&T economy produces products and services for visitor consumption as well as products and services for industry demand)

(Source: World travel and trade council)

(i) Employment generation

Figure 1.3: Projected share of Employment



India's travel and trade economy accounts for 25 million jobs or 6% of all employment. The department of tourism estimates of travel and trade industry jobs are 4.2 million or 2.9% of all employment. The share of T&T economy is projected to rise to 7% and the share of T&T industry is projected to rise to 3.7% through 2011.

The employment in T&T economy is projected to grow at 3.6% annually and the employment in the T&T industry is projected to grow at 2.8% annually through 2011.

(ii) Capital investment

Capital investment in India on travel and tourism infrastructure, equipment, plant and facilities were estimated to be US\$ 7328.9 million in 1999 and are projected to grow at 7.6% annually till 2011.

(iii) Government Expenditure

The spending by government agencies to provide goods and services to visitors or travel companies was estimated to be US\$ 599.6 million in 1999 and projected to grow at 4.9% annually through 2011.

(iv) Share of world tourism traffic

The total number of international arrivals (world) reached a record 699 million, an estimated growth of 7.4% in 2000 according to results received by WTO (World tourism organization). International tourist arrivals to India in 2000 were estimated at 2.64 million, a growth of 6.4% over the previous year. India was estimated to have a share of 0.38% in world tourism traffic in 2000.

WTO has classified the world into 6 regions viz; Africa, Americas, East Asia / Pacific, Europe, Middle East and South Asia. Europe and Americas are the main tourist receiving regions. Europe accounted for 58% of the world tourism traffic and Americas accounted for 18% of world tourism traffic in 2000. South Asia has a market share of 0.9% in the world tourism traffic. India is the leading destination in the South Asia region with a share of 41.2% of tourist arrivals to South Asia in 2000. (The South Asia region comprises India, Iran, Pakistan, Maldives, Nepal, Sri Lanka).

(v) International Tourism receipts

World wide, International tourism receipts amounted to US\$ 475.8 billion (\$ 680 per person), an estimated growth of 4.5% in 2000 according to WTO. International tourism receipts in India was estimated to be US\$ 3.3 billion (\$ 1250 per person) in 2000, a growth of 9.5% over the previous year. India was estimated to have a share of 0.69% in international tourism receipts in 2000.

The United States is the leader with an estimated US\$ 85.2 billion in international tourism receipts in 2000. South Asia is estimated to have a share of 1.1% in international tourism receipts of which 65.8% is accounted for by India.

(vi) Trends in International tourist arrivals

Figure 1.4: Trend in international tourist arrivals in India

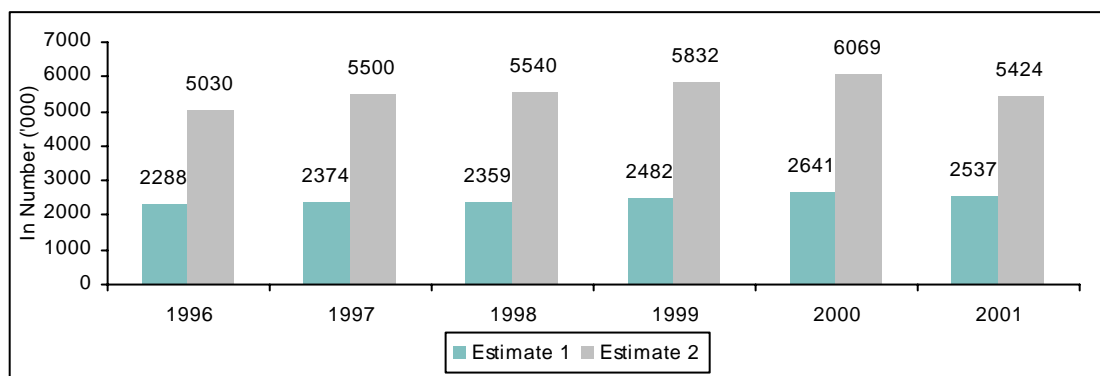


Table 1.1: Growth in International tourist arrivals

Year	Estimate (Nos.) (1)	Growth (%)	Estimate (Nos.) (2)	Growth (%)
1996	2287860		5030342	
1997	2374094	3.77%	5500419	9.34%
1998	2358629	-0.65%	5539704	0.71%
1999	2481928	5.23%	5832105	5.28%
2000	2649378	6.70%	5893542	1.05%
2001	2537282	-4.2%	5423667	-7.97%

Source: 'Tourist Arrivals in India', Ministry of Tourism, Govt. of India

Annual report, Department of tourism, Govt. of India

Note: Estimate (1) refers to data on foreign tourist arrivals compiled from disembarkation cards at port of entry

Estimate (2) refers to data collected from various accommodation establishments by State Govt / UT administration

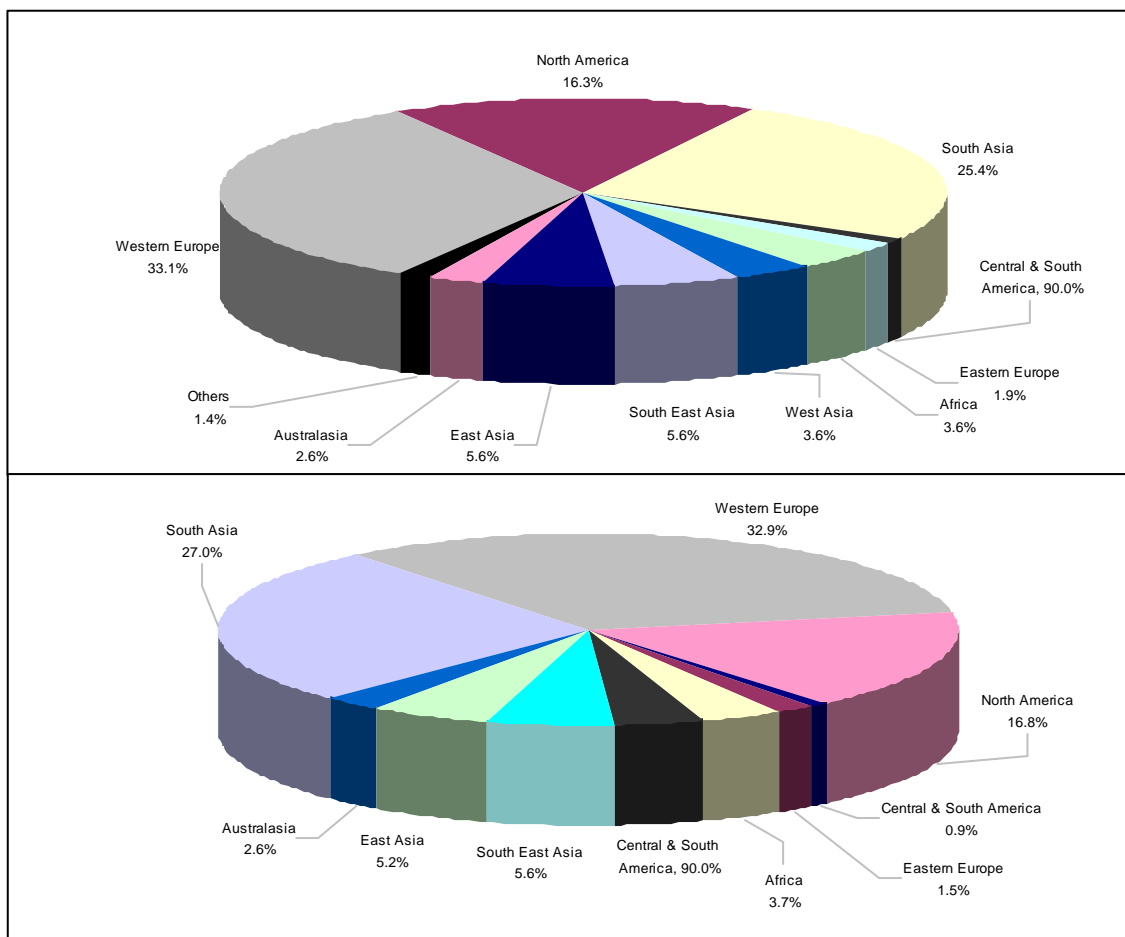
Table 1.2: The percentage share in total arrivals from different regions

Regions	Percentage share in total arrivals	
	2000	2001
North America	16.3	16.5
Central and South America	0.9	0.9
Western Europe	33.1	32.3
Eastern Europe	1.9	1.5
Africa	3.6	3.6
West Asia	3.6	3.8
South Asia	25.4	26.5
South East Asia	5.6	5.5
East Asia	5.6	5.1
Australasia	2.6	2.6
Others	1.4	1.7

Source: Ministry of Tourism, Government of India

A number of factors such as tourism brand image, global economic situation, political stability, tourism facilities contribute to the flow of foreign tourist arrivals to the country. Although, there are seasonal variations, the peak months are November to February while the lean months are May- June when the climate is hot.

Figure 1.5: Share of different regions in International tourist arrivals



(vii) Trends in Foreign exchange earnings

Figure 1.6: Trend in foreign exchange earnings

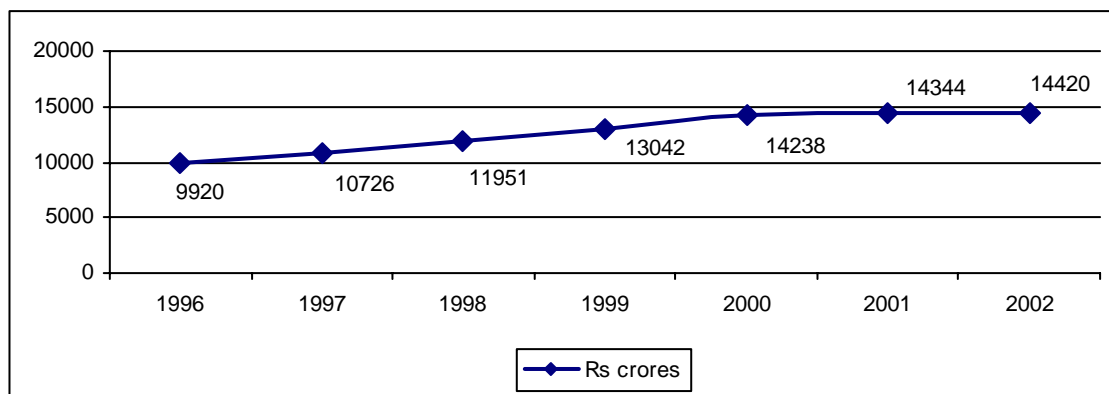


Table 1.3: Growth in foreign exchange earnings

Year	Forex earnings	Growth	Travel receipts in India	Growth
	Rs crores	(%)	US \$ million	(%)
1996	9919.96		2832	
1997	10725.64	8.12%	2889	2.01%
1998	11950.78	11.42%	2948	2.04%
1999	13041.81	9.13%	3009	2.07%
2000	14238.00	9.17%	3168	5.28%
2001	14344.00	0.7%	3042	-4.0%
2002	14419.82	0.5%	2964.7	-2.5%

Note: Based on RBI figures

Source: Annual Report, Department of Tourism

Tourist arrivals in India', Department of tourism

(viii) Trends in domestic tourism

Domestic tourism has grown substantially during the last few years due to the increase in income levels and emergence of a dynamic middle class.

Figure 1.7: Trends in domestic tourism

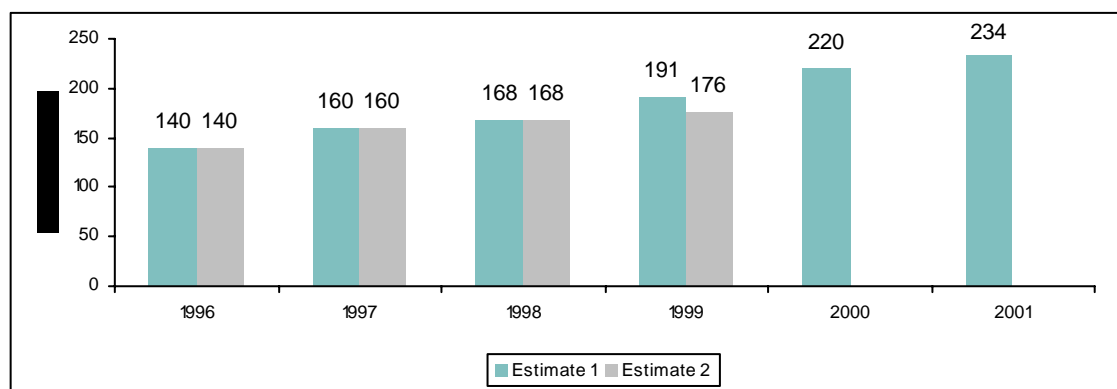


Table .: Domestic arrivals - Estimates

Year	Estimate (1)	Growth (%)	Estimate (2)	Growth (%)
1996	140119672		140119672	
1997	159877008	14.10%	159877008	14.10%
1998	168196000	5.20%	168196000	5.20%
1999	190671014	13.36%	176082442	4.69%
2000	220106941	15.44%	NA	NA
2001	234200935	6.4%	NA	NA

Source: 'Tourist Statistics 2000', Dept. of Tourism, Government of India

Note: Estimate (1) refers to data compiled by state govts/ UT administration

Estimate (2) refers to data compiled by World Travel and Tourism Council

(ix) National tourism policy

Tourism policy was announced for the first time in Nov. 1982. The measures suggested in the policy included

-
- Granting export industry status to tourism, adopting a selective approach for developing tourist circuits,
 - Inviting private sector participation and
 - Utilization of national heritage for attracting tourists.

The policy recognized the importance of international tourism in earning foreign exchange and accorded high priority to its development. The policy recognized that facilities provided are minimal for the large number of domestic tourists who travel on pilgrimage or as tourists for other motivations and the need to substantially improve and expand facilities for domestic tourists.

A national action plan for tourism was drawn up in May 1992. The objectives of the action plan included

- Socio economic development of areas,
- Increasing employment opportunities,
- Developing domestic tourism especially for the budget category,
- Preservation of national heritage and environment,
- Development of international tourism and optimization of foreign exchange earnings,
- Diversification of tourism product and
- Increase in India's share in world tourism.

The strategies for achieving the objectives outlined

- Improvement of tourism infrastructure,
- Developing areas on a selective basis for integrated growth along with marketing of destinations to ensure optimal use of existing infrastructure,
- Restructuring and strengthening the institutions for development of human resources and
- Evolving a suitable policy for increasing foreign tourist arrivals and foreign exchange earnings.

Tourism was declared as a priority sector for foreign investment in July 1991.

A new national tourism policy has been drafted to keep pace with the developments taking place around the world and under consideration of the Government of India. The draft tourism policy includes provisions like facilitating the development of a dynamic private sector in tourism, promoting eco-tourism and rural tourism, facilitating domestic tourism by promoting amenities and facilities for budget tourist, giving greater stress to development of pilgrimage centres and integrated development of identified tourist destinations with the involvement of all the infrastructural departments, states and the private sector.

The salient features of the draft tourism policy are as follows:

- (a) Providing for people's participation in the development of tourism and in sharing the benefits of tourism
- (b) Facilitating the development of a dynamic private sector in tourism industry

-
- (c) Coordinating the efforts of different government departments and agencies in making India a tourist friendly country and in providing the required infrastructure
 - (d) Facilitating domestic tourism by promoting amenities and facilities for budget tourists
 - (e) Integrated development of identified tourist destinations with the involvement of all the infrastructural departments/State govts and the private sector.
 - (f) Development of tourism in the North East, Himalayan region, Jammu & Kashmir and the islands of Andaman and Nicobar and Lakshhadweep, as part of an overall strategy of economic development of the regions.
 - (g) Enhancing outlay for infrastructure
 - (h) Enacting suitable legislation on travel trade / tourist police for protection and security of tourists
 - (i) Liberalisation of the visa regime
 - (j) Uniformity and rationalization in taxation structure
 - (k) Focused and cost effective marketing strategy

To strengthen infrastructure facilities, 21 circuits and 12 destinations have been identified so far for development through the joint effort of central and state governments and the private sector. These are listed in Appendix 1.1 and 1.2. Additionally, 33 pilgrim centres in 17 states have been identified for the development of infrastructure facilities. These are listed in Appendix 1.3

Six new circuits to be developed for tourism were announced in the 2002-03 budget by the finance minister. The selection is specially aimed at attracting tourists from Japan, Korea, Thailand, Indonesia and other far eastern countries.

- The first is the Bihar circuit which includes the traditional Buddhist circuit covering Bodhgaya, Rajgir, Nalanda and Varanasi
- The second is the Buddhist monastic circuit between Himachal and Kashmir and includes Kulu, Manali, Lahaul, Spiti and Leh.
- The third is a heritage circuit covering Gujarat which includes Ahmedabad, Dhola Vira, Rajkot, Dwaraka, Porbunder, Somnath, Girnar and Palitana
- The fourth is the South Indian circuit that covers Chennai, Mahabalipuram, Kanchipuram, Thiruvannamalai, Ginjee and Pondicherry
- The fifth is the Kerala circuit which covers Palghat, Kochi, Kottayam, the backwaters in Kumarakom and Trivandrum
- The sixth circuit is the northeastern circuit which includes Guwahati, Kaziranga, Shillong and Tawag

Special tourism areas: The State Governments of Kerala, Tamil Nadu, Orissa and Maharashtra and Union Territory Administration of Daman and Diu have declared Bekal Beach (Kerala), Muttukadu-Mamallapuram (Tamil Nadu), Puri (Orissa), Sindhudurg (Maharashtra) and Diu as special tourism areas for integrated development.

The new Tourism Policy of 2002 is attached as Appendix

(x) Plan outlays for tourism

The budget for tourism has been hovering around 0.15 – 0.20 % of the total central plan outlay .

There has been a gradual increase in Central Plan outlay for tourism over the plan periods from Rs 1.58 crores in the second plan to Rs 272 crore in the eighth plan. As against the eighth plan outlay of Rs 272 crore (1991-92 prices), the expenditure during the period has been Rs 490.42 crores.

The approved allocation for tourism for the ninth plan period (1997-2002) was Rs 485.75 crores .

Figure 1.8: Break up of 9th plan allocation

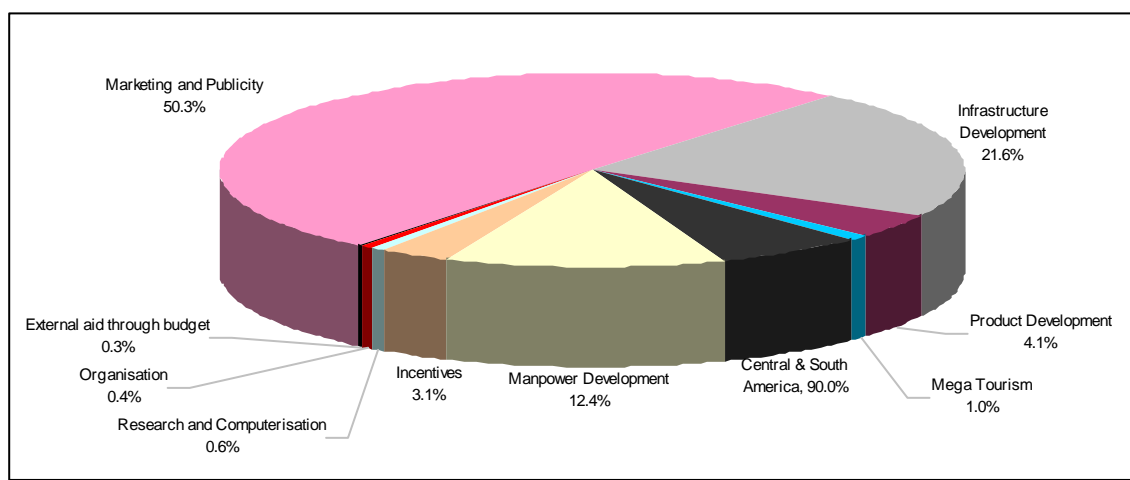


Table 1.5: Ninth plan outlay (1997-2002)

Name of the scheme / Project programme	Outlay (Rs crores)
Infrastructure Development	105.00
Product Development	20.00
Mega Tourism	5.00
Paryatan Bhavan	30.00
Marketing and Publicity	244.43
Manpower Development	60.00
Incentives	15.00
Research and Computerisation	3.00
Organisation	2.00
External aid through budget	1.32
Total	485.75
Source: Annual Report, Department of Tourism	

The budgetary allocation for 2002-03 has gone up to Rs 225 crore.

(xi) Major tourist circuits and destinations

India is accessible from all four directions – north, east, south and west. Each of the four gateways has its own history.

Figure 1.9: MAJOR TOURIST CIRCUITS IN INDIA



Northern circuit: Delhi, the capital city, is steeped in history. It combines the grandeur of Mughal architecture of Old Delhi with the formal splendour of New Delhi, built in the early 20th century. Along with Jaipur and Agra, Delhi forms the 'Golden Triangle'. Agra is home to the Taj Mahal, a world famous monument while Jaipur offers the visitor a chance to experience royalty at its luxury hotels which were palaces of the local rulers.

Western circuit: Mumbai is the commercial capital of the country. It is also a major international airport and harbour. The British influence is evident from the architecture of the Gateway of India,

Bombay high court, Old Secretariat, University buildings and Victoria Terminus. Pune, the capital of the Marathas during the reign of the warrior king Shivaji, is 163 kms from Mumbai. Aurangabad, the main stopover before visiting the world heritage sites, Ajanta and Ellora is 400 kms from Mumbai. The sculptures of Hindu, Buddhist and Jain faiths found in the 34 caves at Ellora date back to over a 1000 years while the ones at Ajanta date back to the fifth century.

Southern circuit: The southern gateway to the country, Chennai, is the symbol of Dravidian culture. It is the starting point to the temple towns of Mahabalipuram, Kanchipuram, Chidambaram, Tanjore, Tiruchirapalli, and Madurai. The French style of coastal town of Pondicherry lies to the south of Chennai. Kerala, with its beautiful coconut beaches lies on the western coast. Kanyakumari, a popular pilgrimage town is the southern tip of country, where one can watch the sun set and moon rise at the same time.

Eastern circuit: Kolkata, listed among the world's largest cities, came into being as a British trading post and later capital of British empire in India during the 17th century. The Indian museum, the Victoria memorial, the botanical gardens and Dakshineswar's kali temple are famous landmarks in the city.

Northwards of Kolkata, is the hill station of Darjeeling, which offers spectacular views of Kanchenjunga peak (8586 metres). The state of Orissa, on the eastern coast has a rich heritage of classical dance, music, silverware, handicrafts and sculpture and its own 'Golden Triangle' comprising the three temple towns of Bhubaneswar, Puri and Konarak. Puri is counted among the four holiest cities in India and famous for the 12th century Jagannath temple. Konarak features in the circuit for its Sun temple, an architectural masterpiece.

Preferred destinations in India

The most popular destinations in India for foreign tourists have been the golden triangle of Delhi-Jaipur-Agra, Goa, Rajasthan, and very recently, Kerala. The National Geographic has rated Kerala among the 50 must see destinations of a lifetime.

As per the survey conducted by the Ministry of Tourism, the most visited destinations in India by foreign tourists include:

- | | |
|------------------------|----------------------------|
| • Delhi | • Udaipur, Rajasthan |
| • Mumbai, Maharashtra | • Pune, Maharashtra |
| • Agra, U.P | • Mysore, Karnataka |
| • Chennai, Tamil Nadu | • Ajmer, Rajasthan |
| • Kolkata, West Bengal | • Goa |
| • Jaipur, Rajasthan | • Secunderabad, A.P |
| • Varanasi, U.P | • Cochin, Kerala |
| • Bangalore, Karnataka | • Shimla, Himachal Pradesh |
| • Panjim, Goa | • Ahmedabad, Gujarat |

The top 10 states in India which account for more than 90% of the foreign tourist arrivals are given in Table 1.6.

Table 1.6: Top 10 States: Foreign Tourist Arrivals (2001)

Sl. No	State	Foreign Tourist Arrival (% of total)
1	Maharashtra	16.80
2	Delhi	15.30
3	UP	14.70
4	TN	14.30
5	Rajasthan	11.20
6	West Bengal	5.20
7	Goa	4.80
8	Kerala	3.90
9	Karnataka	2.60
10	HP	2.50
	Total	91.30

Source: Ministry of Tourism, Govt. of India

The top 10 states which account for around 90% of the domestic tourist arrivals is given in Table 1.7

Table 1.7: Top 10 States: Domestic Tourist Arrivals (2001)

Sl.no	State	Domestic Tourist Arrival (% of Total)
1	UP	29.00
2	AP	22.50
3	TN	10.20
4	Karnataka	6.00
5	Uttranchal	4.10
6	Maharashtra	3.60
7	Gujrat	3.50
8	Rajasthan	3.30
9	Bihar	2.60
10	HP	2.20
	TOTAL	87.00

Source: Ministry of Tourism, Govt. of India

(xii) Bali declaration

India is signatory to the Bali declaration on barrier free tourism for people with disabilities. The declaration urges governments to develop action programs to promote barrier free tourism for people with disabilities, older persons and families with young children. The declaration also requests the governments to respect the rights of disabled persons to have equal access to tourist facilities, programs and services and strengthen craft production, entrepreneurial and marketing skills among them.

(xiii) SWOT analysis of India as a tourist destination

Table 1.8: SWOT analysis

Strengths Rich culture and heritage Variety of landscapes, lifestyles and cuisines Rich tradition in handicrafts Colourful fairs and festivals	Weaknesses Poor accessibility to many tourist destinations due to basic Infrastructure bottlenecks Lack of tourist infrastructure & basic amenities at many tourist destinations Lack of information about tourist destinations Unfavorable brand image as a tourist friendly destination.
Opportunities Global trend towards exotic destinations like India Tourism potential unexploited	Threats Aggressive marketing and promotion by competing destinations in Asia like Malaysia

1.2 STUDY OBJECTIVE

To prepare a 20 year perspective plan for development of sustainable tourism in Karnataka.

1.3 SCOPE OF THE STUDY

The Ministry has provided guidelines to be followed for preparation of perspective plan which are listed as follows:

- A perspective plan with a time frame of 20 years needs to be developed for developing sustainable tourism giving year wise phasing of investment having regard to the resources available.
- The plan should indicate short term and long term plans, targets and ground realities
- The plan should indicate all activities to be undertaken by different agencies clearly indicating the time frame for each activity.
- The plan should be able to assess the existing tourism scenario in the state with respect to existing traffic levels and inventory of :
 - ♦ Natural resources
 - ♦ Heritage and other socio-cultural assets
 - ♦ Quantitative / demographic factors like population, employment, occupation, income levels etc
 - ♦ Services and infrastructure already available
- The plan should review the status of existing development / investment plans of schemes for the development of tourism in the region
- The plan should list and evaluate existing potential tourist destinations and centres and categorise them on the basis of inventory of attractions, infrastructure availability, degree of popularity, volume of traffic flow etc

-
- The plan should analyse and categorise existing / potential destinations and centres , as a stand alone destination, part of a circuit and /or as major attractions for special interest groups etc
 - The plan should assess the existing infrastructure levels at identified destinations / centres in terms of quality of roads / transportation facilities, civic amenities, enroute transit facilities, boarding and lodging facilities etc
 - The plan should be able to broadly assess traffic flow to identified destinations and centres for assessment of infrastructure requirements taking into account past growth trends, suggested linkages and integration, future expected developments including likely investments by the state and investment climate / incentive for private sector etc
 - The plan should attempt and arrive at an indicative cost configuration of likely investment on infrastructure development under different heads and to prioritize investment needs by drawing up a phased investment plan covering the next 20 years
 - The plan should identify the existing as well as new tourism projects for expansion / augmentation, upgradation of facilities and services, destinations and centres, which have potential for development
 - The plan should undertake product conceptualization cum feasibility exercise inter alia for identified projects covering aspects like locational evaluation, schematic product planning and conceptualization including quantification of individual project parameters, assessment of overall investments levels and of project viability cum feasibility exercise etc.
 - The plan should prepare an action plan for implementation of identified potential development scheme / projects / products and for development of infrastructure in conformity with the policy objectives and guidelines provided by the concerned state / central agencies / departments and the requirements of national development and funding agencies. The overall development plan to also take into account WTO's Bali declaration on tourism development.
 - The plan should include project wise potential for employment generation; a reasonable percentage of potential employment is to be reserved for women.
 - The plan should indicate the actual and projected number of domestic and foreign tourist arrivals for each proposed tourist place.
 - Prioratise the scheme on the basis of employment potential of the project and tourist arrivals at the proposed place.
 - An inventory of existing infrastructural facilities (including paying guest facility) is to be made; after which, the proposed infrastructure needs to be split up into various segments concerning different state government departments , such as PWD, Forest, Culture, handicrafts etc and dovetailed with the tourism plans
 - Since the perspective plan would be used for external assistance, it would be desirable to suggest state tourism projects to foreign funding agencies for financial assistance; each project has to be properly scrutinized and finalized accordingly
 - Other sources of funding such as loans from the Financial Institutions, the Tourism Finance Corporation of India (TFCI) etc needs to be explored. Besides, proper incentives need to be suggested for private sector participation

-
- Further the available institutional machinery in the state to oversee / coordinate the development of tourism infrastructure has to be specifically suggested
 - Facilities for performance by local artists; cultural troupes should be built into the perspective plan
 - Cultural complexes can be suggested with the financial help from the State Department of Culture and later made economically viable on the pattern of Dilli Haat
 - Handicraft shops should be suggested at various tourist place; these could be run by women
 - Perspective plan should include potential for developing health resorts at / near the tourist places. Yoga classes, nature cure facilities, ayurvedic system of medicines should be available at these places to attract tourists.
 - Consultant preparing the perspective plan should be asked to give an executive summary of the plan along with the report
 - The perspective plan should incorporate attractive packages / schemes to attract private sector investment
 - It is necessary that the environmental issues are dealt with sufficient details and environmental impact assessment studies made in respect of all new projects
 - The perspective plans should include carrying capacity studies, instruments of spatial and land use planning, instruments of architectural controls for restoration of old properties and construction of new ones in old towns and cities, strategy for local community participation and protection of cultural identity, awareness programmes for local participation and local commitment to the project.
 - Measures necessary for mitigating the adverse environmental impacts and rehabilitation of the tourist places already environmentally damaged should be incorporated in the perspective plans
 - The perspective plan should include strategy for privatization of tourism related properties owned by the state and the State tourism Corporations

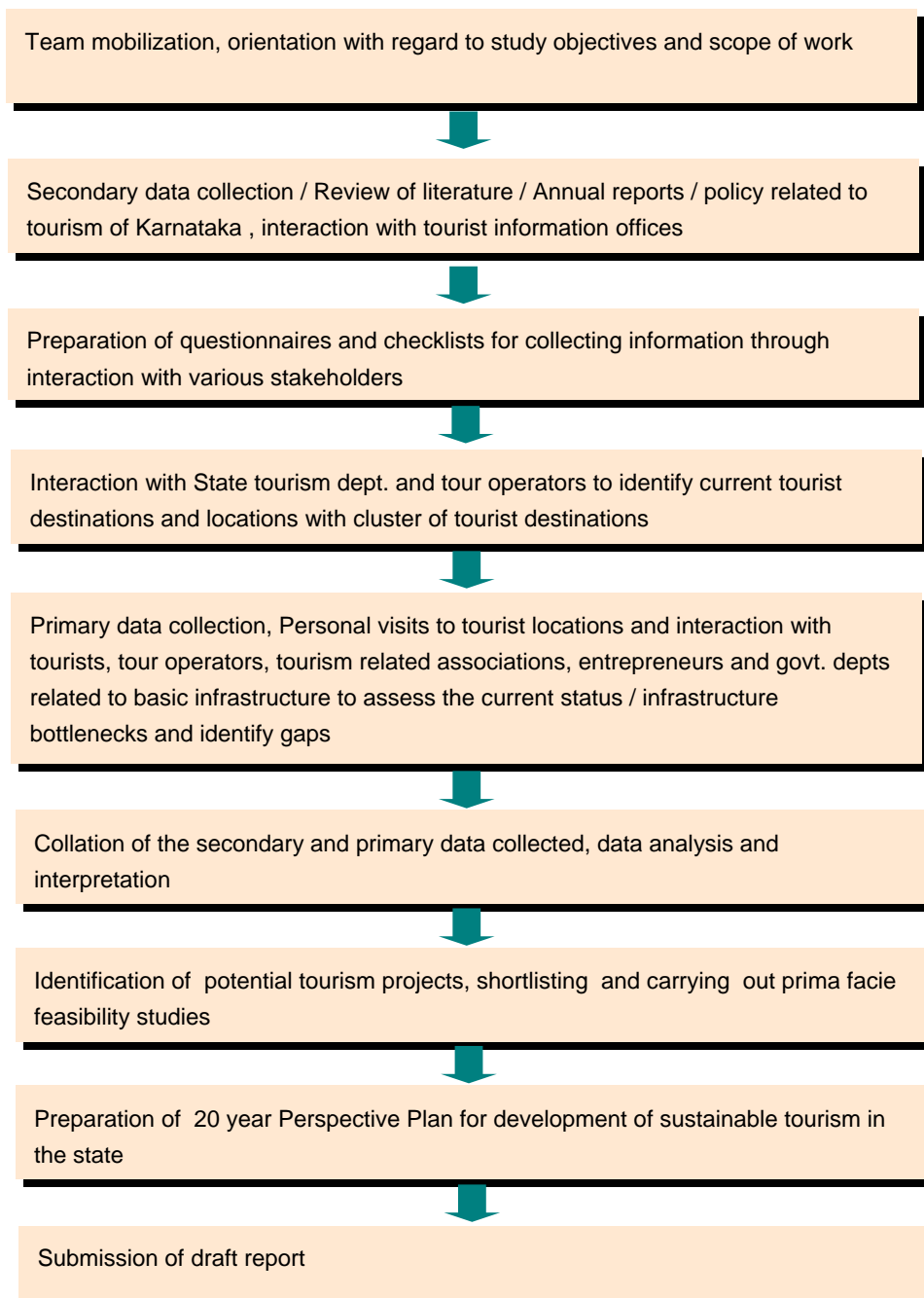
1.4 APPROACH & METHODOLOGY

As indicated in our proposal, a two pronged methodology is being adopted to carry out the study. This will include:

1. Collection of information from the relevant secondary sources
2. Conducting field exercises, including site visits to select tourism destinations including potential destinations, and
3. Interaction with all possible stakeholders to assess the present tourism scenario, infrastructure available and shortages therein , potential tourism destinations, likely tourists inflows, requisite infrastructure, investment requirements, prioritising the same and presenting the whole into a comprehensive perspective plan for development of sustainable tourism in the state over the next 20 years.

Details of the methodology envisaged for the study is depicted below:

Figure1.10: Methodology Adopted for the Study



1.5 REPORT FORMAT

The draft report is presented in two volumes:

Volume 1: Main report

Volume 2: Annexures

The main report (Volume 1) is presented in 6 chapters:

Chapter 1 INTRODUCTION

An overview of the tourism scenario in India as well the objective and scope of the study and the methodology adopted to carry out the study is presented.

Chapter 2 CURRENT STATUS OF TOURISM IN THE STATE

The state tourism policy, state plan outlays on tourism, trend in tourist arrivals, travel circuits and destinations / attractions , status of tourism infrastructure and basic infrastructure in the state, environmental aspects and status of institutional framework are discussed in this chapter.

Chapter 3 FIELD SURVEY FINDINGS

The chapter presents the findings of the sample field survey of domestic and foreign tourists, tour operators and travel agents and interactions with relevant associations and institutions. A first hand assessment of the tourism infrastructure and basic infrastructure at the destinations visited during the survey is presented.

Chapter 4 PROJECT IDENTIFICATION, SELECTION AND VIABILITY

The tourism destinations in the state have been prioritized according to a set of parameters. At each destination, projects have been identified and prioritized according to a set of parameters. The viability of shortlisted projects has also been discussed in this chapter.

Chapter 5 PERSPECTIVE PLAN

A perspective plan for tourism development in the state has been presented based on the State tourism policy, a review of the market trends and potential and examination of relevant issues.

Chapter 6 IMPLEMENTATION PLAN

Promotional issues, financing issues, human resource development issues as well as identification of agencies to implement the plan are discussed in this chapter

The annexures (Volume 2) contain

- Profiles of the major destinations
- Profiles of projects
- Questionnaires and checklists used for the survey
- List of contacts made during the survey,
- Relevant enclosures

1.6 LIMITATIONS OF THE STUDY

- There is limited published data available on the industry. Information about tourist arrivals and infrastructure availability at many destinations provided in the report are largely based on the limited available data and estimates of the local tourism department at these locations.
- Research studies to estimate the carrying capacity of the environment have rarely been carried out. Norms on the extent of development that can be allowed at various tourist destinations have yet to be developed by the state / local administration. Detailed destination specific studies will need to be carried out by the state tourism department in association with the Town planning department, environment department and other relevant govt. departments.
- Every effort has been made to meet the guidelines provided by the Ministry for preparation of perspective plan. Separate master plans (destination specific) will need to be prepared by the state governments for various tourist destinations.

2 CURRENT STATUS OF TOURISM IN THE STATE

2.1 Introduction

This chapter assesses the existing tourism scenario in the state with respect to the tourism policy, plan outlays for tourism, trend in tourist arrivals, travel circuits and destinations, status of tourist infrastructure as well as basic infrastructure, status of the environment and institutional framework.

Destination profiles have been prepared for most of the existing and potential tourist destinations and these profiles capture the status of these destinations in terms of infrastructure availability and other parameters (see Volume 2 Annexures).

An assessment of the tourist infrastructure availability and basic infrastructure availability has also been provided in Chapter III – Field Survey findings.

2.2 State Profile

Figure 2.1: Tourist Map of Karnataka



Karnataka – The Royal Grandeur and the Oriental Glory -rightly been termed as The Land of Plenty is situated on the Western edge of Deacon Plateau. The state has been ruled and shaped under the reigns of many dynasties including the Mayuras, Satavahanas, Gangas, Chalukyas and the Vijayanagar Kings. The individual dynasties and the rulers have uniquely offered distinctive arts, architecture, history and culture to the state. This land of fragrance has all the ingredients of a great holiday and tourist attractions - the relaxed length of Arabian sea coastline, majestic Deccan rock to thick lush tropical forests, an incredible variety of rare species of flora and fauna, a rich culture and heritage,

forts, Palaces, ruins, Ornate Temples and pilgrim centers, Hill resorts and what not! The state has some of the magnificent monuments, Temples, Palaces, world heritage centers and the beaches in the country. Holidays in Karnataka with colourful folk dances, art forms, the age old traditions and rituals, the literature and the music is simply culturally enriching and make one pleasantly surprised at every single step. This miniature Indian State has plenty to offer and rightly poised to be one of the best Global Tourist destinations of the world in the coming years.

2.2.1 Year of establishment

Under the States Reorganisation Act of 1956, the Kannada speaking regions were brought together with the then Mysore State as the nucleus and later Karnataka State was formed on Nov 1, 1973. Nov 1 is popularly known as Karnataka / Kannada Rajyotsava.

2.2.2 Location & Boundaries

Situated on a tableland where the Western and Eastern Ghat ranges converge into the Nilgiri hill complex, the State of Karnataka is confined roughly within 11.5 degree North and 18.5 degree North latitudes and 74 degree East and 78.5 degree East longitude. The State is bounded by Maharashtra and Goa States in the North and North-West; by the Arabian sea in the West; by Kerala and Tamil Nadu States in the South and by the State of Andhra Pradesh in the East. The State extends to about 750 km from North to South and about 400 km from East to West, and covers an area of about 1,91,791sq. km.

2.2.3 Physiography

Physiographically, Karnataka State forms part of two well-defined macro regions of Indian Union; the Deacon Plateau and the Coastal plains and Islands. The State has four physiographic regions:

(i) Northern Karnataka Plateau

It comprises of the districts of Belgaum, Bidar, Bijapur and Gulbarga and is largely composed of the Deacon Trap. It represents a monotonous, treeless extensive plateau landscape with a general elevation of 300 to 600 metres from the mean sea level. However the river plains of the Krishna, the Bhima, the Ghataprabha and the Malaprabha with the intervening watersheds, the step like landscapes, lateritic scarpments, residual hills and ridges break the monotony of this extensive plateau. The general slope is towards the east. This region is largely covered with rich black cotton soil.

(ii) Central Karnataka Plateau

It covers the districts of Bellary, Chikmagalur, Chitradurga, Dharwad, Raichur and Shimoga. The region represents the transitional surface between the Northern Karnataka Plateau of Deacon Trap and southern Karnataka Plateau with relatively higher surface. By and large, this region represents the area of Tungabhadra basin. The general elevation varies between 450 and 700 metres. The general slope of this region is towards the east.

(iii) Southern Karnataka Plateau

It covers the districts of Bangalore, Bangalore Rural, Hassan, Kodagu, Kolar, Mandya, Mysore and Tumkur. This region largely covers the area of the Cauvery river basin lying in Karnataka. It is bounded by 600 metres contour and is characterised by a higher degree of slope. In the west and south,

it is enclosed by the ranges of Western Ghats and the northern part is an interrupted but clearly identifiable high plateau. In the East, the valleys of the Cauvery and its tributaries open out to form undulating plains. The general elevation of the region varies from 600 to 900 metres. However, residual heights of 1,500 to 1,750 metres are found in the Biligiriranga hills of Mysore district and the Brahmagiri range of Kodagu district.

(iv) Karnataka Coastal Region

This extends between the Western Ghats, edge of the Karnataka Plateau in the east and the Arabian Sea in the West, covers Dakshina Kannada and Uttara Kannada districts. This region is traversed by several ridges and spurs of Western Ghats. It has difficult terrain full of rivers, creeks, water falls, peaks and ranges of hills. The coastal region consists of two broad physical units, the plains and the Western Ghats. The Coastal plains, represent a narrow stretch of estuarine and marine plains. The abrupt rise at the eastern flanks forms the Western Ghats. The northern parts of the Ghats are of lower elevation (450-600 metres) as compared to Southern parts (900 to 1,500 metres). The Coastal belt with an average width of 50 to 80 km covers a distance of about 267 km. from north to south.

2.2.4 Languages

Kannada is the language of the masses while other languages like Hindi, English, Tamil, Telugu, Malayalam, Tulu, Konkani, Gujarati, Marathi, Urdu are also spoken.

2.2.5 Annual rainfall

500 mm to over 4000 mm: June to August

North-east monsoon: October to December

2.2.6 Population (2001)

- Karnataka Population: 5.273 crore (52.73 million)
- Urban Population 33.98%
- Rural Population 66.01%

Karnataka is predominantly rural and agrarian and about 76% of its population lives in rural areas while about 71% of its working force is engaged in agricultural and allied activities which generate 49% of the state income.

Urbanization rate (2001): 30.91%

2.2.7 Sex Ratio (2001)

- Overall average - 964 females per 1,000 males
- Urban - 940/1000
- Rural - 976/1000

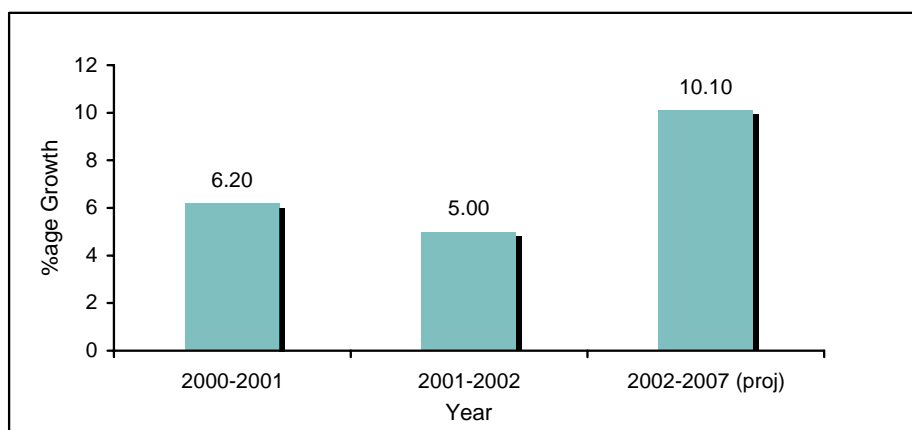
Karnataka's total land area is 1,91,791 sq. km. It accounts for 5.83 percent of the total area of the country (32.88 lakh sq. km) and ranks eighth among major States of the country in terms of size. Among different states, Karnataka occupies eighth place with regard to population. The density of population as per 1991 Census was 235 persons per sq. km, which was lower than the all-India density of 273 (excluding Assam and Jammu and Kashmir). Among the states, Karnataka was in the thirteenth position. Bijapur occupies the largest geographical area of the State with 8.89 per cent and Bangalore (urban) District has the smallest area with only 1.94 per cent.

2.2.8 Literacy

- The literacy rate has increased from 56.04 % in 1991 to 67.04 % in 2001.
- Urban - The literacy rate has decreased 81.05 % in 1991 to 74.20 % in 2001.
- Rural - The literacy rate has increased from 47.69 % in 1991 to 59.68 % in 2001.

2.2.9 GDP growth rate

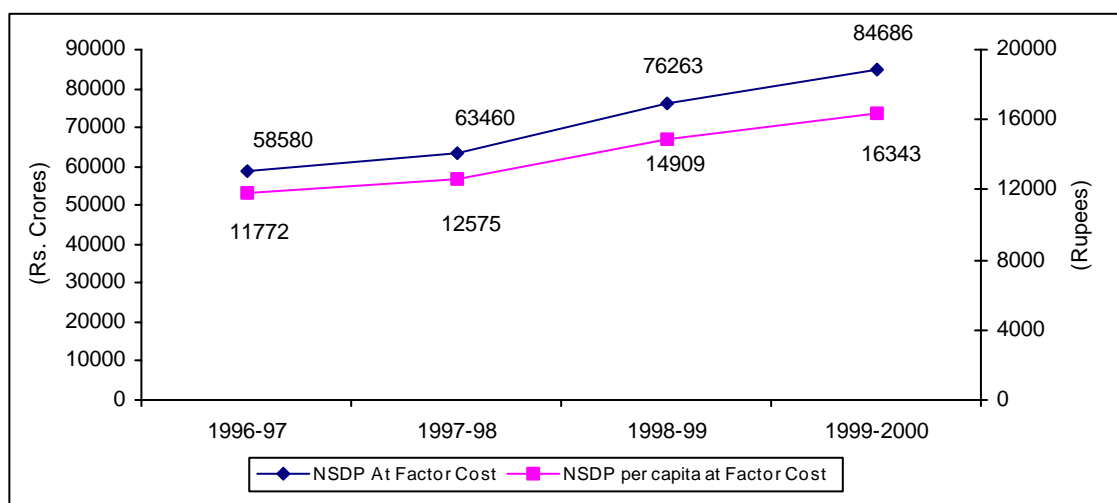
Figure 2.2: GDP Growth Rate



As per the State Economic Survey, 2001-2002, Karnataka shows a Gross Domestic Product (GDP) growth rate of 5%, which is less than the national average of 5.4% and also less than the previous year, i.e. 2000-2001 growth of 6.2%. The Gross State Domestic Product (GSDP) for 2000-2001 is Rs. 102,994 Crores. According to the Financial Express, January 12, 2002 publication, the GDP of six states – Karnataka, Gujarat, Delhi, West Bengal, Tamil Nadu and Rajasthan - are expected to grow over 8% annually between 2002 and 2007. The average annual GSDP for Karnataka for the period 1994-1999 was around 7.6% and the projected figure for 2002-2007 is 10.1%.

As per the Economic Survey, 2001-2002, the Net State Domestic Product (NSDP) at current price for the period 1999-2000 was Rs. 84,686 Crores, an increase of 10% over the previous year, i.e. 1998-1999. The NSDP for the period 1998-1999 was Rs. 76,263 Crores whereas the Per Capita Net State Domestic Product at current price for the period 1999-2000 was Rs. 16,343 showing an increase of 9% over the previous year, i.e. 1998-1999. The Per Capita Net State Domestic Product for the period 1998-1999 was Rs.14,909.

Figure 2.3: Trend in NSDP



2.2.10 Administrative set up

According to Karnataka at a Glance – 2000-2001 statistics, the administrative set up of the state has been divided in to the pattern given in Table 2.1.

Table 2.1: Pattern of Administrative Set Up

Description	Number
Districts	27
Zilla Parishads	38
Talukas	175
Gram Panchayats	5692
Inhabited Villages	27066
Un-inhabited Villages	2127
Municipalities / Corporations	209
Towns/Urban agglomeration	254

2.3 Significance of Tourism in the State

- The state currently ranks as the 4th most popular destination in the country.
- Around 12.6 million domestic tourists and 2,63,000 foreigners visited the state during the year 2000.
- The state attracts around 4% of the foreign tourist arrivals to India.
- Tourism industry in Karnataka employed around 1.56 lakh people directly and 3.59 lakh people indirectly, generating revenue of Rs.195.24 crore in the year 2000.
- A target of 10% annual growth in the sector has been fixed for the next 10 years.

As an industry, Tourism industry has the highest Multiplier Effect due to its strong linkages with socio-economic development of the society. The development in tourism sector not only directly affects increased revenue generation of the state from the outside visitors (both domestic and foreign)

but also enhances employment and income generation at the local levels. Being a labour intensive industry, tourism related activities generate income and employment particularly for women, rural artisans, educated unemployed and youths. Furthermore, as the development of the tourism sector is basically an integrated one, it also facilitates developments in other related sectors / industries like Power, Water, Transportation, Agriculture and Allied, Small-Scale sectors (like Handicraft, Handlooms, Artisan etc), Hotel etc.

The industry also has a High Capital Output Ratio. In the Indian context, every 1 million additional visitors could generate Rs. 4300 crore of revenue. The industry also possesses a high Employment Output Ratio. For every additional Rs. 1 million investment in the industry, it generates 47.5 direct jobs and 89 jobs in tourism sub-sector of hotels and restaurants. The industry also has the capability of generating substantial amount of foreign exchange earning in the state. In other words, the benefits of the tourism can be summarised as:

- Increase in employment
- Stimulation of business activities
- Increase in business diversity
- Increase in tax collection
- Increase in sale of goods and services
- Increase in community pride and concern for community history, culture, attractions and artefacts
- Conservation or restoration of historic sites or attractions
- Conservation of natural resources as tourist attractions.

2.3.1 Capital investment/public spending in tourism

During the last decade in tourism, Private Investment to the tune of over Rs. 900 crore in 280 approved projects has been made, whereas the revised Karnataka tourism master plan of 1997-98 has envisaged an investment to the tune of Rs.4500 crore in the state for the development of tourism industry during the period 1997-2002, with special emphasis on the improvement of infrastructure facilities at various tourist circuits and destinations. The plan also envisages a major role to be played by the private sector contributing 70% of the total investment and the government in a new role as a catalyst contributing 30% of the total investment.

According to Deacon Herald dated April 30, 2002, the Karnataka government has utilized only Rs. 71 lakh out of the Rs. 2.02 crore funds sanctioned for eight projects in the tourism sector by the Union government in 2001-02. As per the statistics provided through a written answer by Ministry of Tourism in Parliament, the amount of Rs. 8.9 crore sanctioned for 38 projects in 1999-2000, got reduced to Rs. 4.89 crore in 2000-01 for 19 projects. Karnataka could utilize only Rs. 4.59 crore in 1999-2000 and Rs. 2.48 crore in 2000-01 which made the Centre reduce the sanctions and tourism projects further in 2001-02.

2.4 The State Tourism Policy

Due to thin spread of incentive packages all over the state and even after a lot of private investment and changes, the impact of investment has not been felt in the various areas of the tourism industry.

While more investment has been made in the southern parts of the state like Bangalore, Mysore and surrounding areas, the Northern Karnataka has been neglected.

2.4.1 Role of State Government

The state government will function as a catalyst and confine its efforts to infrastructure development, dissemination of information and coordination of sectoral activities to create conditions for attracting substantial private sector investment in tourism sector. The state also wishes to withdraw from related tourism activities like running hotels, transportation etc and hand them over to professionals in the tourism industry.

The Government of Karnataka has therefore come up with the Revised Tourism Policy for the State with effect from 1.6.1997, in which a new package of incentives and concessions have been provided to the tourism industries in the State. The major objectives of the revised tourism policy are mainly promotion of tourism policy, enhancement of employment and income generation, diversification and development of identified tourism sectors and encouraging more and more private participation for development of infrastructure facilities.

The salient features of the revised Tourism Policy are as follows:

(i) Classification of Potential Tourism areas

- (a) Based on the relative potential of tourism, the places of Karnataka have been re-classified under categories A,B,C,D and E as shown in Appendix 2.1.

(ii) Investment Subsidies

- (b) Based on the different categories, the investment subsidy has been revised from 10% to 35% of the fixed assets, subject to a maximum, (from the existing Rs. 10.00 lakh to Rs. 35.00 lakh) as shown in Appendix 2.2.
- (c) All tourism units, both new and existing, which install equipment for the utilization of non-conventional energy sources shall be eligible for an additional 15% investment subsidy on the cost of such of equipments, subject to a ceiling of Rs. 10.00 lakh. This subsidy shall be over and above the investment subsidy on fixed assets.
- (d) An additional subsidy of 5% of the value of fixed assets is to be given to SC/STs, minority communities, women, physically handicapped and Ex-servicemen subject to a ceiling limit of Rs. 1.00 lakh and an additional subsidy of 10% of investment is to be given to SC/ST Entrepreneurs subject to a maximum ceiling limit of Rs. 2.00 lakh in all categories of Hotels in all locations as shown in Appendix 2.7.
- (e) Investment subsidy of 20% value of the fixed assets subject to a maximum of Rs. 10 lakh to Choultries, Dormitory accommodation and an investment subsidy of 20% for house boats subject to maximum ceiling of 20 lakh as in Appendix 2.8.
- (f) Any registered organization involved exclusively in adventure activities are eligible for the incentives for the building and infrastructure facilities. The investment subsidy would be 30% of investment made for this purpose subject to a maximum of Rs. 30.00 lakh.
- (g) Subsidy for development of private owned museums, which are kept open to the tourists, will be given 25% subsidy for infrastructure development subject will be given to a maximum of Rs. 25,000.00.

(iii) Tax and Tariffs

- (a) The Sales Tax is exempted in respect of new tourism units from 3 years to 7 years from the date of commencement of the tourism services as in Appendix 2.3.
- (b) The Luxury Tax is exempted in respect of new hotels from three years to seven years from the date of commencement of the tourism services as in Appendix 2.4.
- (c) Exemption of Stamp Duty and concession in registration charges to all tourism related undertakings in category B,C,D and E area are given by charging One Rupee per thousand rupees for availing financial assistance from the State Government, as in Appendix 2.5.
- (d) All new Tourism units approved by Department of Tourism after this policy comes into being shall be charged electricity tariff at the rate applicable for industrial undertakings in category B, C, D, E. The time period shall be as mentioned against category in the case of Sales Tax exemption specified at Appendix 2.3.

(iv) Land Policy

- (a) Waiving of fee for conversion of land from agricultural use to industrial / commercial use to all tourist units barring 5 and 4 star hotels in category 'B' location and for all tourism units without exception in Category C, D and E locations as in Appendix 2.6.
- (b) Formation of tourist villages in C, D and E areas on the lines of industrial layouts. For this purpose, the Department of Tourism would plan and acquire the land and private entrepreneurs should be asked to establish tourism projects tourist projects in such Tourist villages.

(v) Incentives

- (a) An incentive upto Rs. 10,000.00 to new travel agency in category C, D and E areas will be sanctioned towards setting up and running of a Travel Agency office.
- (b) Development of tourism depends on good communication. The State Level Committee has been constituted to work out a package of incentives for development of Airlines / operation of Air Taxis. The financial commitment could be a maximum upto 20% of real investment upto a ceiling of Rs. 20.00 lakh in each case. Such cases are to be examined on a case to case basis on merits.
- (c) Proposals for Non-Government Organisations for preservation and development of monuments are to be examined on a case to case basis and their involvement is to be encouraged by giving incentives upto 20% of actual investment (subject to a maximum of Rs. 20.00 lakh made by them for preservation, projection of monuments and propagation of culture of people).

(vi) Human Resource Development

- (a) Part of the expenses will be shared by the Tourism Department if Diploma in Tourism and Hotel Management is conducted by I.T.I. Government Polytechnics and Aided Institutions.
- (b) Guides / Staff: For training the staff of Hotels / Guides, half of the expenditure will be borne by the Department if such courses are conducted in association with the Department.
- (c) All other provisions of the Tourism policy now in force and that are not changed in this policy and are not contradictory to New Tourism policy shall continue to be in force.
- (d) The revised Tourism Policy shall remain in force from 1.6.97 to 31.5.2002 A.D.

- (e) Eligibility to tourism projects: Only the projects that are approved under this policy after 1.6.1997 shall be eligible for incentives and concessions under the revised Tourism Policy.

2.4.2 Coastal Regulation Zone (CRZ)

Central government has declared the coastal stretches of the sea, bays, creeks, which are influenced by the tidal action upto 500 metres from the High Tide Line (HTL) and the land between the Low Tide Line (LTL) and HTL as coastal regulation zone and put restriction on setting up and expansion of industries, operations or processes in the coastal regulation zone.

For regulating development activities etc, the coastal stretches with in 500 metres of HTL on the landward side are classified into four categories. CRZ-III (3rd Category) is more relevant for the tourism industry. The area upto 200 metre from HTL is to be remarked as 'No Development Zone'. No construction shall be permitted with in this zone. The development of vacant plots between 200 metre and 500 metre of HTL in designated areas of CRZ-III can be undertaken with the prior approval of Ministry of Environment and Forests for the construction of hotels, beach resorts etc.

2.5 State Plan Outlay on Tourism

The state plan outlay on tourism from the year 1991-1992 to 2002-2003 is presented in Table 2.2. As indicated by the figures, there was a substantial increase in the plan outlay during the period 1997-1999 as compared to the previous years. However, there was a drop in the tourism budget allocation for the subsequent periods. Again, during the current budget allocation (2002-2003), the total amount was substantially raised to the tune of Rs. 2090 lakh.

Table 2.2: Tourism Budget allocation from 1991 to 2000-2003 – Karnataka

Sl. No.	Year	Plan(Rs. in Lakh)
1	1991-1992	310
2	1992-1993	188
3	1993-1994	521
4	1994-1995	985
5	1995-1996	925
6	1996-1997	1159
7	1997-1998	2250
8	1998-1999	2000
9	1999-2000	1010
10	2000-2001	1400
11	2001-2002	1350
12	2002-2003	2090

Source : Karnataka State Dept. of Tourism.

The detail of the Tourism Budget allocation for the Year 2002-2003(Plan) is presented in the Table 2.3

Table 2.3: Tourism Budget allocation for 2000-2003 (Plan) – Karnataka

Sl. No.	Schemes / Projects	Budget Grant (2002-2003) (Rs. in Lakh)
1	Development of Beach Resorts	50
2	Centrally assisted Schemes for Tourist Promotion- Central Share	300
	Centrally assisted Schemes for Tourist Promotion -State Share	400
3	Direction and Administration	125
4	Tourist Bureau	90
5	Tourist Publicity	350
6	Tourism Promotion	450
7	Tourism as an Industry	300
8	Tourism Festival	25
	TOTAL	2090
	State Share	1790
	Central Share	300

Source : Karnataka State Dept. of Tourism/Govt. of Karnataka(GOK)

Table 2.4 shows the amount sanctioned and released by the Government of India against the estimated scheme / project cost for the period 1999-2000 and 2000-2001.

Table 2.4: Amount Sanctioned and released by Govt. of India (Rs in Crore)

Karnataka State	Estimated Cost of Project/Scheme	Amount Sanctioned by GOI	Amount Released by GOI
Year 1999-2000	10.9	8.3	3
Year 2000-2001	7.05	4.89	1.47

Source : KSTDG/GOK.

2.6 Trends in Tourist arrivals

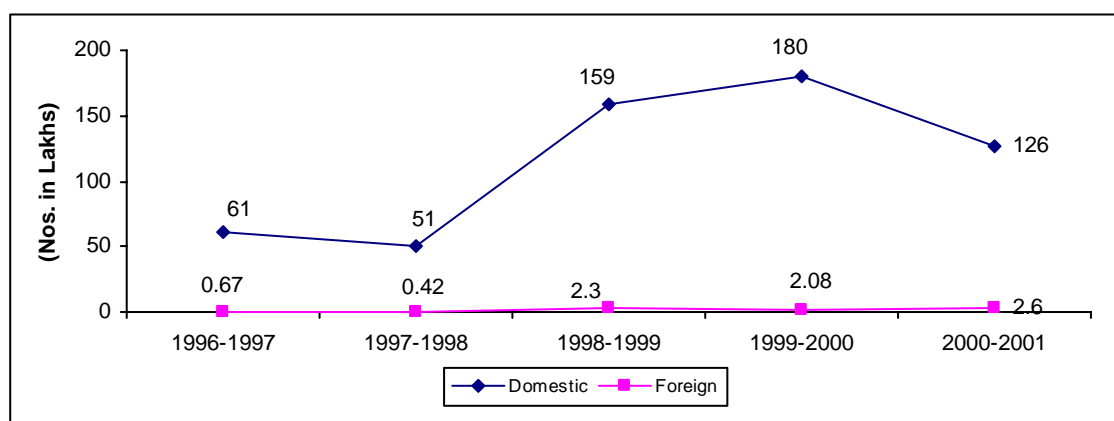


Figure 2.4: Tourist inflow to Karnataka State

The foreign tourists who come to Karnataka are mainly from USA, UK, Australia, The Netherlands, Germany, France and other European nations, Japan, South Korea, Singapore etc whereas the domestic tourists who visit the state are mainly from Maharashtra, Andhra Pradesh, Tamil Nadu, Kerala, Delhi, UP, West Bengal, Orissa etc.

As per the information gathered from Ministry of Tourism, Govt. of India, Karnataka accounted for around 4% of the total foreign tourists visiting India during the year 2000 and ranked 8th among all the Indian states. The states which are ahead of Karnataka in terms of foreign tourist visiting Karnataka arrivals are Delhi, Maharashtra, UP, Tamil Nadu, Rajasthan, Goa and Kerala. Domestic tourists for the same period accounted for 8.57% of the total domestic tourists visiting different destinations in India and ranked 4th among all other Indian states only after UP, AP and Tamil Nadu. According to the same source, the state has actually slipped down one step with regards to foreign tourist arrival as compared to the previous year (1999) but was able to hold on to the same rank as far as domestic tourist arrival was concerned. The Southern states (AP, Karnataka, Tamil Nadu, Pondicherry and Kerala) together account for around 45% of total domestic tourist arrival and 22% of the total foreign tourist arrival in India. The details of foreign and domestic tourist arrivals in Karnataka vis-a-vis other Indian States are shown in Appendix – 2.11.

Figure 2.5: Top Ten Tourist Destination – Domestic Tourists

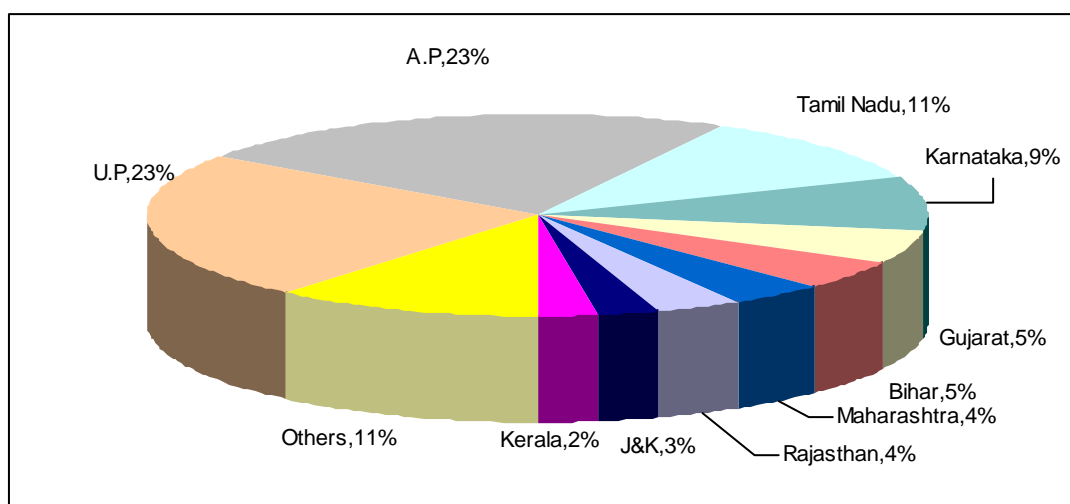
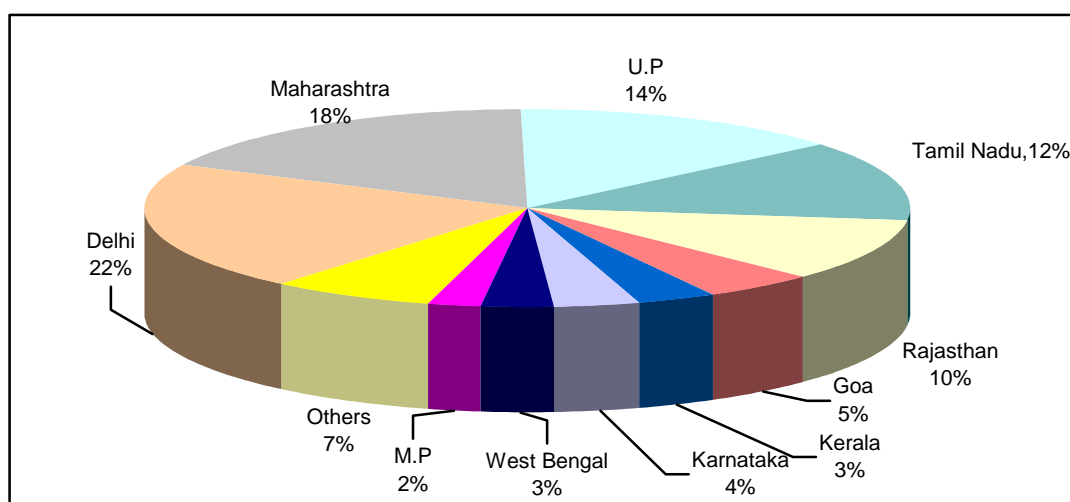


Figure 2.6: Top Ten Tourist Destination - Foreign Tourists



2.6.1 Peak Season

The peak season for the tourist arrivals in the state is October to January and the tourist inflow is lowest during April to June. The majority age group is found to be 25-34 and 35-44 years. As per data available on Mysore, more of foreign tourists visit the destinations during December to March.

2.6.2 Mode of Transportation

With air as the preferred mode of transportation for the foreign tourists, Delhi and Mumbai remain the major ports of entry. However, a few of them were also observed to be using Bangalore and Chennai airport as entry into the state. For the foreigners, Bangalore is one of the top destinations beside Delhi, Mumbai, Agra, Chennai, Kolkata, Jaipur, Varanasi, Panjim, Udaipur. As far as Domestic tourists are concerned, Bangalore remains the main entry point into the state in addition to Bijapur, Bidar, Belgaum and Mangalore. Rail and bus remain the dominant modes of transport for the domestic travellers.

2.6.3 Tourist arrivals at Destinations

Mysore accounts for the highest tourist arrival (more than 24 lakhs-1999) in the state. The other high tourist arrival destinations are Belur, Halebid, Jog falls, and Bijapur. These destinations together attract more than 75% of the total tourist arrivals in the state. Jog falls has shown the highest growth in the total tourist arrivals in the last few years. A negative growth rate (during 98-99) has been observed in tourist arrivals in the destinations like Bijapur, Badami, Aihole (although there has been an increase in Pattadakal-a world heritage center, situated near Aihole & Badami), Hospet, Hampi (world heritage center), Chitradurga, Nandi Hills.

Barring few places like Shravanabelagola, Bijapur, Aihole, Nandi Hills, in general, there has been an overall growth observed in the total tourist arrival during the period 1993-1999. The destinations like Mysore, Belur, Halebid attract maximum number of domestic tourists visiting Karnataka. These 3 destinations also attract maximum foreigners visiting the state. World heritage centers like Hampi and Pattadakal only attract around 4% of foreigners visiting the state and around 3% of the domestic tourist inflow in the state. The details of foreign and domestic tourist arrivals in different tourist destinations in Karnataka are shown in Appendix 2.12.

2.6.4 Destination preference

Although the destination preference of the domestic and the foreign tourists have been found to be largely matching, traditionally speaking, religion or pilgrimage has been the major attraction for the domestic tourists in India followed by Business, Leisure and heritage. According to a recent FICCI study, the business class followed by service class account for 2/3rd of the domestic travelling population. However, the upper income bracket service professionals are fast catching up as the dominant tourist group.

**Table 2.5: Total Tourist arrivals in various popular Tourist destinations in Karnataka
(Fig. in Lakh)**

Places	1993-94	1994-95	1995-96	1998-99
Mysore	21.70	21.62	22.67	24.15
Mangalore	2.70	2.74	2.91	3.24
Belur	12.65	15.08	15.97	19.87
Halebid	6.07	6.87	6.92	6.22
S'belagola	2.91	2.03	2.03	2.24
Bijapur	3.80	3.48	3.56	2.58
Badami	0.12	0.15	0.17	0.15
Aihole	1.35	1.05	0.97	0.96
Pattadakal	0.22	0.29	0.31	0.32
Jog Falls	0.53	4.14	6.02	6.22
Nandi Hills	2.70	2.78	2.83	2.50
C'Durga	0.82	0.84	0.95	0.88
Raichur	0.67	0.71	0.76	0.79
Hampi	1.43	1.54	1.84	1.78
Hospet	0.67	0.79	0.93	0.77

Source: Govt. of Karnataka

Unlike other South Indian states like AP, Tamil Nadu and Kerala, Karnataka is predominantly preferred as a Heritage destination by the tourists. While AP is a favoured pilgrimage tourism, Tamil Nadu both religion, heritage and natural tourism, Kerala is more of a premium leisure / relaxation destination than a volume destination. The tourist arrivals in the last few years in different destinations in Karnataka reflect that over 50 to 60% of the tourists frequented the heritage sites. This was followed by Pilgrimage and Leisure destinations. As said earlier, the destinations like Mysore, Belur, Halebid, Shravanabelagola, Bijapur – which are basically heritage centres, account for the highest tourist arrivals in the state. Pilgrimage (specially the Jain Pilgrimage centres) and Natural Sea Beach and Hill tourism are also fast emerging as preferred themes in the state. There has been an encouraging trend in tourist arrivals in Coastal Karnataka destinations like Mangalore, Karwar, Jog Falls, Udupi, Shimoga and in Hill districts of Madikeri (Mercara, Kushalnagar, Talacauvery, Baghamandala etc) and Hassan. The various Wildlife circuits / destinations in the state are also fast catching up as popular destinations both for foreign and domestic tourists. Bangalore – the Capital of the state being a major IT hub of the country, receives a lot of business class people and service professionals. Efforts are on to explore this opportunity to converge IT with tourism and offer a variety of options to attract these classes of people into various tourist destinations and places of interests in the state.

Though a significant proportion of tourists in south are pilgrims but the wide variety of destinations or the diversity of southern states in itself are their strengths and specially applicable to Karnataka which has a lot of variety and tastes befitting to the various types and nature of tourists visiting the states. This alone could be one of those major factors upon which a strong foundation for a long and sustainable tourism can be built for the socio-economic development of the state.

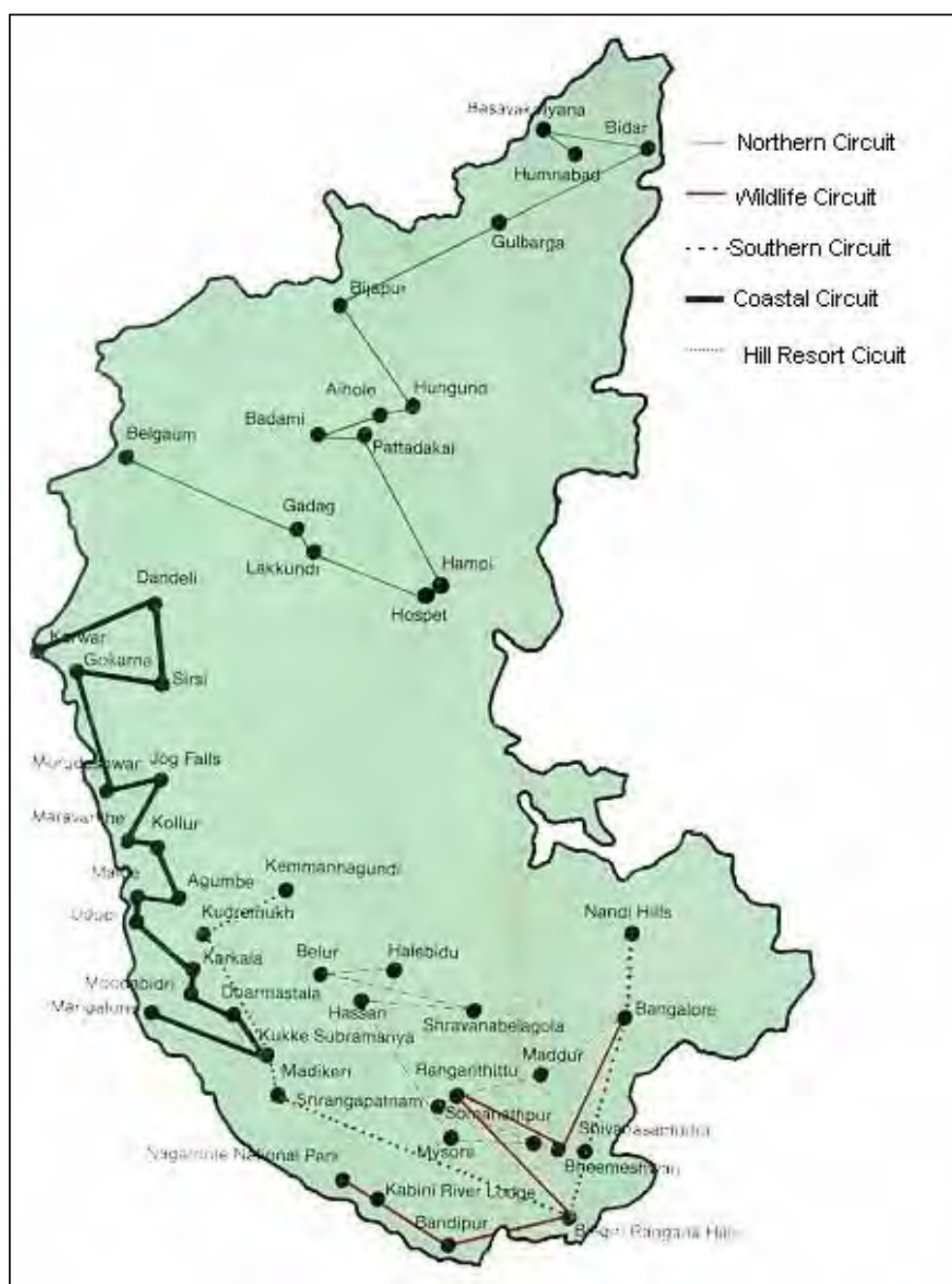
2.7 Travel Circuits and Destinations / Attractions

Five circuits have already been identified by the Government of Karnataka to develop tourism infrastructure and in order to identify new tourism destinations. Apart from these five circuits, as a part of their ongoing activities to boost up tourism sector in the state, they are also trying to develop some

more attractive tourist circuits. However, these are yet to be given a concrete shape. The five circuits which have been already identified by the state government are as follows:

- (f) Northern Circuit
- (g) Southern Circuit
- (h) Coastal Circuit
- (i) Wildlife Circuit and
- (j) Hill Resort Circuit

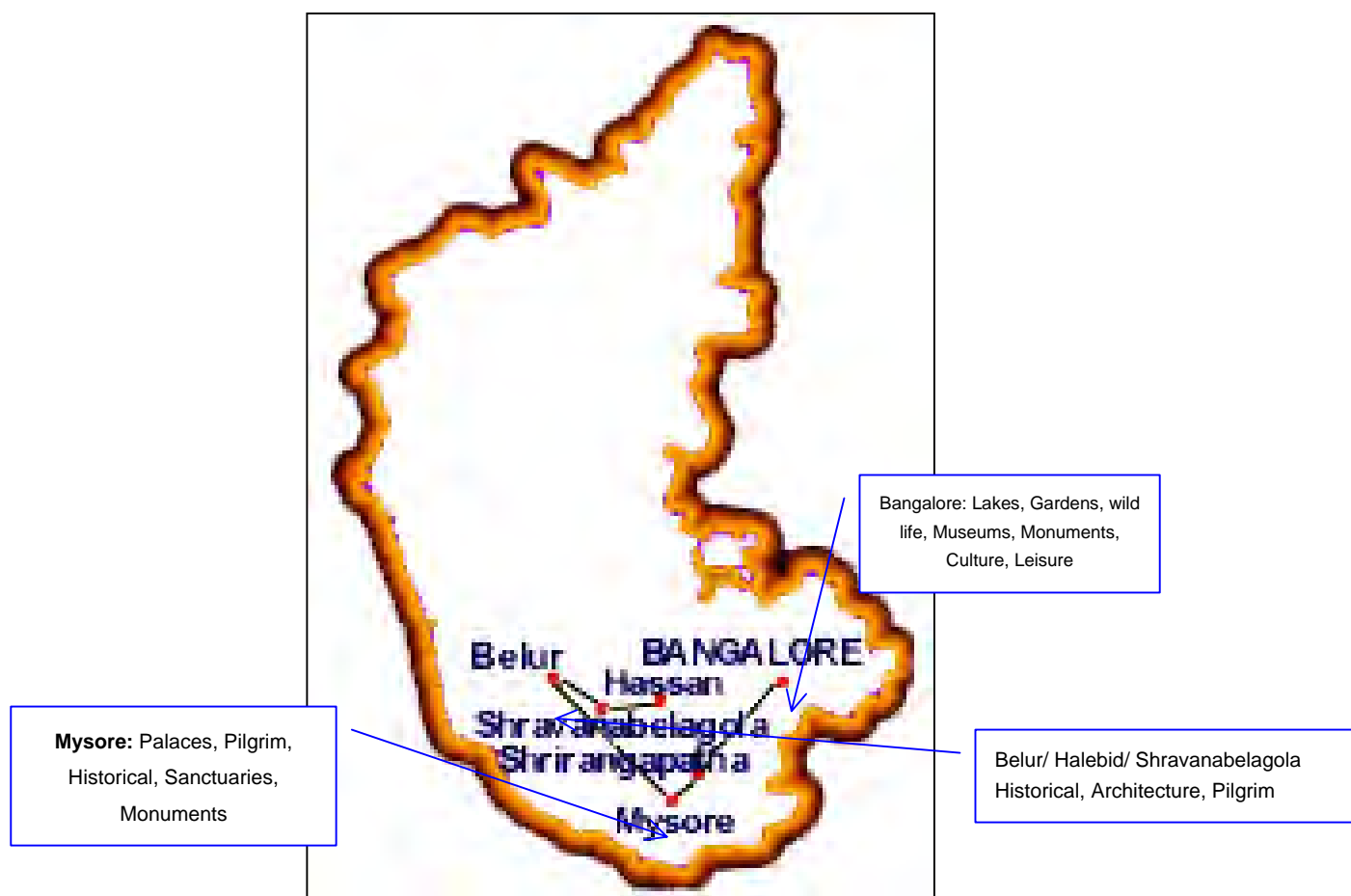
Figure 2.7: Travel Circuits And Destinations / Attractions



(k)

2.7.2 Southern Circuit

Figure 2.9: Southern Circuit



The Southern Circuit consists of Districts of Bangalore, Mysore, Mandya, Hassan, Kolar, Shimoga, Chickmagalur, and Tumkur.

The southern circuit includes Bangalore, the capital of Karnataka



Ulsoor Lake

.Bangalore ranks as one of the fastest growing cities in Asia and is also known as "Garden City of India" "IT Hub" etc, . Mysore is also known as the City of Palaces and the political capital of the Wodeyar dynasty. Mysore City also possesses a number of

gardens, shady avenues and sacred temples. Carnatic Classical music and dance is also a prominent aspect of the city. The other major destinations of the circuit include Srirangapatna which was once the capital of the warrior king Hyder Ali and his son Tipu Sultan. There are beautiful monuments



Bahubali,

that are well worth a visit. Bandipur national Park which is one of the most beautiful wide life centers in the country also is an attraction besides Ranganathittu bird sanctuary housing exotic birds.

The other major places of tourist attraction are Musical fountain of Brindavan Garden, Mandya, the architectural and pilgrim centres of Belur, Halebid, Shravanabelagola, Jog falls of Shimoga, the Coffee estate and pilgrim centres of Chikmagalur etc.



Architect at Halebid

2.7.3 Coastal Circuit



Figure 2.10: Southern Circuit

The coastal circuit consists of the coastal districts of Uttar Kannada and Dakshin Kannada.

2.7.4 Uttar Kannada

The district considered to be the eco-tourist's paradise is a place of immense natural beauty. Its wide variety includes Beaches, Wild life sanctuaries, Scenic views, Adventure sports, Rock climbing and also religious shrines.

2.7.5 Dakshin Kannada

Surrounded by the soaring Western Ghats and Arabian Sea, Dakshin Kannada is blessed with lush green vegetation, abundant rain fall, beautiful beaches, picturesque mountain ranges, temples and many more. The place is also known for its Buffalo racing by the farmers.

The major attractions in and around the Dakshin Kannada are Kollur the home of Goddess Mookambika, Dharmasthala, Kukke Subramanya, Jamalabad, Karkala, Moodabidri, Udupi and many beautiful beaches.



Murudeswara

2.7.6 Wild Life Circuit

Figure 2.11: Wild Life Circuit



The wild life circuit consists of Wild Life Sanctuaries, National Parks and Bird Sanctuaries.

There are 5 National Parks, around 22 Sanctuaries and around 3 Jungle Lodges and Camps.

Bandipur National Park nesting in the foothills of the Nilgiris, Kabini -situated amidst the Kharapur Forest, Kabini are the pristine pieces of land that abound with nature. Ranganathittu Bird Sanctuary, Mysore is a paradise for wildlife enthusiasts. Crocodiles basking under the sun, otters running free,

flocks of birds gathered on tiny islands are some rare sights of the place. Birds from Siberia, Australia and even North America can be spotted here. Some of the rare birds like Bill Stork, The White Ibis, Egret, Heron, Partridge or even the Cormorant can be spotted. The Nagarhole National Park, situated in the picturesque districts of Kodagu and Mysore in southern Karnataka has lush green vegetation, swamps and numerous water resources, rendering it an ideal habitat for a wide variety of wildlife and is wonderful attraction.



The other wildlife attractions of Karnataka includes Bandipur National Park, Bheemeshwari, Bhadra, B.R. Hills (Biligiri Hills), Dandeli, Kemmanagudi Wild life Adventure Resort etc. The list of National Parks and Sanctuaries is given in Appendix- 2.13.

2.7.7 Hill Circuit.

Figure 2.12: Hill Circuit

The Hill circuit covers the Hill stations of Mercara, Kemmannagundi, Kudremukh, Male



Mahadeshwara Hills, BR Hills, Sandur, Nandi Hills and Jog Falls.

Madikeri or Mercara, the district headquarters of Kodagu (or Coorg) also known as the Scotland of India, is gradually catching up as one of the most sought after Hill stations of the country.

The other major Hill resorts of the state are Biligirirangana range of hills, picturesquely situated at a height of 5,091 feet between the Cauvery & Kapila rivers, Kemmannagundi which is a scenic hill station on the Baba Budan range of hills, Kudremukh (Horse Face), also known as K.R. Hills which overlooks the Arabian sea and Nandi Hills which is located near Bangalore.

The major tourist destinations in Karnataka and the major attractions at these destinations have been profiled in destination profiles (refer Volume 2 – Annexures)

2.8 Current Status of Integrated Tourist Infrastructure / Facilities

2.8.1 Internal Transport:

The state of Karnataka is well connected by different modes of transportation. However, the Road Transport system seems to be utilized more by the people than the Rail and other mode of transportations like Air and Sea. Due to inaccessibility of Rail to many destinations, Bus services are availed to the maximum for internal transport in the state. The internal Air service is limited only to Bangalore and Mangalore, although there are quite a few number of airports / airstrips in the state. Recently, government has taken special initiative to revamp and renovate these almost defunct airstrips to handle anticipated increase in load and traffic. The regular bus services to various places in the state are well supported by both private and public sector enterprises. In Karnataka, KSRTC (Karnataka State Road Transport Corporation) plies a large fleet of buses to all the nook and corners of the state. More than 11,000 buses are run by KSRTC carrying around 6.5 million passenger everyday. Bangalore Metropolitan Transport Corporation also runs more than 2300 buses adding edge to the internal transport system. The Elevated Light Rail Transit System project, to be completed by 2012, has also been undertaken for a long term benefit. The private people are also doing a commendable job and are coming up with luxurious buses for both long and short distance travel. The interstate Bus services are also operational and active in the state. Besides, Auto-rickshaw, Taxi, Maxicabs, Jeeps, Carts are also available in plenty for transportation at various places including rural and remote villages. As per Karnataka at a Glance – 2000-2001, there are around 19,242 Taxis, 1,52,809 Autorickshaws and 34,365 Omnibuses plying all over the state. The night Bus services and the intra-city services are also growing fast as a means of convenient internal as well as interstate transport system.

2.8.2 Accommodation:

Accommodation facilities in the state are good. The major cities and towns of the state have enough rooms to accommodate the inflow of tourists of all classes and budget. Although, there is a need for more tourist accommodation specially in the places of tourist interest, the industry in general has been showing a slow growth in terms of number of rooms or new hotels coming up. As informed by various people in trade, the average annual occupancy ranges between 55-60%.

Inspite of the discouraging trend in the tourist inflow in the last couple of years due to various disturbances, there has been 10-15% growth in terms of number of rooms. As per the Karnataka Pradesh Hotel and Restaurant Association, there are over 1600 hotels and restaurants in the state (members who are registered with the body). There are many hotels and restaurants which are not

registered with KPHRA. It was reported that around 25 new hotels came up during the last 3 years and besides the registered members of KPHRA, there are around 3000 Restaurants and 300-400 Lodges in the state. An earlier publication by the Department of Tourism has listed more than 600 good accommodation facilities including Hotels, Lodges, Resorts, Forest Guest Houses, Inspection Bungalow, Religious lodges etc (having more than 17000 rooms) all over the state.

Although the Kannada people generally prefer vegetarian cuisine, provision for other food habits and Bars/ wine shops are available in the state in plenty. Apart from the regular types of Hotels, a substantial number of quality Luxurious Hotels, Resorts, Jungle Lodges, typical huts etc are coming up, keeping in mind the taste of incoming tourists. As Bangalore ,being an IT hub and one of the fastest growing cities, is experiencing an inflow of both high class people and budget travellers, all kinds of hotels and accommodation facilities are definitely poised for a quantum growth in the coming years and more so because of positive initiative taken by the state government to boost up the tourism sector. According to an article by Pacific Asia Travel Association, (published in a recent Travel Plus, Travel & Tourism Monthly Magazine), the world was eyeing India and China as two leading and important tourism destinations. PATA has identified Goa, Pune, Bangalore, Jaipur, Delhi, Allahabad and other cities as upcoming locations.

2.8.3 Entertainment:

As far as entertainment and recreational avenues are concerned, the state has quite a few of them. A lot of Gardens and Amusement Parks, few Water Parks, Golf Courses, IT Parks, Theatre Complex, Art and Cultural centres / exhibitions, Fun worlds are located within or nearby major cities and towns. The concept of leisure complex is gradually catching up in the state.

2.8.4 Shopping

Karnataka which is a culturally and heritage enriched state has a lot of things to offer. The traditional handicraft, artwork, wooden work, patchwork, specialty cuisine etc are displayed and are available through a large number of Shopping centres, Stalls or exhibitions. Besides a lot of private entrepreneurs, the chain of Cauvery Emporia run by the state government has shouldered the responsibility to showcase these to the general public and tourists through several of their outlets at different cities/towns and places of tourist attraction. The Silk Saris, Sandal wood works, Wooden and stone toys, Mysore Paintings, Bidriware, Lambani Crafts, Honey are some of the items which are generally taken along by the travellers as gift items and souvenirs. The idea of having a large pavilion, where all art and handicraft works would be displayed, is under planning stage .The pavilion will showcase the uniqueness of the individual places and help the tourists to acquire them at their convenience.

2.8.5 Tourist Information:

The State department of Tourism and the Karnataka State Tourism Development Corporation are in the process of bringing out some more tourism related brochures and documents showcasing the state as ‘A Theatre of Inspiration’, ‘A land of diverse tourist destinations’ etc. These are either available freely or at a nominal price through all their branches and outlets located at main towns/cities and at the strategic places of major tourist attractions. Many documents are also available through various offices of the Archaeological Survey of India at various locations. A lot of tourist information

is also available at DOT/ KSTDC offices at various entry points like Railway Station, Bus Stand, Airports and also at the offices of local tour and travel agents.

The local and regional libraries also fulfil the information requirement to a large extent. A fully computerised Centralised Reservation System, which is under planning and implementation stage, will also provide all the first hand and detailed tourist information in the recent future. The state government has also taken special initiatives to open up / upgrade existing information centres and tourist bureaus. The need to have trained tourist guides attached to various tourist centres and information outlets is also gaining ground.

2.8.6 Intermediaries:

According to information available, there are around 30 booking agents of KSTDC in the city and 50 all over the state. More than 100 travel and tour agents are operating through out the state. These agents are identified based on certain criteria like Location, furnished office and Information collection and handling capacity. Currently, 75% of the tourists book through their agents.

Presently, KSTDC has 37 vehicles of different capacities (which is targeted to reach 50 by end of 2002-2003). The organisation also has future plans to open offices in vintage/strategic points in the 4 corners of the Bangalore city and extend all kind of assistance to the tourists including ticket booking, attractive package tour, Taxi arrangement, Pick up and drop facilities. Both government approved/ not approved travel agents operate in the state. A large number of both domestic and international tours and travel agents are operating of their own and a majority of them have their offices or branches at Bangalore.

2.8.7 Basic amenities:

Some of the major places of tourist attraction are well equipped with basic civic amenities and public facilities. However, there are lot of places where the same is missing or under equipped, leaving scope for a lot of improvement. Although some of the major tourist destinations (like Mysore, Bagalkot, Bijapur) have taken special initiatives to improve the cleanliness at various attractions, a majority of the rest are yet to follow suit.

2.8.8 Facilities:

The facilities for the elderly/ disabled / Sick / children is an area that needs a lot of attention and improvement in the state. Barring few places, there are either no or very little facilities available. In the destinations like Sharavanabelagola or at some Hill forts / stations, carrier facility for elderly/ disabled / Sick / children is available. Medical facility during emergency also has been a cause of worry for the tourists, specially at remotely located destinations or tourist attractions.

2.8.9 Others:

Language is not a problem in Karnataka, as in most of the places, English and Hindi are quite prevalent. The people who are directly or indirectly related to tourism are well conversant with Hindi. Although for the domestic tourists, language interpreters are not a requirement, many of the foreigners

have expressed their interest for foreign language interpreters (mainly the tourists from non-English speaking countries like Japan, Germany, Korea, France).

The security and safety conditions in general have been good through out the state for the tourists. However, the tourists visiting the beaches and lonely hill stations or other destinations have expressed their concern for additional safety measures in the form of Beach Police or Frequent Night Patrolling.

2.9 Current Status of Basic Tourist Infrastructure / Facilities

2.9.1 Roads

Figure 2.13: Road Network



The total Road length in the State is 1,42,754 kms which covers an area of 1,91,791 sq. kms and caters to a population of 50 million. The total length of National Highways and the State Highways in Karnataka is 3,394 kms and 11,288 kms respectively. A road length of 748 kms is proposed to be covered by Golden quadrilateral project. Out of the total 27066 inhabited villages in Karnataka, about 60% have All Weather roads, 23% Fair Weather Roads, 16% Katchha and non-motorable roads and the rest around 1% are not connected by any roads.

Recently the Mangalore City Corporation has cleared the Rs 306.26-crore 'coastal infrastructure and environment management project'. A major portion of the funds for this project is to come in the form of a loan from the Asian Development Bank (ADB). This project is meant to develop 10 urban centres in coastal Karnataka. The Rs.1,056.15-crore project, to be implemented by the Karnataka Urban Infrastructure Development and Finance Corporation (KUIDFC) is to be partly funded by a Rs 735-crore loan from the ADB. The State Government is to contribute Rs 271.07 crore and the local bodies of the 10 'urban centres' are to contribute a total of Rs 50.08 crore towards this project.

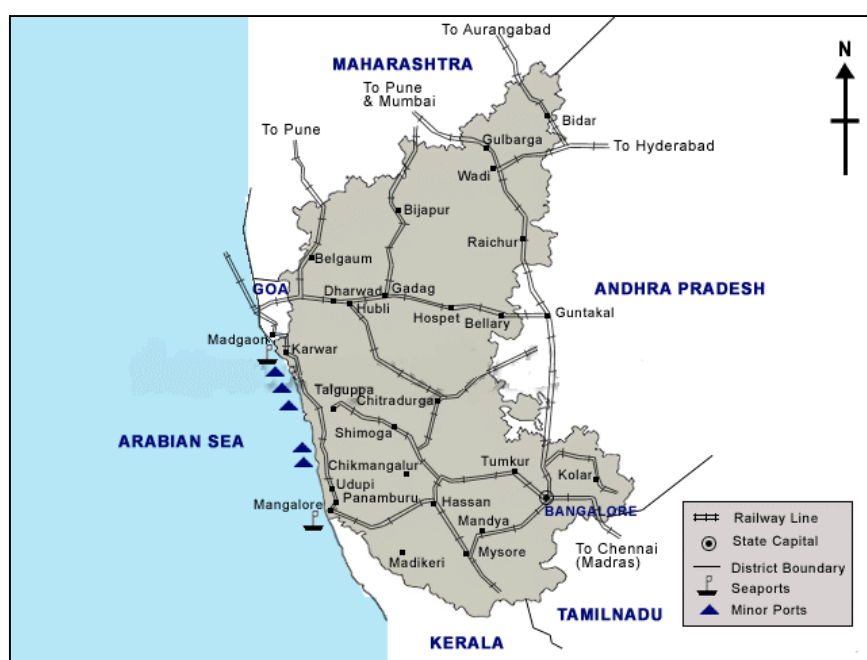
The objectives of the project are the 'social and economic development' of coastal Karnataka, providing and maintaining 'basic infrastructure and amenities' in the areas taken up for the project. Among the other objectives are sustainable development with community participation and eradication

of poverty, implementation of water supply and underground drainage schemes, construction of low-cost toilets, solid waste management projects, development of roads and bridges, and management of the urban environment. The ten urban centres to be covered in the three coastal districts of Karnataka - Dakshina Kannada, Udupi and Uttara Kannada - are Ankola (Rs 9.43 crore), Bhatkal (Rs 44.61 crore), Dandeli (As 24.02 crore), Karwar (Rs 114.52 crore), Kundapura (Bs 34.20 crore), Mangalore (Rs 306.26 crore), Puttur (Rs 51.87 crore), Sirsi (Rs 64.38 crore), Udupi (Rs 135.80 crore) and Ullal (Rs 24.88 crore). The remaining Rs 202.32 crore has been earmarked for other regional environmental projects.

In a recent significant development in the backward Bombay-Karnataka region, a go-ahead was given to the country's first annuity project, the Rs 500-crore strengthening and widening of a national highway no 4 connecting Belgaum to Maharashtra border. The most important feature of this project is that it is the first annuity project of the country where 12 public sector banks have joined together to raise Rs 406 crore for the project. Since this is an annuity project, the National Highway Authority of India (NHAI) will be giving the consortium undertaking the project Rs 50 crore after every six months. The project consists of construction of four major bridges, six minor bridges, 122 culverts, service roads, wayside amenities and one toll plaza. Incidentally, this will be the first toll road in Karnataka.

2.9.2 Rail Network

Figure 2.14: Rail Network



The rail network in Karnataka is 3,270 km- with broad gauge covering an area of 2,706 and covering 564 Kms. by metre gauge. Most of the cities are well connected by rail except for the coastal belt and the Hilly District of Mercara. As per Pink Book 2002-2003, there are around 22 ongoing railway in various parts of Karnataka being undertaken by the Railway authority. Some of them are Whitefield-Kuppam, Bangalore-Kengeri with electrification, Yeshwantpur-Tumkur, Hospet-Guntakal, Bangalore-Hubli-Shimoga-Talguppa, Arsikere-Hassan-Mangalore, Mysore Hassan,

Solapur-Gadag, Kottur-Harihar, Hassan-Bangalore via Shravanabelagola, Gulbarga-Bidar etc. The total estimated amount for the project works out to be around Rs.5000 lakhs.

2.9.3 Airports

Table 2.6: Air Network



Karnataka has only one major Airport at Bangalore. Mangalore has an Airport, whereas airstrips are available at various other district headquarters, which include Belgaum, Hubli, Mysore, Bellary, Kolar, Hassan, Devengere, Tornagullu, Mangalore, Wadi, Gulbarga. Fresh airstrips have been planned to come up at Bijapur, Raichur, Karwar, Shimoga and Kodagu. Currently around 54 flights operate from Bangalore airport (37 domestic, 16 international). Another new International airport at Devanahalli, near Bangalore is likely to be made operational soon to take care of the additional air traffic.

2.9.4 Ports

Karnataka has two major ports at Mangalore and at Karwar. As per the recent budget 2002-2003, an amount of Rs. 656 lakhs (plan) was allocated for development of ports as against Rs. 750 lakhs in the previous year. These ports are Karwar, Honnavar, Coondapur, Belekeri, Tadri, Bhatkal, Malpe, Hangarkatta, Mangalore and Padubidri.

2.9.5 Communication Facilities

Bangalore is the Silicon Valley of India and Karnataka has become an IT(Information Technology) Powerhouse. Karnataka currently has 2.73 telecom connections per 100 persons and is ranked as the 9th well connected state in the nation.

2.9.6 Power

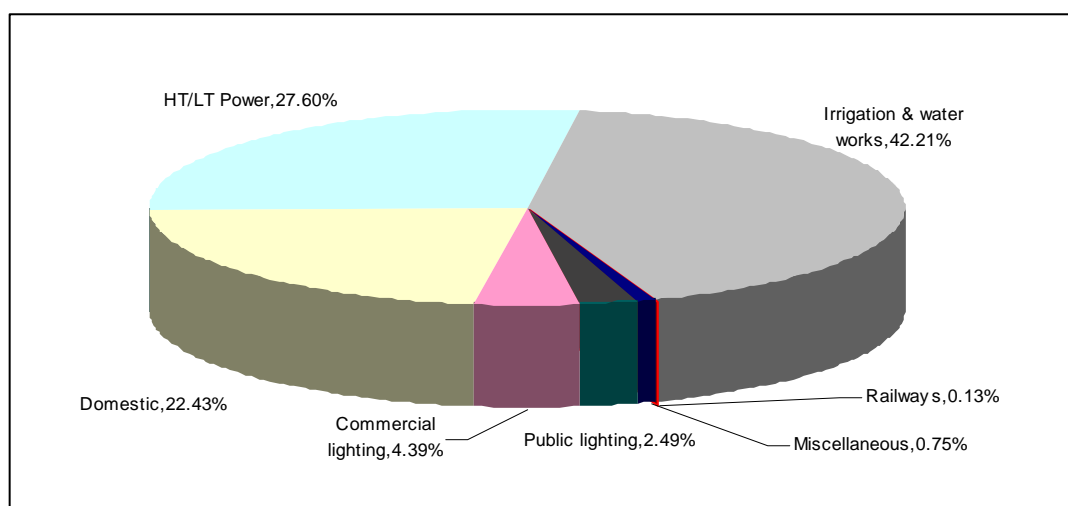
The total installed capacity is around 4,804 MW and the net power generation in the state is around 21,943 MU including 1607 MU generated by private power plants. The state has around 22 power plants with the major ones located at Sharavathi, Raichur, Varahi and Kalinadi. The details of the major plants are presented in Table 2.9.

2.9.7 Key Power figures at a glance

Table 2.7: Key Power Statistics

Particulars	Units	Qty/Amount		
		1998-99	1999-2000	2000-2001
Total Installed Capacity	MW	3195	4589	4804
Total Energy Generated	MU	17066	20901	21943
Energy Imported	MU	6331	6057	6621
Energy Exported	MU	7	12	16
Total Power availability	MU	22746	26117	27824
Sub-Stations (nos.)	No.	599	636	677
Consumer (excluding Street Lights)	In Lakhs	97.09	102.02	108.24
Per Capita Consumption	Kwhr	355	360	389

Table 2.8: Average Daily Energy Consumption



Source: Statistics at a Glance – 2000-2001, KPTCL

As per the statistics 2000-2001, out of the total number of 27066 revenue villages (1991 census), 26751 villages or 99% have been electrified. Out of rest ,281 villages are not feasible for electrification and 34 are remaining to be electrified. However, only around 40% hamlets out of 28178 hamlets have been electrified so far.

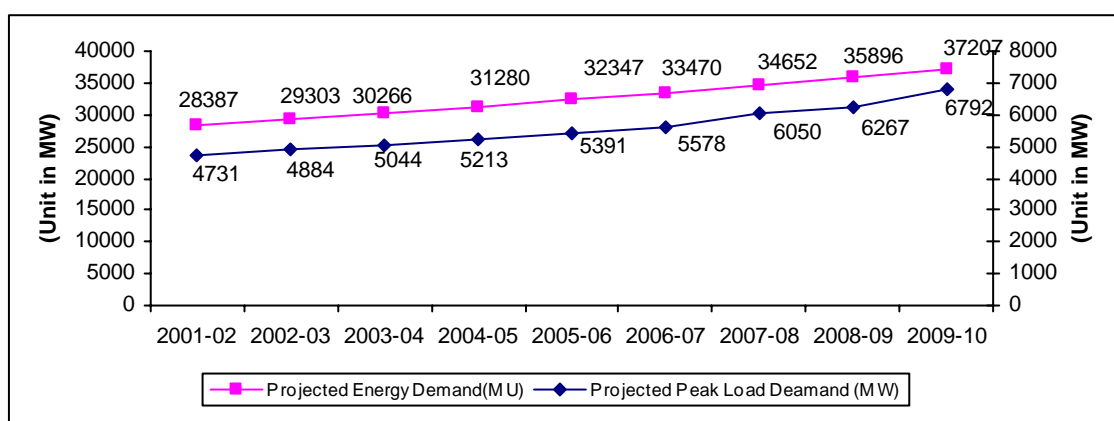
Table 2.9: Karnataka Power Corporation Ltd - Major Plants at a glance

Plant	Fuel	Capacity (MW)	Generation 1999-2000 (MU)	Generation 2000-2001 (MU)
Jog Falls	hydro	120	160	5233
Linganamaki	hydro	55	265	274
Kadra	hydro	56	294	346
Kodasali	hydro	80	120	304
Supa Dam	hydro	100	367	425
Varahi	hydro	230	1,148	1099
Nagjhari	hydro	825	2,239	2567
Raichur	coal	1260	6102	8904

Source: Statistics at a Glance – 2000-2001, KPTCL

Some of the new power projects that KPCL has undertaken in recent times aggregating around 1040 MW capacity generation are Kalindi II, Raichur, Vijayanagar Thermal Power Plant, Sarpadi Hydel Project and Bidar. Kalinidi and Sarapasi are Hydel while the rest are Coal plant. The Karnataka Government had signed MoA with the Central government which provides for a time bound process of privatisation of power distribution and inter-state and inter-regional linkages. The State Government has decided to set up a coal-based station at Kudatini in Bellary district to be completed in 2005 to generate 500 MW at an estimated around Rs. 2,217 crore.

Figure 2.15: Projected Power Demand



2.9.8 Water Resources

The climate of Karnataka is largely of tropical monsoon type and the state receives an average rainfall in the range of 200 –250 inches annually. The rivers Krishna, Cauvery, Sharavathy and Tungabhadra are the major water sources for the state. About 81.38 percentage of households in Karnataka are being provided safe drinking water and 96 percentage of the population are covered by water supply.

2.9.9 Medical And Public Health Services

The Directorate of Health and Family Welfare Services is providing comprehensive health care and services to the people of the State through its network. As per Karnataka at a Glance – 2000-2001, the

state has an extensive network of 293 (177 Government) hospitals, 1,685 Primary Health Centres, 583 Primary Health Units/dispensaries and 7,793 Sub-centres with more than 50,000 bed strength.

Most of the major hospitals of the state are attached to the Medical colleges and are provided clinical facilities along with almost all specialist services. They function as referral hospitals to other institutions. Specialities like Surgery, Obstetric, Gynaecology, ENT, Skin and VD, Pathology and Bacteriology, Radiology, Anaesthesia, besides latest modern medical services are few of the features available here. General Hospitals are located in all the district headquarters as well as in some important taluk Head Quarters with bed strength varying from 30 to 400. These hospitals provide specialist services such as medicine, surgery, obstetrics and Gynaecology. But district hospitals have speciality services like ophthalmology, ENT, paediatrics, orthopaedic, skin and STD, palnology, bacteriology, radiology, dental etc. and have been provided with facilities such as 'X'-ray unit, screening and laboratory, blood bank etc., The district hospitals serve as referral hospitals to the peripheral institutions. Karnataka is the first State in the country to extend full medical care to families of insured persons.

2.9.10 Banking Facilities

Karnataka has a better banking network than many states. As per Karnataka at a Glance- 2000-2001 and national information centre statistics, apart from 19 Nationalised banks, State Bank of India and its seven associate banks are operating in Karnataka. There are also over 25 private sector banks and 13 Regional Rural Banks (with 1080 branches) in the state. Dakshin Kannda district of Karnataka is the birthplace of four major nationalised banks – Canara Bank, Syndicate Bank, Vijaya Bank and Corporation Bank and one private sector bank – Karnataka Bank. Two other major banks born in Karnataka are the State Bank of Mysore (public sector) and the Vysa Bank (private sector). However, 65% of the banking business is concentrated in seven major banks in the state. Currently there are over 4627 branches of Commercial and Rural banks in the state. The average branch population for the state as a whole is around 10,000.

The major cities and towns are well equipped with banking facilities both for the travelling population and the local people. Introduction of customer friendly banking facilities with an overwhelming presence of ATM services, 24-Hours Banking, Currency Exchange, Credit Card Facilities etc have made life easier these days. However, as against the major towns and cities, the Banking facilities in rural and in the places of tourist attractions need to be improved dramatically specially for the foreign tourists who faces a lot of inconvenience in the absence of smooth and hassle free banking facilities.

2.10 Current Status of the Environment

2.10.1 Topography

Karnataka has representatives of all types of variations in topography - high mountains, plateaus, residual hills and coastal plains. The State is enclosed by chains of mountains to its west, east and south. It consists mainly of plateau which has higher elevation of 600 to 900 metres above mean sea level. The entire landscape is undulating, broken up by mountains and deep ravines. Plain land of elevation less than 300 metres above mean sea level is to be found only in the narrow coastal belt, facing the Arabian Sea. There are quite a few high peaks both in Western and Eastern Ghat systems with altitudes more than 1,500 metres. A series of cross-sections drawn from west to east across the Western Ghat generally exhibit, a narrow coastal plain followed to the east by small and short plateaus

at different altitudes, then suddenly rising upto great heights. Then follows the gentle east and east-north-west sloping plateau. Among the tallest peaks of Karnataka are the Mullayyana Giri (1,925 m), Bababudangiri (Chandradrona Parvata 1,894 m) and the Kudremukh (1,895 m) all in Chikmagalur district and the Pushpagiri (1,908 m) in Kodagu district. There are a dozen peaks which rise above the height of 1,500 metres.

2.10.2 Climate

The state enjoys three main types of climate. For meteorological purposes, the state has been divided into three sub-divisions namely:

- (l) Coastal Karnataka (Dakshina Kannada and Uttara Kannada districts),
- (m) North Interior Karnataka (Belgaum, Bidar, Bijapur, Dharwad, Gulbarga and Raichur districts) and
- (n) South Interior Karnataka (the remaining districts of Bangalore Rural, Bangalore, Bellary, Chikmagalur, Chitradurga, Kodagu, Hassan, Kolar, Mysore, Mandya, Shimoga and Tumkur districts)

The Tropical Monsoon climate covers the entire coastal belt and adjoining areas. The climate in this region is hot with excessive rainfall during the monsoon season i.e., June to September. The Southern half of the State experiences hot, seasonally dry tropical savana climate while most of the northern half experiences hot, semi-arid, tropical steppe type of climate. The climate of the State varies with the seasons.

The winter season from January to February is followed by summer season from March to May. The period from October to December forms the post-monsoon season. The period from October to March, covering the post-monsoon and winter seasons, is generally pleasant over the entire State except during a few spells of rain associated with north-east monsoon which affects the south-eastern parts of the State during October to December.

The months April and May are hot, very dry and generally uncomfortable. Weather tends to be oppressive during June due to high humidity and temperature. The next three months (July, August and September) are somewhat comfortable due to reduced day temperature although the humidity continues to be very high.

2.10.3 Temperature

Both day and night temperatures are more or less uniform over the State, except at the coastal region and high elevated plateau. April and May are the hottest months. In May, mean maximum temperature shoots upto 40 deg.C over the north-eastern corner of the State, decreasing south-westwards towards the Western Ghat region and the Coastal belt. The highest temperature recorded at an individual station in the State is 45.6 deg.C at Raichur on 1928 May 23, which is 6 deg. higher than the normal for the warmest months. December and January are the coldest months. The lowest temperature at an individual station was 2.8 deg. C on 1918 December 16 at Bidar.

Summer – Maximum: 35° C, Minimum 20° C

Winter – Maximum: 28° C, Minimum 14° C

2.10.4 Rainfall

The annual rainfall in the State varies roughly from 50 to 350 cm. In the districts of Bijapur, Raichur, Bellary and southern half of Gulbarga, the rainfall is lowest varying from 50 to 60 cm. The rainfall increases significantly in the western part of the State and reaches its maximum over the coastal belt. The south-west monsoon is the principal rainy season during which the State receives 80% of its rainfall. Rainfall in the winter season (January to February) is less than one per cent of the annual total, in the hot weather season (March to May) about 7% and in the post-monsoon season about 12%.

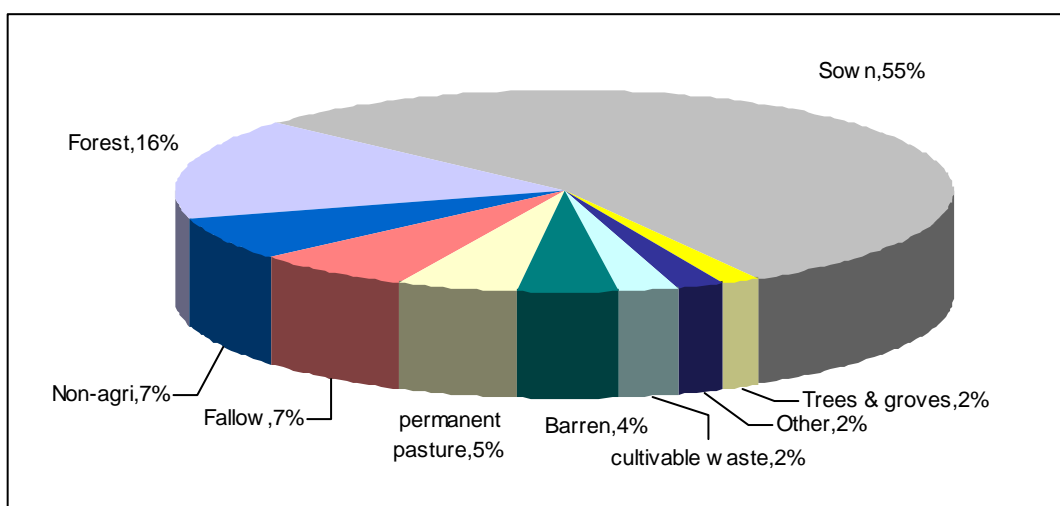
South-West monsoon normally sets in over the extreme southern parts of the State by about 1st of June and covers the entire State by about 10th of June. The south-west monsoon begins from the northern parts of the State around 2nd week of October and by the 15th October monsoon withdraws from the entire State. The retreating monsoon current i.e. the north-east monsoon (October to December) effects the eastern parts of South Interior Karnataka. Out of the 14 heavy rainfall stations in India, with annual rainfall of more than 500 cm., four stations are situated in Karnataka. They are Agumbe in Tirthahalli taluk of Shimoga district (annual rainfall-828 cm) and Bhagamandala (603 cm), Pullingoth (594 cm) and Makut (505 cm) in Kodagu district.

2.10.5 Mineral Resources

Karnataka is endowed with fairly rich mineral wealth distributed more or less evenly over its territory. It has one of the oldest Geological Survey Departments in the country, started as far back as 1880. The State contains deposits of asbestos, bauxite, chromite, dolomite, gold, iron ore, kaolin, limestone, magnesite, manganese, ochre, quartz and silica sand. Karnataka is the sole producer of feldspar and leading producer of gold (84%), moulding sand (63%) and fuchsite quartzite (57%).

2.10.6 Land Utilisation

Figure 2.16: Land Utilisation



According to latest figure available for 1998-1999 for land utilisation in Karnataka at a Glance 2000-2001, out of total area of 19,049,836 hectares, Forests constitute 3,062,769 hectares, Non-agriculture land constitutes 1,295,477 hectares, Barren land 799,202 hectares, Cultivable waste land 435,448 hectares, Permanent pasture 987,474 hectares, Trees and groves 312,405 hectares, Current Fallow land 1,266,446 hectares, Areas Sown 10,489,220 hectares and other constitutes about 401,395 hectares.

2.10.7 Forests

Karnataka State has a geographical area of 1,91,791 sq. km of which 38,724 sq. km (20 per cent) is under the control of the Forest Department. The forests are classified as reserved (28,611 sq. km), protected (3,932 sq. km), unclassified (5,748 sq. km), village (124 sq. km) and private (309 sq. km). The percentage of forest area to geographical in the State is less than the all-India average of about 23%, and 33%

2.10.8 Fauna

(i) Region I- Coastal region

The district of Uttara Kannada and parts of Belgaum constitute the northern most sector of the hill tracts of Karnataka. In this region, as per observed data, the Gaur are scattered, Sambar are much more widely distributed. Wild pig is most abundant and Spotted Deer is seen in majority of areas. Elephants are found scattered over a wide region. The Carnivores-Tigers, Panthers and Wild Dogs occur in low populations. This region was extremely rich in wild life in the past especially Tiger and Gaur.

(ii) Region II- Crestline of Western Ghats

This region lies south of Uttar Kannada. There is a narrow belt of forests following this crestline of Ghats. The vegetation ranges from evergreen to moist deciduous. Most of the major animals are found in this region but their population on the whole is very poor. Only a few isolated herds of Elephants are found here. The Gaur and Sambar are frequently seen while the Spotted Deer occurs sporadically. Barking deer and sloth bear are also reported to be present. Wild Pig is omnipresent. The Carnivores-Tigers, Panthers and Wild Dogs are present but their occurrence rating is very low. This region is a poor habitat for most large herbivores and consequently for carnivores.

(iii) Region III - Malnad

This is characterised by dry and moist deciduous vegetation. The area is marked by conspicuous hills like the Bababudangiri range. This region has one of the best wildlife concentrations only second to Mysore plateau in the State, harbouring populations of Elephants, Gaur, Sambar, Spotted Deer, Wild Pig etc. The Anthropogenic pressures over this area are much less and hence the wildlife is somewhat less molested. The presence of perennial rivers, reservoirs and plenty of bamboos, grass and other fodder species with a moderate rainfall makes this region an ideal habitat for elephants.

(iv) Region IV - Mysore plateau

The western edge of Mysore Plateau, flanked on three sides by the southern most ranges of the Sahyadris, Nilgiris and eastern spur of hills towards the Biligirirangan hills, is an undulating plain and is covered by moist and dry deciduous forests. This area has the richest wildlife concentrations in South India, harbouring large herds of Elephants, Spotted Deer, Wild Pig, Wild Dog, Sloth Bear, Gaur, Sambar and occasionally Tigers and Cats.

(v) Region V- Kollegal Hills

This hilly area is an eastern spur of the Western Ghats. Apart from the moist deciduous or semi-evergreen forests on these hills, the rest of the region is covered by dry deciduous forest mostly degraded into scrub. Elephant, Sambar, Spotted Deer, Wild Pig occur throughout this region. The

Wild Dogs have fairly extensive distribution, though Tiger, Gaur and Panther are much more restricted. Almost all the wild life species occur in this region in small numbers except Elephants.

(vi) Region VI - Maidan

There is very little forest in the Maidan areas on the Deacon Plateau and whatever is left is in highly degraded form. Ranebennur is notable for the occurrence of good herds of Black Bucks. Wolves are becoming rare but have been reported from several places in these plains. Bangalore has a plethora of imposing sights, and one place that's perpetually awash with tourists are the verdant Lalbagh Gardens. Acres of sprawling well - manicured lawns and exotic trees, Lal Bagh happens to be largest botanical garden in Bangalore. Yet, the general public is practically ignorant about the rare plants and trees grown here. Next to the library stands a gargantuan Peepul tree. Known for its antiquity and veneration, the tree was planted in 228 BC and is still thriving. Legend has it, that Prince Siddhartha sat in meditation under the tree for penance and enlightenment . The "King of all Trees", Peepul trees represent three major Gods - Bhrama, Vishnu and Shiva. A sanskrit sloka states that the root represents Vishnu and the top Shiva. To plant a peepul tree and build a platform is a sacred deed. The dry twigs of the tree are used in 'Homam'. Its botanical name *Ficus religiosa* signifies its religious importance . Another fascinating tree named Krishna is given the botanical name "*Ficus krishnane*". A tree of small habitat, it provides shade and has leaves that are folded and appear like small cones or cups known as Krishna's buttercup. A few yards away is the exotic ' flame of the forest or Parrot tree'. This tree is sacred to the moon and Bhrama is said to have originated from the wings of a falcon impregnated with soma . That is why only the leaves of the tree are used to offer rice or ghee to the gods. The bright flowers have probably earned its name the "flame of the forest". Another tree in the shape of a human hand is a Silk Cotton tree called the "*Bombax ceiba*", whose habitat is the java forest. The monkey puzzled tree has a trunk full of big thorns . Neither birds nests nor monkeys can climb them.

2.10.9 Water Resources

Karnataka accounts for about six per cent of the country's surface water resources of 17 lakh million cubic metres (Mcum). About 40 percent of this is available in the east flowing rivers and the remaining from west flowing rivers. There are seven river basins which with their tributaries drain the State. The river systems include:

- Krishna
- Cauvery
- Godavari
- West flowing rivers
- North Pennar
- South Pennar
- Palar

Krishna, Cauvery, Sharavathy and Tungabhadra are the major water sources for the state 81.38 percentage of households in Karnataka are being provided safe drinking water 96 percentage of the population are covered by water supply.

2.10.10 Noise

Noise pollution is largely restricted to Industry and Industrial estates and not normally observed at tourists place. Some noise due to vehicular movement may be observed at Tourist place but that is negligible.

2.10.11 Solid waste management

Tourism activities contribute to generation of solid waste. Tourists in terms of plastic bottles, polythene bags, papers etc also generate solid waste, which is now a major concern at all tourist spots. Precautionary measures have to be taken in terms of law and awareness to prevent the tourist places from being spoilt by solid waste. In large Municipalities like Bangalore, Mysore, Mangalore etc a systematic solid waste management programme and implemented. In the recent budget 2002-2003, Rs 660 lakhs was allocated for environmental research and Rs. 3 lakhs for prevention and control of pollution. The previous year figure for environmental research and prevention and control of pollution was Rs. 140 lakhs and Rs. 7 lakh respectively.

2.11 Current Status of Tourism Projects

2.11.1 Financing of Tourism Projects

Facilities for financing of tourism related projects are available through Tourism Finance Corporation of India (TCFI), Karnataka State Financial Corporation (KSFC) or Infrastructure Development Corporation (Karnataka) Ltd or IDECK / Infrastructure Development and Finance Company (IDFC). Besides, there are other financial institutions at the state level and national level like IDBI, ICICI, HDFC which provide funds for infrastructure development for tourism development in the state. For greater effectiveness and quality professional staffing, government has places like IDECK in the private sector. The state finance corporation has about 310 Super "A" grade branches, 1243 "A" grade branches and 823 "B" Grade branches at various places all over the state. During 2000-2001, KSFC provided financial assistance for tourism related activities to the tune of Rs. 563 lakhs (43 numbers of schemes) as against Rs. 377 lakhs (29 schemes) in 1998-1999. As on 31st March 2001, the total cumulative assistance figures out at Rs. 9474 lakhs for 1057 number of schemes.

2.11.2 Human Resource Development

The availability of trained manpower is one of the major critical factors for the success and development of sustainable tourism. The role of trained guides, interpreter, tour operator and even the service providers in hotels and restaurants is of immense value adding to the comforts and the convenience of the tourists. Keeping in line with the Central government's directives to the state governments to take up training courses for the grass root level workers in tourism activities, in the earlier revised tourism master plan, it was proposed to have another Hotel Management Institute preferably in Northern Karnataka. It was also proposed to start regular and correspondence courses on tourism by various universities and institutes in the state. Government of India had also suggested earlier to establish a National Culinary Institute and four regional institutes and keeping in view the potential of the state, one of such institutes was proposed to be started in Mysore.

Although there are several institutes offering various related courses, there is a need of more adequate recognised training institutes / facilities within the state for preparing trained manpower available for the tourism centres. The state government in recent times has also initiated a lot of efforts and given emphasis on human resource development and training. Keeping in view the approach of market-led development, the State Government is encouraging creation of training facilities in the private sector by private agencies/ individuals. Hotel Management courses, courses meant for guides, caterers and other supervisory and non-supervisory staff of hotel is planned to be introduced in various institutes and colleges. Approved hotel associations and private entrepreneurs are encouraged to create new training facilities by giving appropriate incentives. Name and addresses of some of the well known institutes in the state are given in Appendix – 2.10.

2.12 Women in tourism– Karnataka

Tourism – the highest employer: Tourism sector is the highest employer of manpower in the country. As per the estimates of Department of Tourism this sector currently employs 4.2 million persons, 2.5 million directly and 1.7 million indirectly. The special feature of this employment is that it employs a large number of women and young persons and the network of hotels, restaurants and other tourism services are widely spread in the rural areas of the country. As per released estimate by the Department of Tourism, that every Rs.10 lakhs of new investment in hotels and restaurants creates 89 new jobs, compared to 12.6 for manufacturing & 44.6 for agriculture

Unlike other states, three states of Gujarat, Haryana and Karnataka witnessed a decline in unemployment rate. In the case of Karnataka, it dropped from 4.94 to 4.57 per cent. (Source: The Times of India, July 29, 2002). Newly released data from the 2001 Census of India provides a slightly different picture of rural employment growth over the period 1991-2001, than had emerged from the National Sample Surveys.

Employment generation for Women: As most of the major tourist destinations in the state are located in the rural and semi-urban places, there exists a great potential to involve local mass participation and help them generate more and more income from the tourism activities. Women participation can greatly be encouraged to many of these activities befitting the nature and style of the women folk. Hospitality and Service industry in particular (Hotels, Restaurants, Call centers, Reservations, Tour coordination, even Tour guides etc.) can encourage and provide ample opportunity for women employment. However proper and effective state intervention in the policy and implementation stage need to be thoroughly considered so as to avoid a situation like power-loom silk weaving in Karnataka which is characterised by low productivity and profitability. Even interventions made by NABARD and various cooperatives in the area had been ineffective. IT and Training segments also have high potential so far as women employment generation is concerned.

As per a study on reviewing macro trends in the 1990s for women particularly with special reference to urban informal employment, it was found and suggested that there was greater reliance on subsidiary rather than primary activity and important concerns relating to the quality of employment need to be recognised. There is also a need for policy interventions to consider / rationalise the extent and reasons behind gender wage gaps.

To ensure and encourage healthy participation of women in various streams of activities in the tourism industry, certain things, as mentioned below need to be considered:

1. Necessary measures against commercial exploitation of women in tourist areas, stringent action for abuse against women as well as taking action against those who deliberately involve in illegal and unwarranted activities which are detrimental to the tourism any way.

2. A transparency (on the part of DOT) in providing information and data on employment of women in the tourism industry and state their position for further discussion.
3. Formation of a Specific Purposes Committee in tourism places (as provided in the Tamil Nadu Panchayat) to address the issues of tourism development like issuing and cancellation of licenses.
4. Empowerment of Panchayat in such a way that Panchayat have say in deciding new projects specially with respect to Special Tourism Area (STA).
5. The state should organise orientation training for ward members/ panchayat leaders on issues of women and tourism.
6. State should train and involve local community as full time guides in all tourism places.
7. Create alternative, viable employment opportunities for local women in tourist places.
8. The Government and the Tourism Industry should refrain from stereotyping of women and their roles.
9. The state and local governments must allow for community participation particularly women in tourism policy formulation and implementation.
10. Prevention of migration of rural artisans to urban areas. While migration may assist the preservation of traditional craftsmanship, state and civil society alike need to look at fresh ways to nurture rural talent.
11. Continued economic/ financial support through various schemes / pensions for poor craftsmen based on certain criteria. These would encourage and help poor craftsmen to contribute to the sector in a sustained way.
12. An artisan welfare trust may also be created (if not in existence)
13. Besides implementing welfare schemes for artisans, the state government should also work to promote and develop handicrafts like organising exhibitions every year to popularise and market Karnataka's handicrafts.
14. The organisation like Centre for Entrepreneurship Development of Karnataka, organization similar to The Technical Consultancy Services Organization of Karnataka (TECSOK), a leading Consultancy Organization which was established by the Government of Karnataka in 1976 to provide reliable, multi disciplinary Consultancy services to entrepreneurs - should also play an active role in training and developing the skills of local entrepreneurs and artisans.

The State Tourism Policy on women entrepreneurs

The state tourism policy also encourages women participation in the mainline tourism activities by making provision of additional concessions to Special Categories of Entrepreneurs which includes women. An additional subsidy of 50% of the value of fixed assets subject to a ceiling of rupees one lakh is being extended to these selected special categories. This additional subsidy will be applicable to all tourism units other than 5, 4 and 3 star hotels in category B & C locations and will be over and above the normal investment subsidy as per the policy.

2.13 Handicraft and Handloom industries

Handloom Industry: The importance of the handloom sector in the national economy cannot be over-emphasised. It is also an important part of tourism industry along with handicraft. On account of having the advantage of flexibility of small production run, uniqueness, innovation and adaptability, this sector has the capability to immensely contribute towards export earnings in a big way. The Government has been exploring the possibility of making optimal use of the resources to enhance production capabilities of exportable products. The handloom sector is one of the largest economic activities providing direct employment to over 65 lakh persons engaged in weaving and allied activities. As a result of effective Government intervention through financial assistance and implementation of various developmental and welfare schemes, this sector has been able to withstand competition from the powerloom and mill sectors. Consequently, the production of handloom fabrics registered more than ten fold increase from a level of 500 million sq. metres in the early fifties to 7506 million sq. metres in 2000-2001.

Handloom forms a part of the heritage of India and exemplifies the richness and diversity of our country and the artistry of the weavers. Hand-woven fabric is the product of Indian tradition, the inspiration of the cultural ethos of the weavers. Handloom is unparalleled in its flexibility and versatility, permitting experimentation and encouraging innovation. The strength of Handloom lies in introducing innovative designs which cannot be replicated by the Powerloom Sector.

Basic requirements: However, to uplift this industry assistance are required to be given for covering basic inputs like looms and accessories, loans for working capital, product development, infrastructure and institutional support, technological support; training to weavers, supply of equipment and marketing and publicity support, Research and Development etc. The schemes should aims at providing all such facilities that would enable the weavers, both within and outside the cooperative fold, to produce quality fabrics that will find ready market. National Centre for Textile Design (NCTD) which was set up to promote the traditional & contemporary designs so as to be responsive to the rapidly changing market demand also provides adequate growth opportunity to the Textile industry and in particular to the Handloom Sector.

Handicraft Industry: South India has a lot to offer -from silk to finely carved sandalwood and rosewood figures to brassware and semi-precious stones. Karnataka state in particular is noted for its fine silks and handicrafts. One can see shimmering silk saris and fabrics. A range of finely carved sandalwood and rosewood figures and articles, wooden inlay, toys, brassware, gold and silver jewelry are other things offered in varieties by the state.

Ilkal, near Aihole is famous for its traditional handloom, art silk and silk sarees. Bidar is known for Bidriware, an exquisite artifact that includes the use of metal plate on an alloy made of zinc copper, tin and lead. Belgaum is famous for its Toys. Made of locally- available wood, yellow teak & even leather. Gokak Toys too are very popular. Bright colourful vegetables, fruits, cradles, toys, masks, images of deities & palanquins. Also get some good pottery, gold & silver jewelry. Bijapur is famous for Handlooms of Guledgudda (Khancholi), clay toys, Lambani crafts and Jewelry. These are specialties of the place. Bangalore is know for its quality in producing some of the best silk manufactured in the world and Designer wear. The place is a Handicrafts and Handlooms paradise for tourists with the many Handicraft shops in the town. The other specialty of this town is SandalWood. Mysore is well known for Silk, Sandalwood, Vegetable coloured Mysore paintings, wooden toys & Handicrafts. The other popular things of the place are Mysore Jasmine flowers, Mysore Sandal Soap, Sandalwood oil besides small gift items like pens, paper knives, metal lamps, wood carvings and inlay works.

Development of industry: Share of South India in the exports of handicraft from the country is very negligible (around 8%). Various measures which have been taken to boost up export of Handicrafts from South India includes organisation of Design Workshops at the various craft pockets of South India a number of training programmes on packaging for exports, human resource development, export procedures and special efforts for marketing promotion through participation in international fairs have also been taken. A proposal for upgradation of the Regional Design and Technical Development Centre at Bangalore to a national level institute and setting up of a wood seasoning plant at Mysore were also being finalised by the office of the Development Commissioner (Handicrafts).

Some of the recommendations or suggestion for Developing Handicrafts in the State are presented as follows:

- Invite investments from outside either from PSU's or big private concerns. People from Chambers of Commerce also can be motivated to invest by offering incentives and providing

them all the required infrastructural facilities. NGO's need to be identified from outside the State who can invest in this State.

- In pursuance of the declared policy of developing the backward regions, the Government may consider a package of fiscal incentives to promote investment in this State.
- Information technology applications in local / regional languages needs to be promoted thoroughly.
- E-commerce, etc., can be used to the maximum advantage. The products can be shown in internet to attract foreign buyers, etc.
- There is a need to strengthen the existing craft centers by way of increasing the number of crafts persons and providing them with modern tools and equipment.
- Efforts should be made to reduce the incidence of dropouts from the training. They should also be motivated to start their own units after the training by providing them with all the requirements.
- Schemes in line with The ADARANA scheme implemented in Andhra Pradesh for improving the skills and production of artisans by provision of improved tool kits can be implemented.
- Awards for trainees who exhibit noticeable talents can also be made to motivate them just as awards to master crafts persons.
- The services of the Institutes of Handloom Technology, NCTD, NIFT, NID etc can be utilized fully for the development of handloom sector.
- For marketing the products the National / Regional level marketing agencies can be utilized by adopting the Government of India's scheme, i.e., Market Development Assistance Scheme (MDA).
- Strengthening of Artisan Training, Production and Marketing Centre (ARTRAP).
- Artisans should be motivated to produce products for exports as the scope of exports in these two sectors is vast. The expertise of Export Promotion Councils can be utilized.
- Artisans should be motivated to form cooperative societies so that they have fewer problems and can increase their bargaining power thus yielding better results.

3 FIELD SURVEY FINDINGS

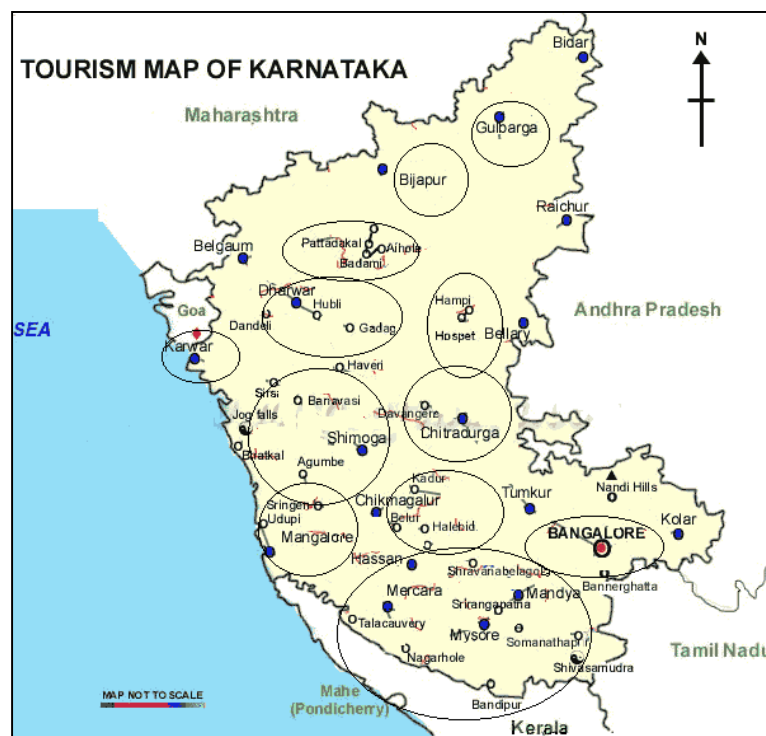
3.1 Introduction

This chapter summarises the results of the primary survey of stakeholders – Foreign tourists, Domestic tourists, Tour operators and Travel agents, Industry associations, Tourism departments, other concerned government departments and experts.

3.2 Sampling Plan and Methodology

The basic purpose of the primary field survey was to obtain a first hand assessment of the ground realities at various tourist destinations.

The major tourist destinations in Karnataka were identified and plotted on a map. The major areas with a cluster of tourist destinations were segregated on the map and all these major clusters were covered during the field survey. The destinations and attractions visited during the survey are listed in Appendix 3.1.



The primary field survey envisaged interactions with major stakeholders at major tourist destinations in the state. The travel and tourism industry has a number of stakeholders:

- Tourists
 - ♦ Foreign tourists
 - ♦ Domestic tourists
- State Tourism department
- Government departments like Forest department, PWD, Electricity board, Water supply and sewerage department, Municipal corporations, Archeological Survey of India etc
- Tour operators & Travel agents

- Hotel and Restaurant industry
- Entrepreneurs & Financial institutions

Separate questionnaires were prepared for documenting the feedback from foreign and domestic tourists, tour operators and check lists were prepared to document the feedback from government departments. The list of contacts made during the survey is enclosed as Appendix 3.3 and questionnaire format are enclosed in Vol-2 Annexures.

3.3 Sample size

The sample size of the field survey is given in Table 3.1.

Table 3.1: Sample Size Surveyed

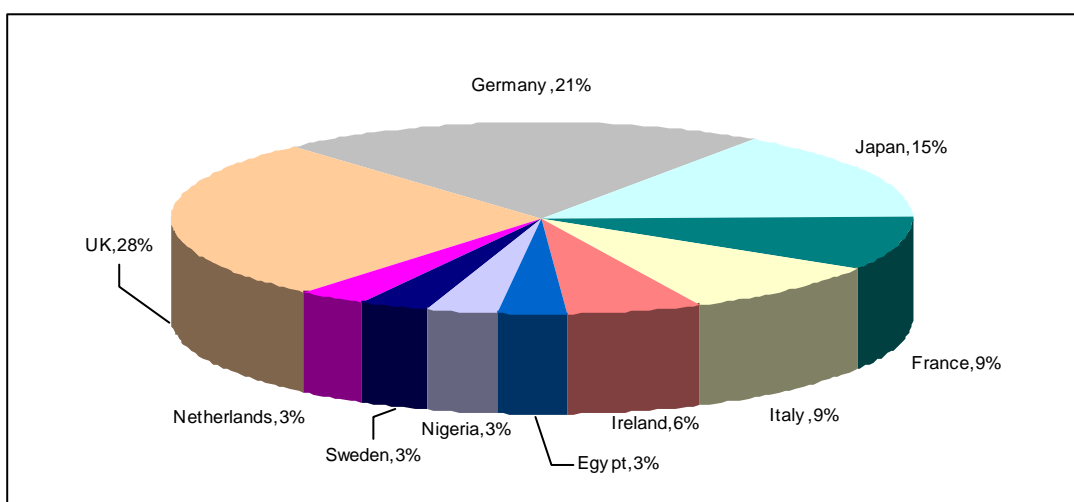
Stakeholder category	Sample size surveyed
Foreign tourists	33
Domestic tourists	32
Tour operator	18
State Govt. departments	52
Associations/ Hotel owners/	20
Guides/Eminent Personalities	12
Developers/ Airlines	7
CII/Chamber of Commerce	2

3.4 Survey Findings: Foreign Tourists

3.4.1 Country of Origin

The tourists surveyed originated mainly from Germany, UK and Japan. The country of origin of tourists surveyed is presented in the chart below:

Figure 3.1: Origin of Tourists



3.4.2 Port of Entry

For a majority of the foreigners, Mumbai is the port of entry followed by Delhi and then Chennai.

3.4.3 Demographic profile

(i) Gender and Age

More than 50% of the visitors were male. The age-wise percentage distribution of the foreigners is presented in following chart.

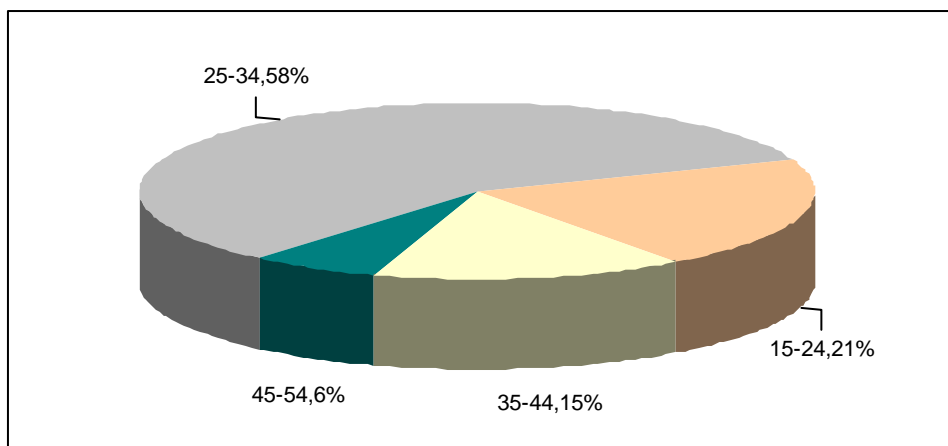
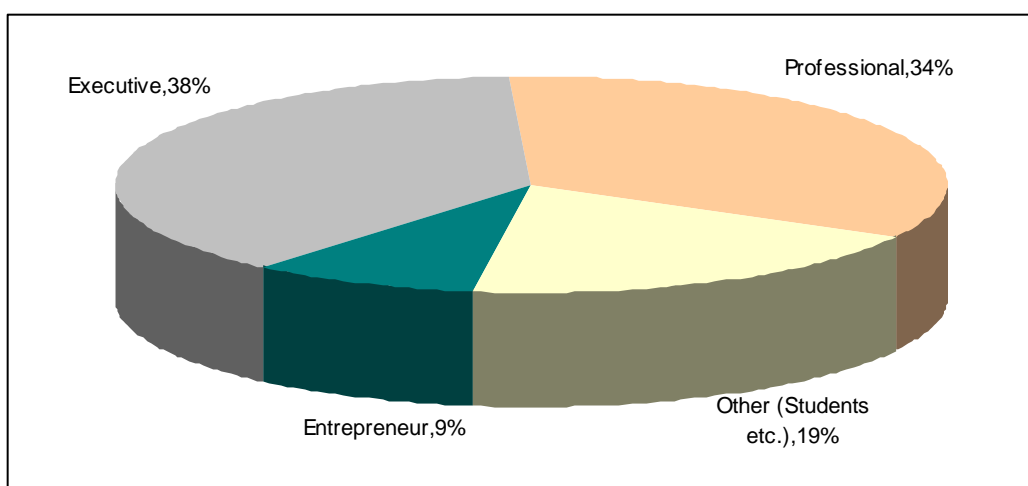


Figure 3.2: Age Percentage – Foreigners

3.4.4 Occupation

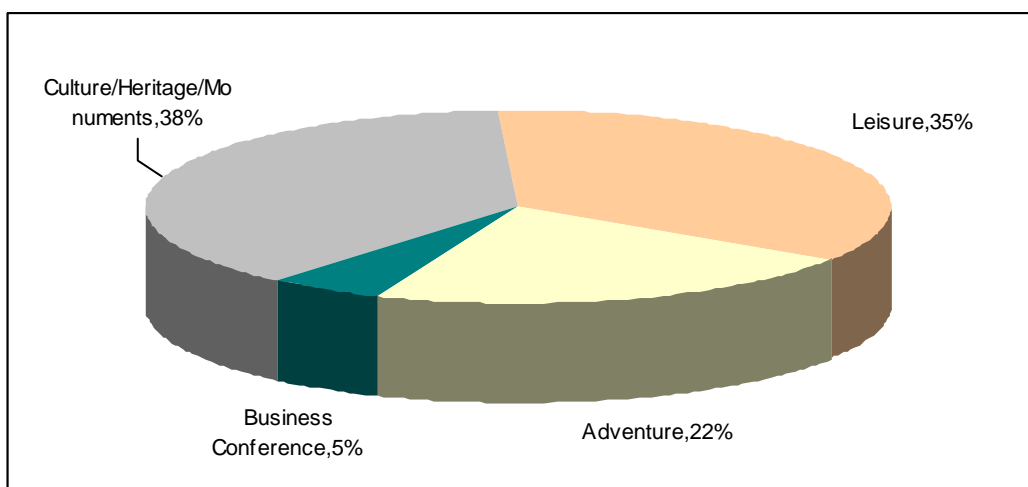
The occupation-wise %age distribution of the foreigners surveyed is presented in following Chart

Figure 3.3: Occupation – Foreigners



3.4.5 Purpose of visit

Figure 3.4: Purpose of Visit – Foreigners

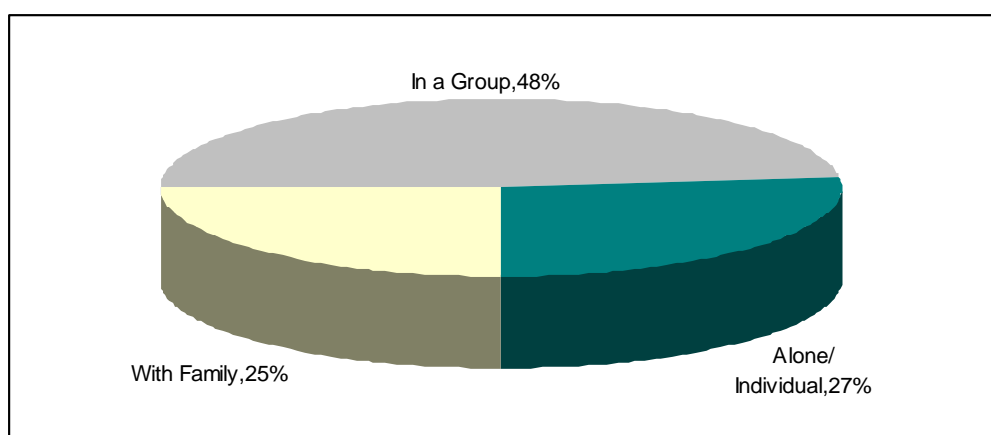


It is to be noted that the above chart captures the major theme attracting the surveyed tourists. Usually, combination of themes complete the itinerary of tourists to the state. Say for example, an individual may have come to enjoy both Leisure and cultural heritage

3.4.6 Travel pattern

Foreign tourists generally travel in a mixed group of 2-4 persons although some tourists travel individually or with their family.

Figure 3.5: Travel Pattern - Foreigners



3.4.7 Tour package

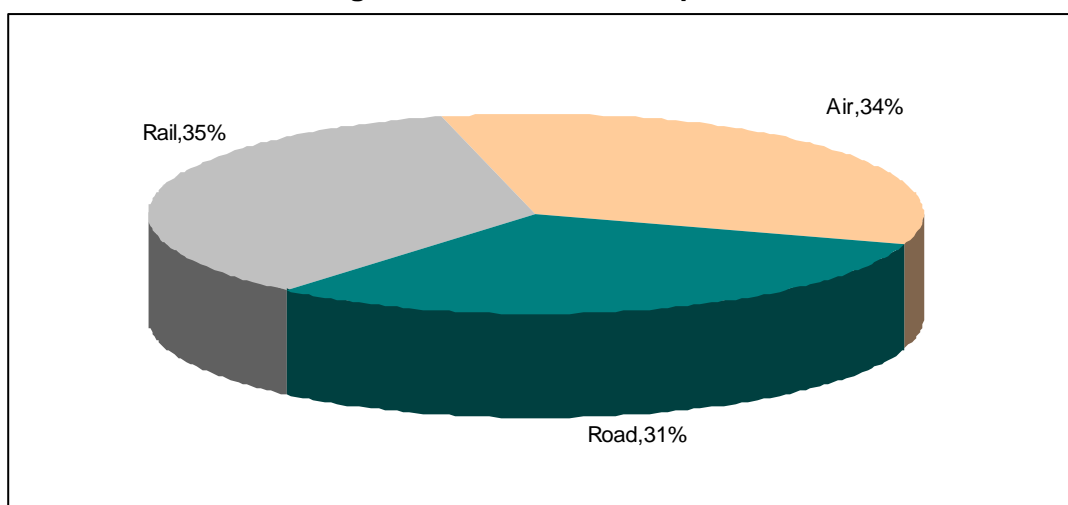
Majority of the foreign tourists, i.e. 82% were found travelling without a Package tour program and 12% of them were found to be travelling with a tour package program. It was observed that even the tourists who were travelling on Package tour, would be travelling only a part of their tour in a Package tour.

The tourists in general collect all the relevant information from the various sources and prefer travelling as per their own convenience and schedule. It is basically the business tourist who avails the package tour program owing to the limited time availability.

3.4.8 Mode of transport

It is to be noted that a lot of tourists use a combination of transport modes to reach the destination from their respective port of entry. Although the Air & Rail combinations were found to be maximum, some reported Air and Road combination to the destination. During survey, some of the foreigners also expressed their willingness to avail short distance air travel to reach their places of interest in the state.

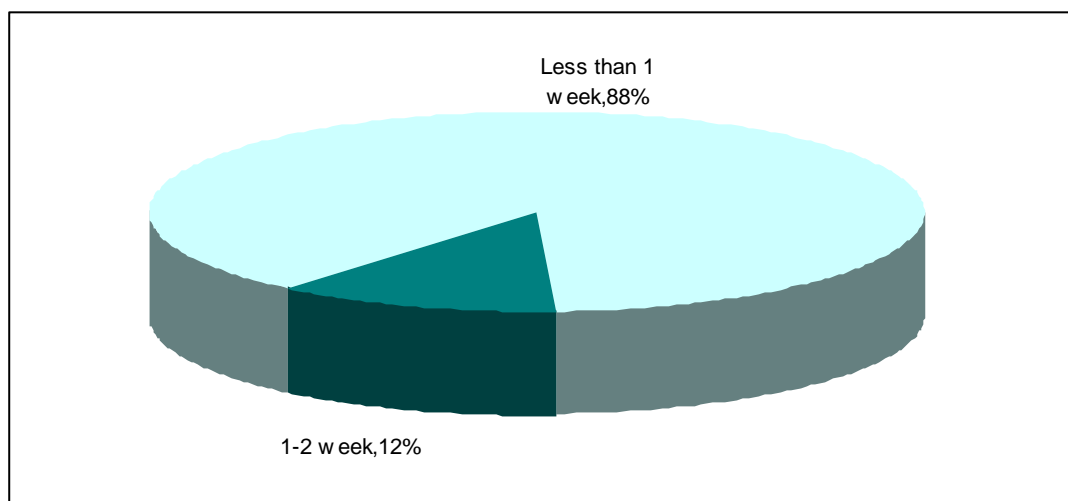
Figure 3.6: Mode of Transport



3.4.9 Average length of stay

The average stay of the tourist in the destination was less than one week for 88% of the respondents and one to two weeks for 12% of the respondents. Although the average stay for most of the tourists was less than one week, the total stay in India was reported to be much more than that (3-4 weeks in most of the cases). During the survey, some of tourists were found to have spent more than a month at the destination.

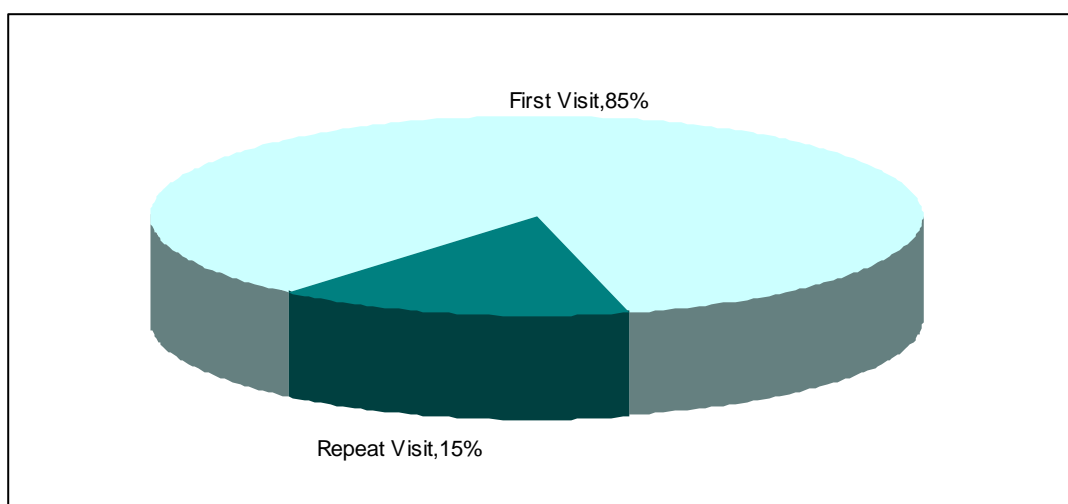
Figure 3.7: Average Length of Stay – Foreigners



3.4.10 Frequency of visit

In 85% of the cases, the foreign tourists surveyed were visiting the destination for the first time. However, 15% of the tourists were also found to have visited the state more than once. Majority of these repeat visitors were found at Bangalore and at Hampi. Almost all the foreign tourists met also expressed their willingness and interest to visit the destination in future.

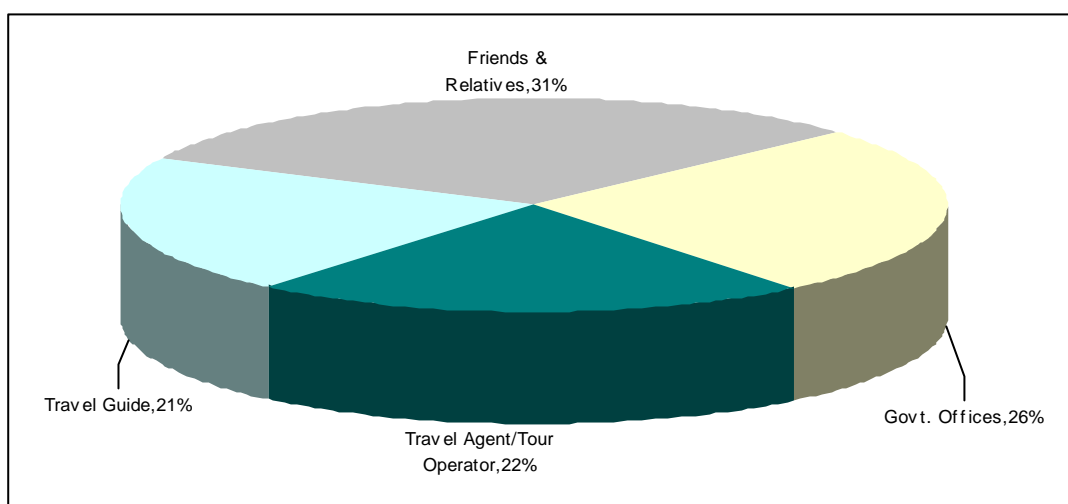
Figure 3.8: Frequency of Visit – Foreigners



3.4.11 Source of information about destination

In most of the cases, the tourists had gathered information from more than just one source. The person who had gathered information from friends and relatives had also gathered information from travel guide and tour operators / agents. However, in a majority of the cases, the tourists were informed by friends and relatives who had earlier visited the destination.

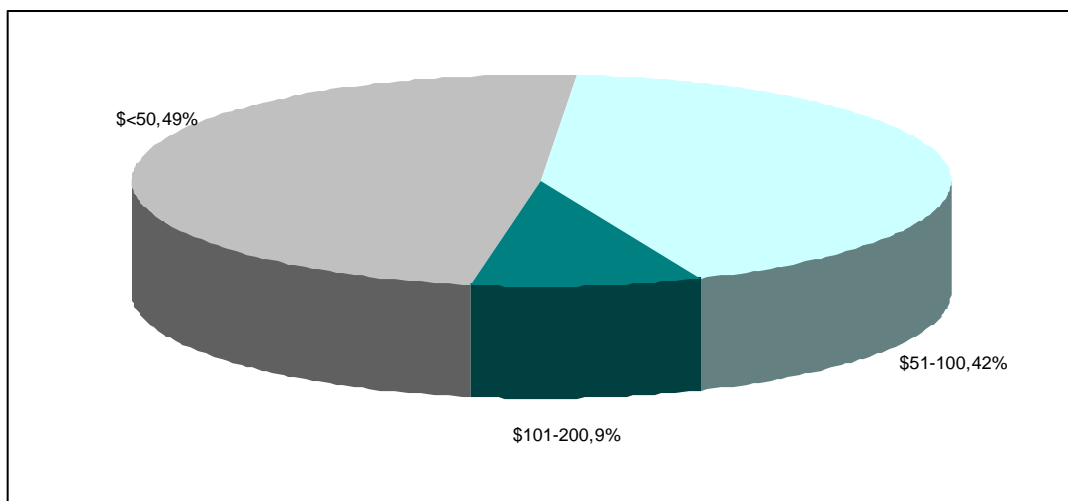
Figure 3.9: Information Source - Foreigners



3.4.12 Average spending per day per person

The majority of the tourists were found to be spending less than \$50 per day followed by the range \$ 50-100. None of the tourist contacted spent more than \$200 per day.

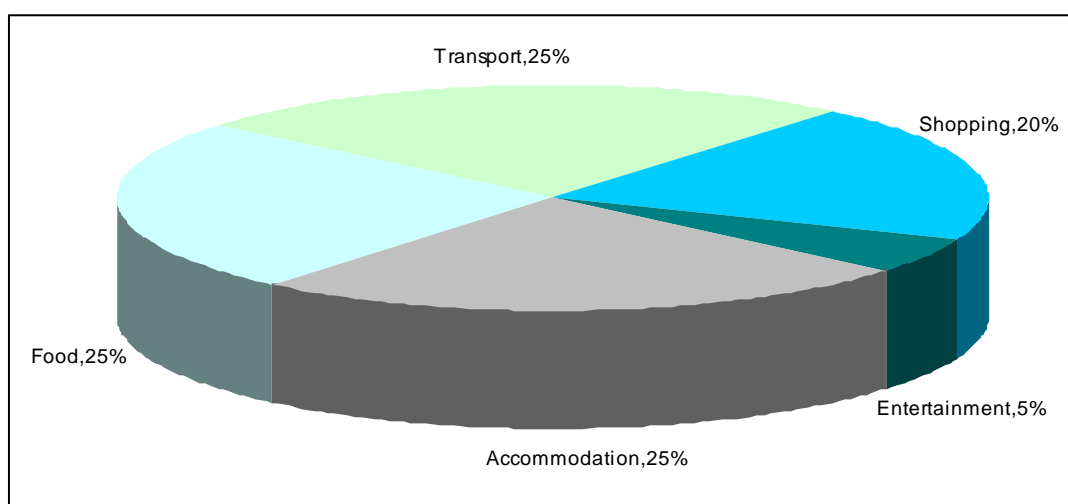
Figure 3.10: Average spending per day – Foreigners



3.4.13 Percentage contribution of major items in daily expenses

From the survey, the emerging spending pattern of the foreign tourists contacted can be largely summarised as given in Figure 3.11

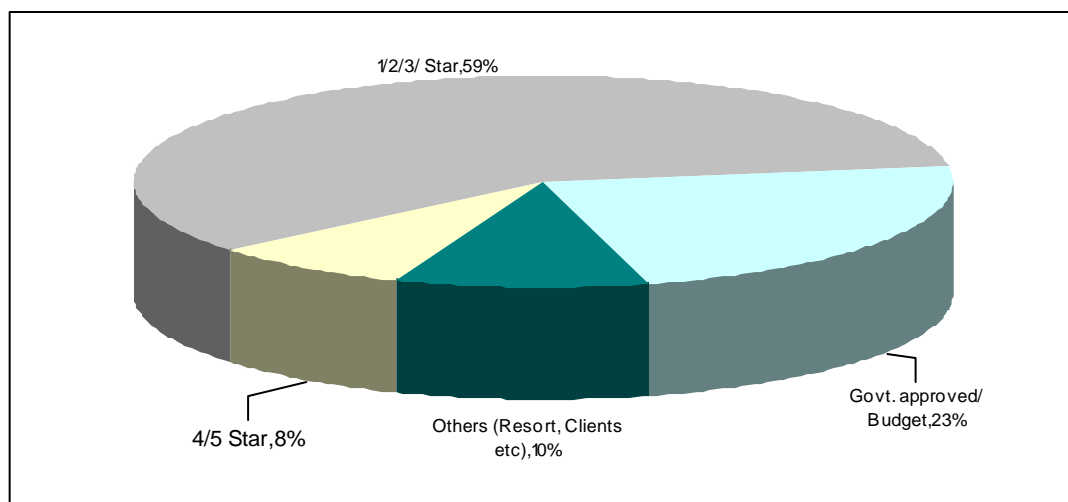
Figure 3.11: Emerging spending pattern



3.4.14 Type of accommodation

Nearly 60% of the foreign travellers preferred to stay in one, two or three star hotel followed by government approved and budget accommodation. Only a small category of them were found availing four or five star accommodation.

Figure 3.12: Accommodation Type

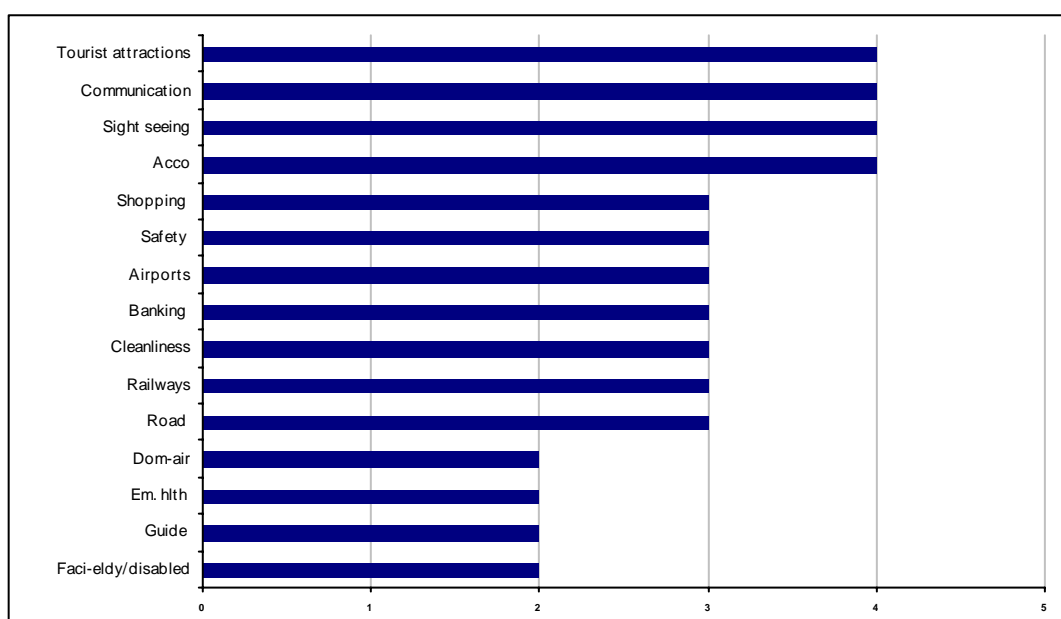


3.4.15 Satisfaction level

The destinations were rated to be good to OK with respect to Sight seeing, Shopping, Communication, tourist attractions and accommodation.

Surveyed tourists were not very happy with the Railway connection, Banking facilities, Emergency health care, Domestic air connectivity within the state and with available tourist guide facilities.

Figure 3.13: Satisfaction level



3.4.16 Major items of interest during visit

The major attractions for tourists at the destinations were

- Cultural Heritage and the Architecture,
- Historically important places,
- Monuments, Forts and lovely temples and
- The natural beauty of beaches and the Indian Jungles or Forests.

3.4.17 Problems faced during stay

The problems the foreign tourists had to face while staying and travelling in the state were mainly pertaining to the following aspects:

- **Food:** Although the availability of choice foods for the domestic tourists has not been a problem these days, the foreign tourists were confronted with the problem. Very often, they had to search for cuisine satisfying their own taste.
- **Transportation:** The local transport or the conveyance was a problem for the tourists mainly in the small towns, villages or places located a bit away from the main town or district head quarters. They were not only costly but also inconvenient at times.
- Proper tourist **information** about the destinations and places of interests was reported to be inadequate.
- **Accessibility:** Accessibility to all the places of interest in the state was one of the major problems. Lack of proper transport connectivity to the places located in comparatively remote places, away from the main town and cities, was of main concern to them. A lot of both time and money was reported to have been wasted to visit such places of importance.
- **Emergency Health Care** and instant medical facilities were another aspect that the tourists were concerned about. Practically, such facilities are not available in most of the places of tourist attraction. A few of the foreign tourists had to face a lot of inconvenience when they needed immediate medical attention. Resident or Doctor on Call service were not available at even the star hotels in the state.
- **Banking facilities:** The insufficient number of ATM facilities and foreign exchange dealers at the tourist destinations was another problem faced by the tourists. Non-acceptance of Credit Card payment by majority of shops and other similar institutions was reported to be a major inconvenience.
- **Safety and Security:** Although the safety and security aspect have never posed major problems in the state particularly with respect to the tourists, a need for more number of security measures in places like beach and lonely hill stations was felt necessary by the foreigners. Harassment and cheating by the local miscreants, particularly to their female members, was a matter of concern to most foreign tourists.
- **Pollution and cleanliness:** The increased pollution of the general environment and the need for cleanliness at many of the places of tourist interest was pointed out by many of the foreigners. They were particularly shocked and surprised to see the lack of maintenance at hotels and public facilities.

3.4.18 Willingness to visit again and overall experience

The overall experience of the foreign tourists visiting the state was satisfactory. Almost all the foreign tourists contacted have expressed their willingness and interest to visit the destination again in future.

3.4.19 Suggestions for improvement of tourist destination

The suggestions received from the foreign tourists for further improving the tourist destinations are as follows:

- Setting up of more number of information outlets at destinations and at the entry points.
- Availability of foreign language tourist guides.
- Transportation and accessibility to all the tourist destinations and places of interest. Frequency of the transport to be improved.
- Better public and civic facilities.
- Better and cheaper accommodation and local conveyance. Pre-paid auto and taxis at the destinations mostly frequented by the tourists.
- Short distance flights to the destinations of major importance.
- Facility of swimming and boating in the beaches.
- Security measures at beaches and hill stations or for that matter at any tourist destination.
- Facility for smooth banking and acceptance of credit cards.
- Improvement of the hotel services which have to become more tourist friendly.
- Better informed guides and travel / tour operators.

3.5 Analysis of Survey Findings: Foreign Tourists

3.5.1 Needs of foreign tourists surveyed

Most of the foreign tourists surveyed already had a fairly good idea of the places and the destinations. They had pre-planned their itinerary. Good and cheap accommodation (mainly 1/2/3 star category), food to their tastes, reasonable cost of local transportation, an improved banking system, emergency health care and good information centres at strategic and convenient locations are some of their basic needs.

3.5.2 Origin of visitors

The British seemed to be more interested in visiting the destinations. The Germans, French and Japanese (who are interested in Indian architecture and heritage) visit the state in large numbers. There has also been some inflow of tourists from USA and African countries in recent years.

3.5.3 Length of stay

Although the tourist would actually be staying in the country for a longer duration (say a month), majority of them planned to stay for a less than a week in the state. The foreign tourists visit the state after visiting other places like Agra, Goa, Ooty, Kerala etc. A lot of tourists contacted during the survey had actually come to the state from Goa or Ooty. The vastness of the country, limited time with the foreigners and lack of proper information about the destinations may be some of the factors,

which might have prevented them from staying longer. However, it was encouraging to see some repeat visitors to the state and their willingness to visit the place again.

3.5.4 Expenditure on various tourism products

As informed and observed, most of the foreign tourists visiting the state belong to the Middle and Upper Middle socio-economic classes. There were few who actually belonged to the premier segment. Hence, they mainly targeted one/ two/three star category or budget accommodation in most of the places. However, these tourists seemed to have substantial amount of disposable income while travelling the state. But due to lack of avenues for shopping or entertainment, the level of expenditure has still remained low. Some of the foreigners have even expressed their willingness to pay more for better facilities.

3.5.5 Main areas of concern

Some of the major areas of concern of the foreign tourists in the state are as follows:

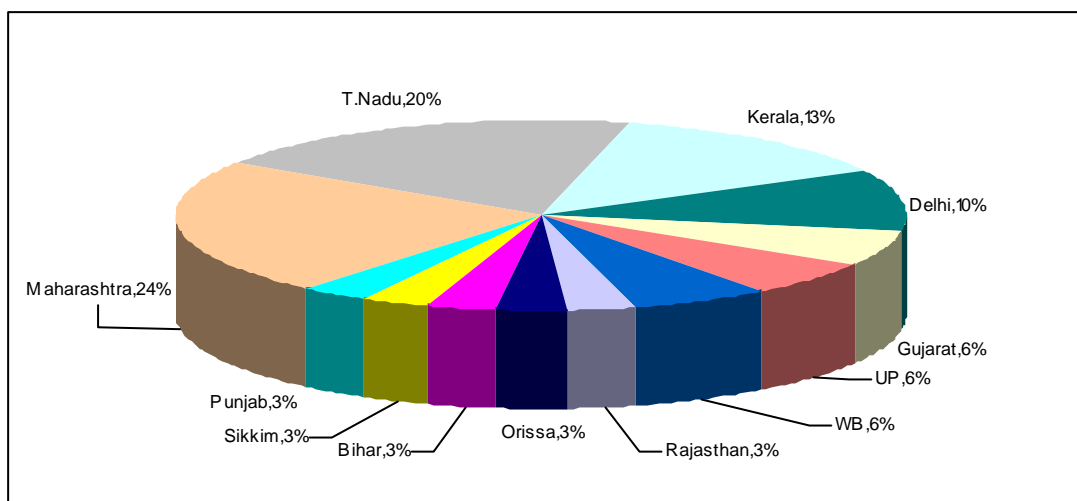
- Spoiling of image by the unauthorised and scrupulous agents and touts, who look at the short term benefit rather than long term gain.
- Disparity in the entry fees for foreigners and local tourist instill a feeling of “being cheated” among the foreigners.
- Lack of tourist related information at the various entry points (like Air, Rail, Road, Sea etc), (which act as the first point of impression) very often displeases and confuses them.
- Lack of proper infrastructure.

3.6 Survey Findings: Domestic Tourists

3.6.1 State of Origin

As per the survey, maximum domestic tourist inflow into the state is from Maharashtra and the southern states of Tamil Nadu and Kerala. Together, they account for more than 50% of total tourist turnover. A substantial number of tourists also visit the state from the eastern states of the country. In recent years, tourists from North India are also visiting the state.

Figure 3.14: State of Origin

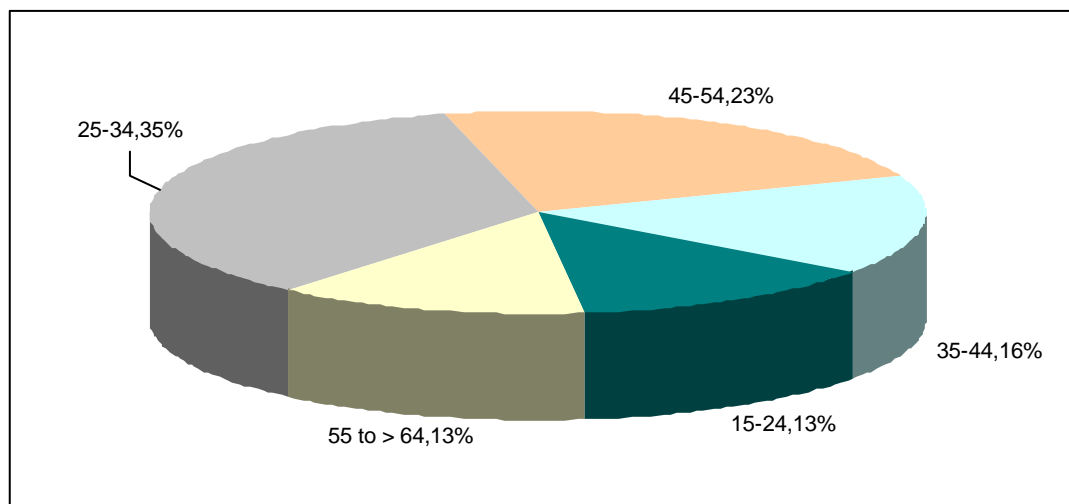


3.6.2 Demographic profile

(i) Gender and Age

More than 50% of visitors surveyed were male. The age-wise percentage distribution of the domestic tourists is presented in following Chart.

Figure 3.15: Age Percentage – Domestic

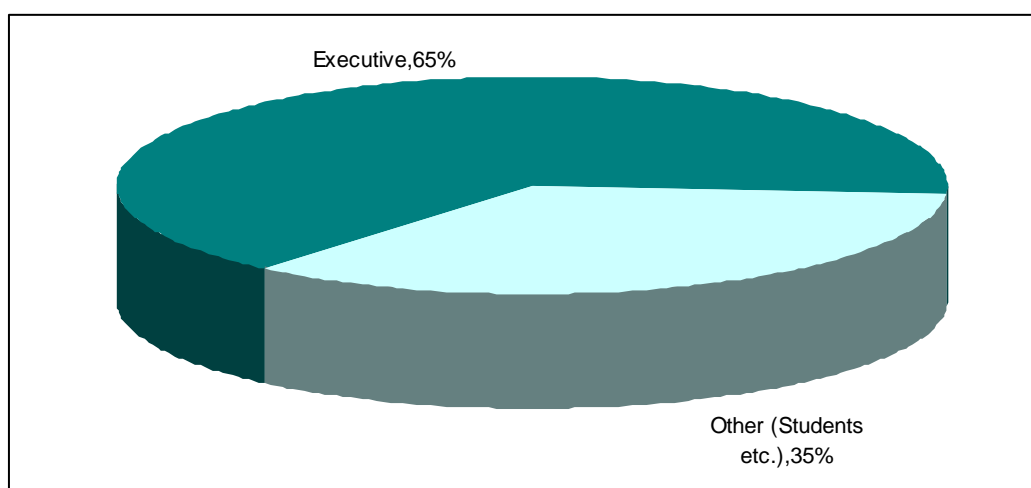


The age group of 25-34 years was the dominant one followed by the age group of 45-54 years. Together, they comprise more than 50% of the total tourists.

3.6.3 Occupation

Around 65% of the tourists surveyed were executives.

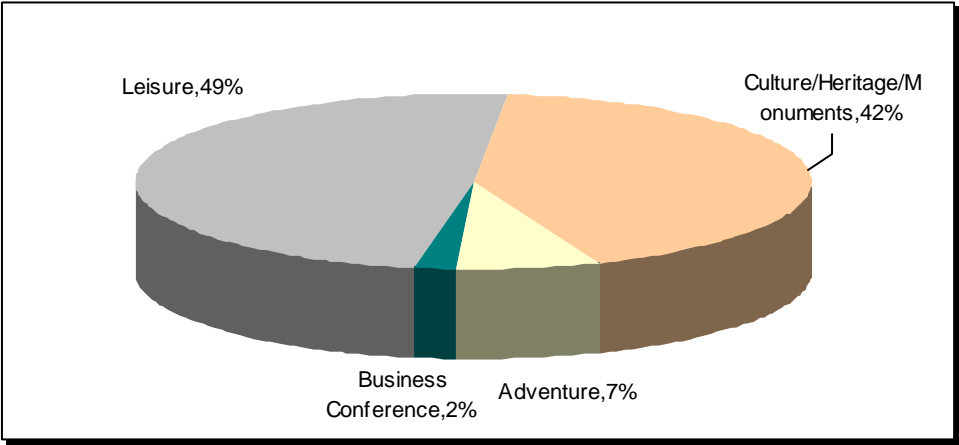
Figure 3.16: Occupation – Domestic



3.6.4 Purpose of visit

Unlike the foreign tourists, leisure was the dominant theme among domestic tourists. The other popular theme was culture / heritage. A combination of themes was also reported.

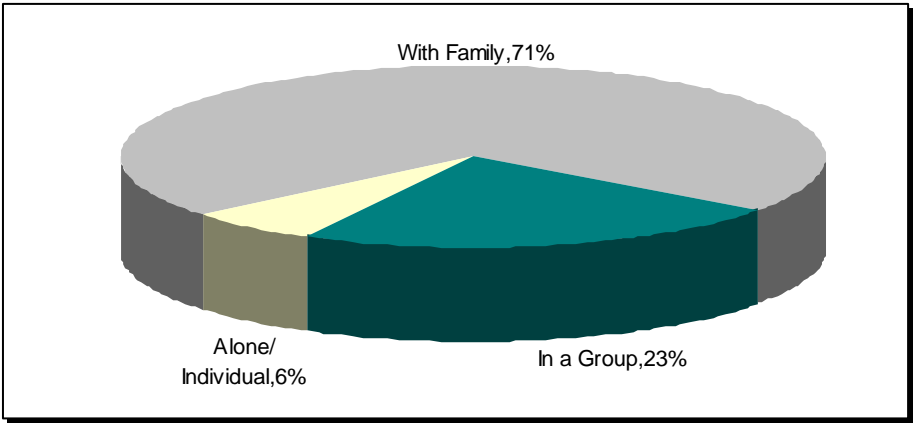
Figure 3.17: Purpose of Visit – Domestic



3.6.5 Travel pattern

71% of the domestic tourists surveyed were traveling with their family. The average number of family members generally ranges between 3-4. Students travel in a group of 5-6 or even a group of more than 30 (travelling in a package)

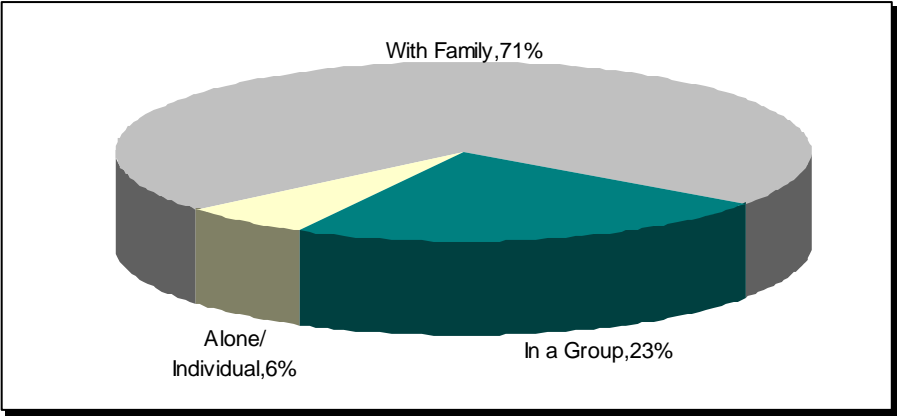
Figure 3.18: Travel Pattern - Domestic



3.6.6 Tour package

About 26% of the tourists were travelling on a package tour.

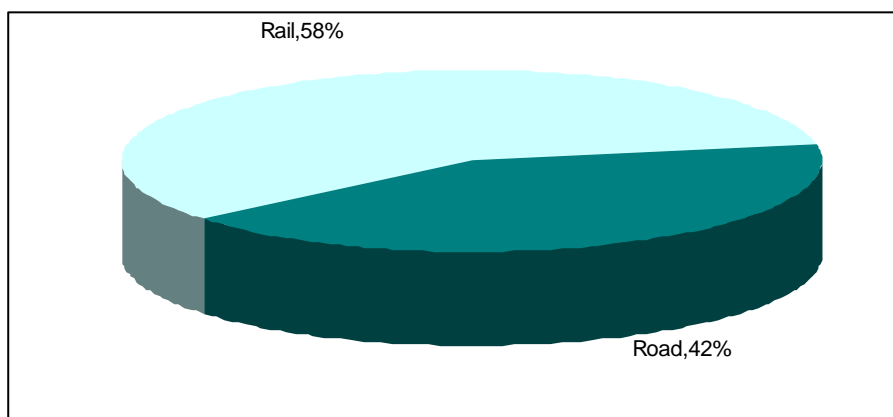
Figure 3.19: Tour Pack



3.6.7 Mode of transport

It is to be noted that a lot of tourists also used a combination of transport modes to reach the destination from their respective state or places. The Rail & Road combinations were found to be maximum.

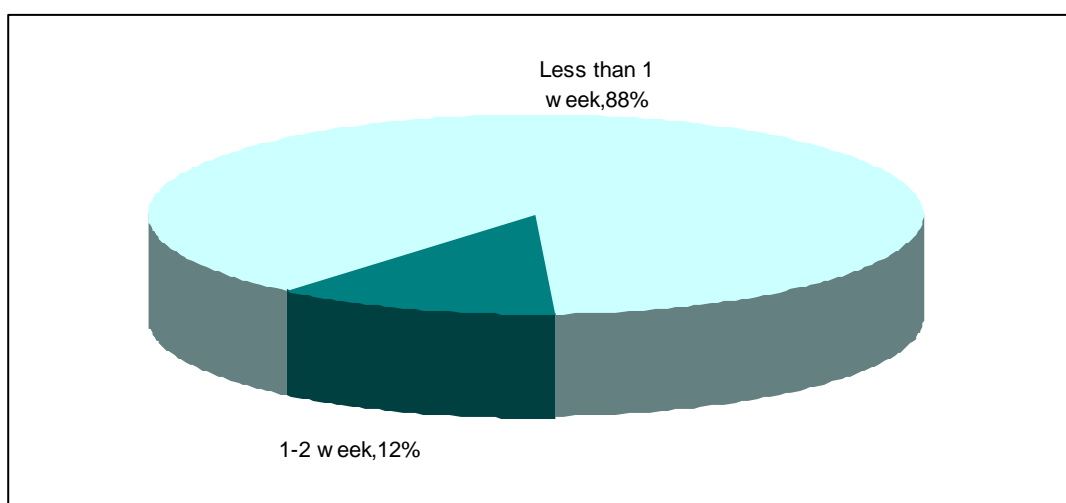
Figure 3.20: Mode of transport



3.6.8 Average length of stay

The average stay of the tourist at the destination was less than one week for 87% and one to two weeks for 13%. The people who were visiting from the neighbouring states of Karnataka tend to spend less time than the people who are coming from the distant places. Majority of the tourists were very focussed as far as covering the destinations were concerned, i.e. they had come to see Karnataka only. The hot summer in Karnataka coupled with the vacation of their school going children may be one those limiting factors for inter-state travelling during the survey period.

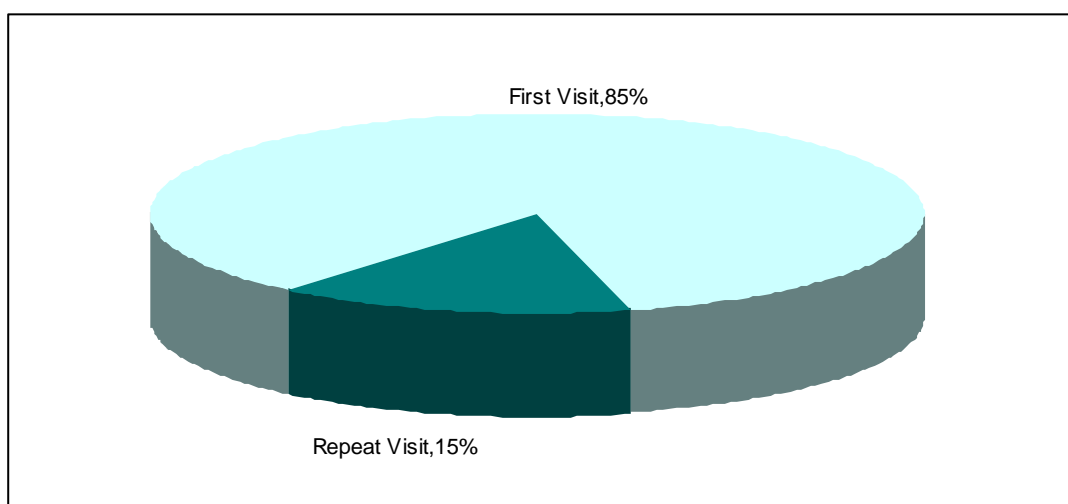
Figure 3.21: Average Length of Stay – Domestic



3.6.9 Frequency of visit

In 77% of the cases, the tourists were found to be visiting the destination for the first time. However, 23% of them were repeat visitors. Majority of these repeat visitors consist of pilgrim tourists from the neighbouring South Indian states, Maharashtra and Gujarat. Almost all the tourists surveyed expressed their willingness and interest to visit the destination in future as well.

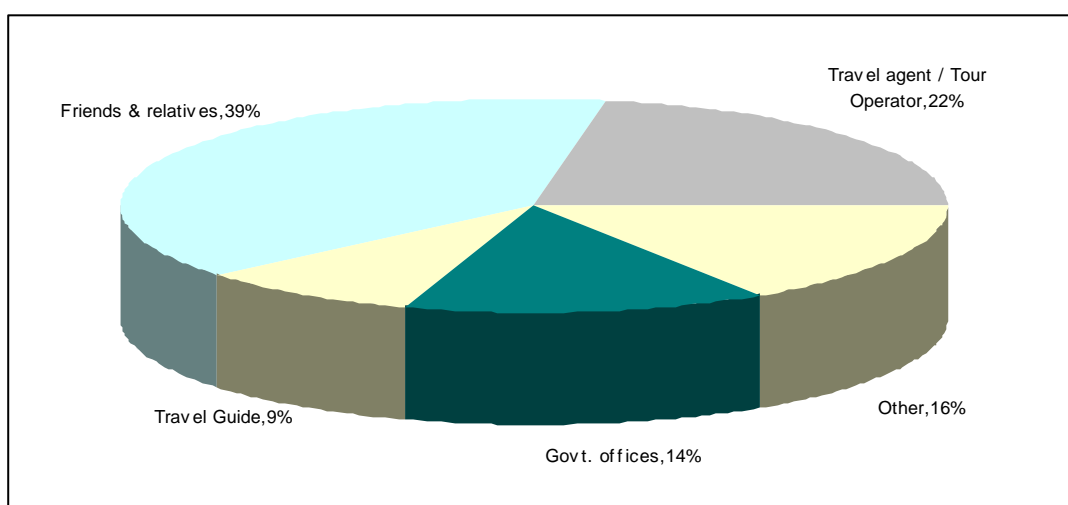
Figure 3.22: Frequency of Visit - Domestic



3.6.10 Source of information about destination

In most of the cases, the sources of information have been more than just one. The person who has been informed by friends and relatives about the destination may have also gathered information from travel guide or tour operators / agents etc. However, in majority of the cases the tourists were informed by friends and relatives who have earlier visited the destination and travel agents / tour operators.

Figure 3.23: Information Source - Domestic



3.6.11 Average spending per day per person

The majority of the tourists were found to be spending around Rs. 501-1000 per day followed by the range of less than Rs 500 per day. None of the tourists contacted spent more than Rs. 1000 per day.

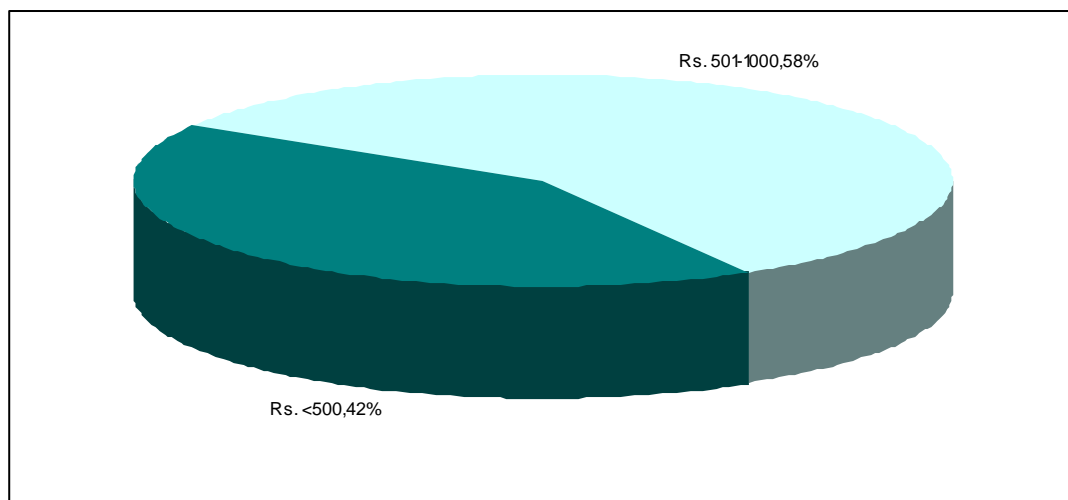
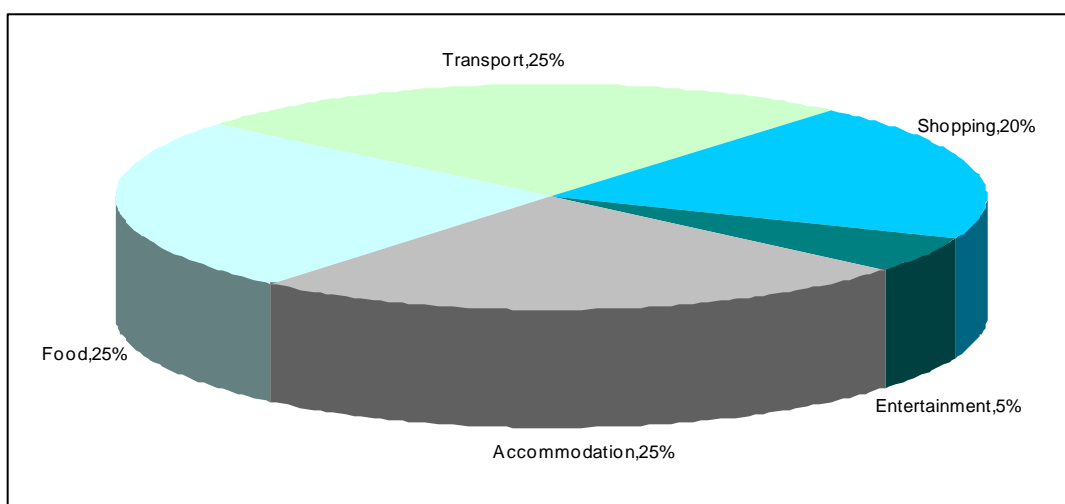


Figure 3.24: Average spending per day – Domestic

3.6.12 Percentage contribution of major items in daily expenses

The tourists reported spending 20-30% of the total expense on accommodation. From the survey, the emerging spending pattern of the domestic tourists contacted can be largely summarised as given in the following Chart.

Figure 3.25: Emerging spending pattern



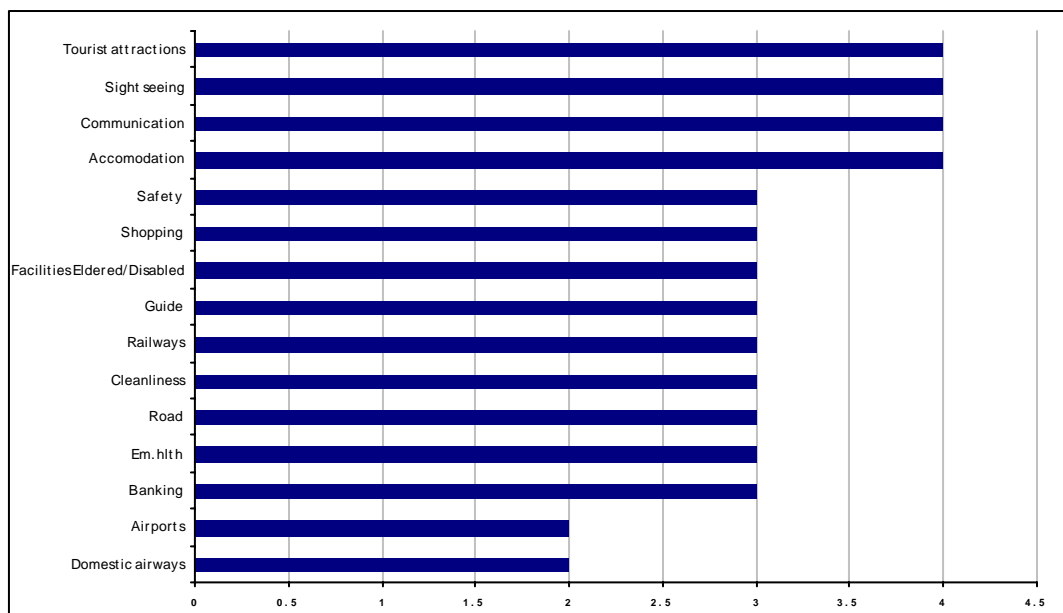
3.6.13 Type of accommodation

Over 40% of the domestic tourists contacted preferred to stay in one, two or three star hotels. Around 40% preferred to stay in government approved and budget accommodation. The rest were found to avail other types of accommodations like resort, guest house or stay with their relatives or friends.

3.6.14 Satisfaction level with tourist facilities

Most of the tourists rated the Sight seeing, Shopping, Communication, tourist attractions and accommodation as good to Okay. Most of the other parameters have been ranked as average.

Figure 3.26: Satisfaction level



3.6.15 Major items of interest during visit

The major attraction for 76% or majority of the tourists at the destination were found to be

- Cultural Heritage and the Architecture,
- Historical importance of the places,
- Monuments, Forts and lovely temples.

The rest 24% were attracted by the natural beauty of the beaches and the Jungles or Forests.

3.6.16 Problems faced during stay

1. The problems the domestic tourists had to face while staying and travelling in the state were mainly pertaining to the following aspects:
2. **Transportation:** The local transport or the conveyance was a problem for the tourists mainly in the small towns, villages or places located a bit away from the main town or district head quarters. They were not only costly but also inconvenient at times. The need for proper night Bus services was also felt.
3. Inadequate tourist **information** about the destinations and places of interests.
4. **Safety and Security:** Although the safety and security aspect have never posed major problems in the state particularly with respect to the tourists, a need for more security measures in places like beach and lonely hill stations was felt . It was felt so as to get rid of harassment and cheating by the local miscreants particularly to their female members.
5. Poor hotel services.
6. Difficulty in getting cheaper and better hotels.

3.6.17 Overall experience and willingness to visit again

The overall experience of the domestic tourists visiting different destinations in the state was satisfactory, though there is a lot of scope for improvement. Almost all the tourists contacted expressed their willingness and interest to visit the state again.

3.6.18 Suggestions for improvement of tourist destination

The suggestions received from the domestic tourists for further improving the tourist destination are as follows:

1. Setting up of more number of information outlets at destinations and entry points.
2. Transportation and accessibility to all the tourist destinations and places of interest. Frequency of the transport needs to be improved. More Government Buses are required.
3. Better Railway connectivity.
4. Better public and civic facilities.
5. Better and cheaper accommodation and local conveyance. Pre-paid auto and taxis at the destinations mostly frequented by the tourists.
6. Short distance flights to the destinations of major importance.
7. Facility of swimming and boating in the beaches.
8. Security measures at tourist destinations (especially beaches and hill stations)
9. More publicity through media about the destinations.
10. Improvement of the hotel services and the need to become more tourist friendly.
11. Better informed guides and travel / tour operators.
12. Regular power supply in the hotels.
13. More hotels located near to the beaches.
14. Improvement in Bangalore-Mangalore rail connectivity and airport at Mangalore.
15. Attention to the needs of children
16. Cleanliness at tourist spots
17. Better and attractive Package tours
18. Bus service upto beaches to avoid long walking.

3.7 Analysis Of Survey Findings: Domestic Tourists

3.7.1 Needs of domestic tourists surveyed

Some of the tourists visiting the destinations already had a fairly good idea of the places and the destinations. They have therefore felt the need for proper tourist information outlets which could actually offer them more information about lesser known interesting places.

As majority of the domestic tourists are very particular about their budget, availability of good and cheap accommodation (mainly 1/2/3 star and budget category), and reasonable cost of local transportation have to be addressed. A lot of reservation was expressed about absence of good and clean public and civic amenities at most of the pilgrim centres. Better and convenient tour packages enabling the tourist to cover more destinations within budget and time are also required.

3.7.2 Origin of visitors

Although majority of the domestic tourists are from neighbouring South Indian states and Maharashtra, Gujarat, people from all over the country actually visit the place, albeit in lesser number. A large number of people from West Bengal, Bihar, UP, Delhi, Punjab also frequent the place on regular basis. As compared to other states, tourists from North-East part of the country have been very scanty.

3.7.3 Length of stay

Although the majority of the tourists surveyed spent less than 1 week at the state, the length of their stay is actually decided by a combination of many factors such as season of visit, financial capability, availability of leave and school holidays, and tour package offered by the operator. However, it is felt that with so much of variety available in the state, smartly designed tour packages can actually make the difference and prolong their stay in the state.

3.7.4 Expenditure on various tourism products

Karnataka receives a mix of tourists of all socio-economic classes. Owing to the positive change in the quality of living in the people in almost all segments, specially the touring category, they have substantial amount of disposable income. Although the domestic tourists are very particular about the accommodation and food and even the transport aspects, there is a scope to enhance their spending for shopping and entertainments. Tourists surveyed expressed a willingness to spend an extra amount for the enjoyment of the children or to take along good gifts and souvenir as memento with them. The tourists surveyed were ready to pay more for a convenient accommodation with good services.

3.7.5 Main areas of concern

The concerns expressed by the foreign tourists and domestic tourists are more or less similar in nature:

- (a) Spoiling of image by the unauthorised and scrupulous agents and touts.
- (b) Lack of tourist related information at the various entry points and destinations
- (c) Harassment by the local auto-drivers.
- (d) Lack of proper infrastructure like road, rail connectivity etc.

3.8 Survey Findings: Tour Operators / Travel Agents

3.8.1 Approval by State department of tourism

There are around 30 booking agents approved by the Karnataka State Tourism Development Corporation or KSTDTC in Bangalore city and around 50 all over the state. In all, there are more than 100 travel and tour agents who are operating through out the state. Some of them have already applied to the government to get necessary approval. There are quite a few who are approved Indian Tourism Development Corporation (ITDC) agents in the state. The state government has laid out specific and stringent criteria and parameters for the selection of tours and travel agents to be enlisted with them. The criteria like location, furnished office, Information collection and handling capacity, basic facilities etc are some of the major criteria.

3.8.2 Range of services offered

Most of the approved travel and tour operators provide the services like hotel booking, Ticket booking, and Package tours. Additional transport and tourist guide facilities are also arranged on special requests by most of them on chargeable basis as in most cases, these do not form a regular part of their package tours to the destination. However, with increased focus on the tourism sector, the operators are concentrating on providing all possible tourist friendly arrangements including better and comfortable bus services, door delivery of tickets, pick up and drop facilities, money exchange facilities etc to add a new dimension to this specific segment.

3.8.3 Origin of tourist traffic

The domestic tourists are mostly from Mumbai, Pune and other parts of Maharashtra, Gujarat, Southern states of AP, Kerala and Tamil Nadu, West Bengal, UP, Delhi and other parts of North India. Foreign tourist population mainly consists of UK, Japan, Germany, France, Sri-Lanka and also from countries like Malaysia, USA, Ethiopia etc.

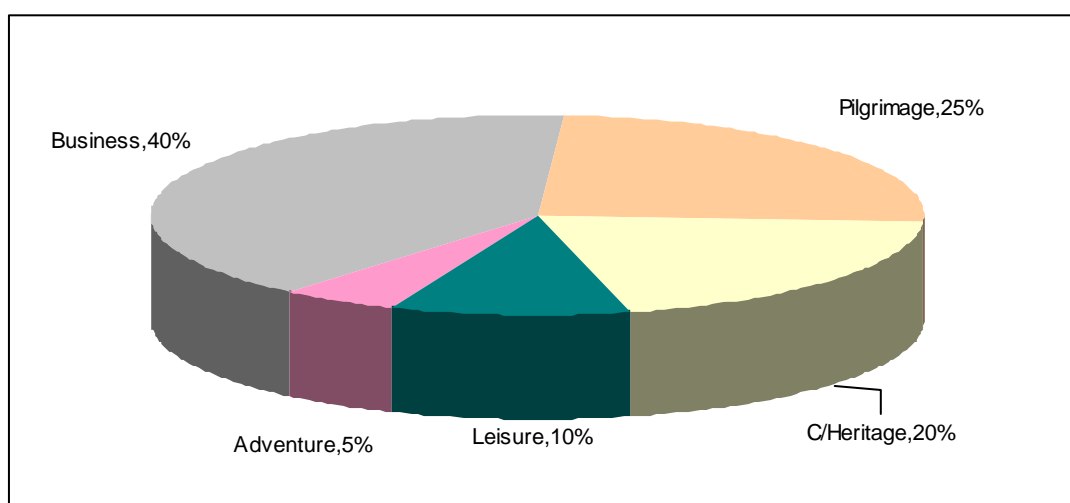
3.8.4 Tourist season

The winter months of September to January is the peak season for the domestic tourist as well as the foreigners. However, during the financial year end of March and till June/ July, a substantial rush in tourist inflow is experienced in the state. The long school vacations coupled with availing of holidays by the service class people are attributed to this inflow. Some of the tour operators have even reported to basically thrive on the summer rush of tourists rather than the other conventional tourist season. A good number of foreign tourists are visiting during the summer months and traveling from Goa to cooler places of Karnataka, like Bangalore, Mysore, Hill stations of Mercara, or beaches of Coastal Karnataka. A reverse trend is also visible, i.e. tourists traveling to Goa or Ooty from various destinations in Karnataka.

3.8.5 Composition of tourist traffic

40% of the tourists belong to the business class.

Figure 3.27: Tourist Composition



The information gathered from the survey of tourists differs from that of information provided by the tour operators in terms of tourist composition. While cultural heritage category of tourists primarily dominate the over all tourist composition of the state, the operators tend to handle more of business class tourists in their package tour programs. Moreover, as the majority of the tourists do not avail the package tour programs of the tour operators, the feed back from the operators may not reflect the actual composition of tourists to the estate. Some of the earlier surveys conducted also suggest that the state mainly receives cultural heritage category of tourists. Nearly 80% of the tourist handled by the operators is domestic and the rest 20% is foreigners.

3.8.6 Number of tourists handled in a year

Depending upon the size and the network of the organisation, the average number of tourists handled by the tour operators ranges from 2000 to over 20,000 during the last couple of years. Due to various disturbances all over the world, the tourist inflow into the state has been drastically affected during the recent past.

3.8.7 Preferred tourist circuits and destinations

According to the tour operators, some of the preferred tourist circuits and the destinations in the state are as follows:

- Bangalore – Mysore
- Belur-Halebid-Shravanabelagola
- Mangalore- Udupi-Mysore-Srinrangapatna-Hornadu
- Bangalore-Mysore-Bandipur-Ooty
- Bangalore-Mangalore-Dharmashala-Kollurmookambika
- Bangalore-Ooty-Kodaikanal
- Bangalore- Mercara
- Mysore-Srirangapatna-Nanjangud-Ooty
- Hospet-Hampi-Badami-Aihole-Patadakal-Bijapur-Kudalsangama
- Bijapur-Aihole-Patadakal-Badami
- Jogfalls-Gokarna-Goa
- Shivasamudra-Somnathpura-Ranganthittu

3.8.8 Potential Places

As far as the potential of the tourist destinations are concerned, the tour operators feel that the following places are yet to achieve their full potential in terms of both attracting more and more number of tourists and generating income for the local population as well as for the state:

- Bangalore, Mysore, Mangalore, Bandipur, Mercara, Belur, Halebid, Shravanabelagola, Badami, Aihole, Patadakal, Bijapur.

The following places if properly developed have immense potential and can contribute substantially to the state economy:

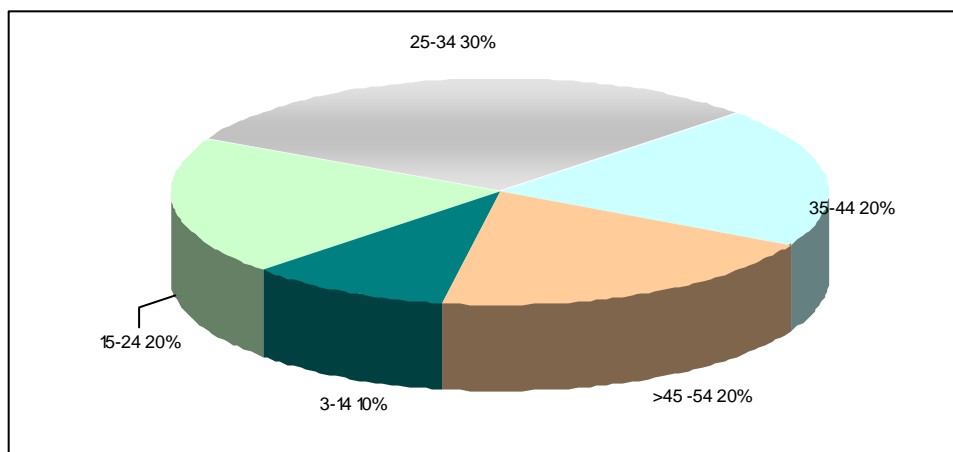
- Bidar, Chitradurga, Hassan, Shimoga, South Kanara.

3.8.9 Demographic profile of tourist visiting the state

Around 60% of the domestic tourists handled by the tour operators are male and 40% are female. The male-female distribution for foreign visitors is almost equal.

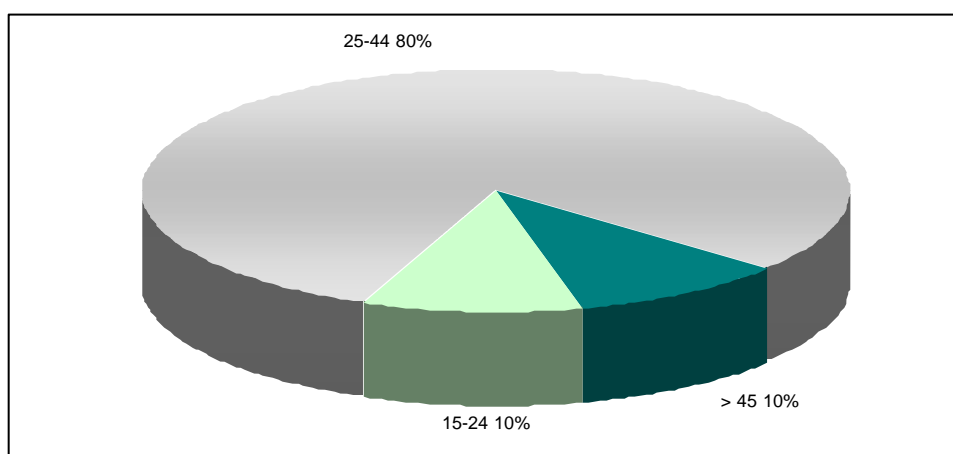
(i) Domestic

Figure 3.28: Age Group



(ii) Foreigners

Figure 3.29: Age Group



The majority of the domestic tourists belong to the age group of 25-34 where as age group of 3-14 is the least. In the case of foreign tourists, 80% belonged to the age group of 25-34 years and only 10% belonged to the age group of 45 years and more.

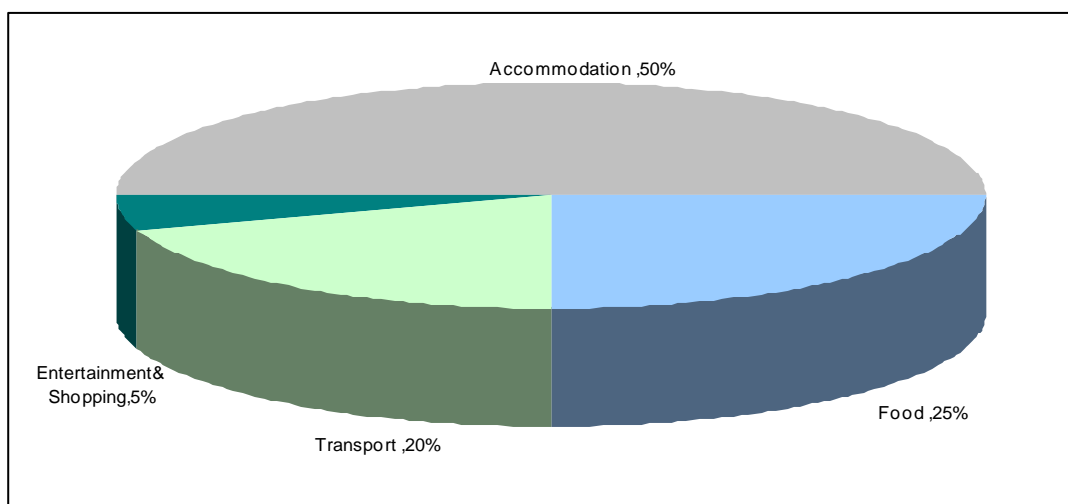
3.8.10 Average length of stay and spending per person

The average length of stay and the spending pattern of the domestic tourist is presented in the following table and Chart.

(i) Domestic

Average no. of days stay	3-4
Expense / person (Rs)	400-500

Figure 3.30: Emerging spending pattern

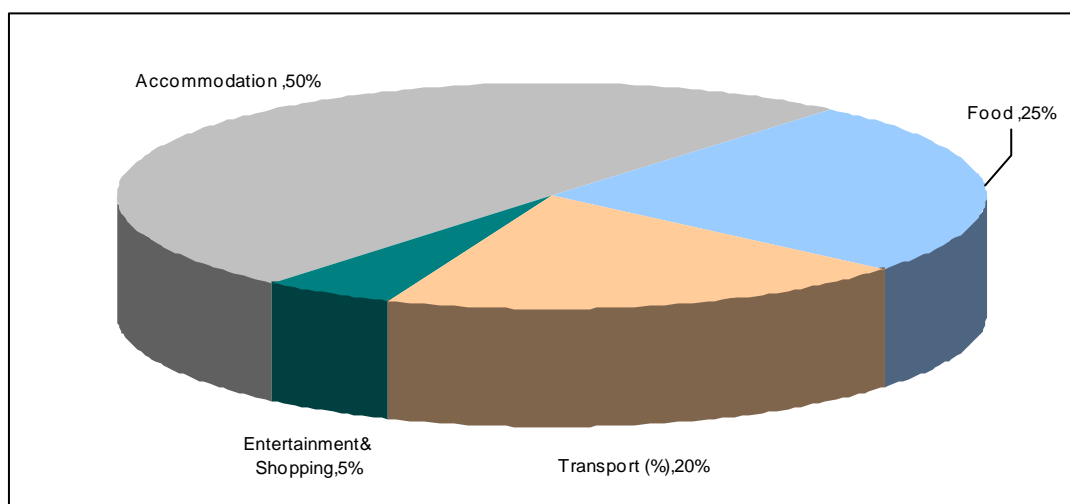


(ii) Foreigners

The average length of stay and the spending pattern of the foreign tourists is presented in the following table and Chart.

Average no. of days stay	10-12
Expense / person (\$)	40-50

Figure 3.31: Emerging spending pattern

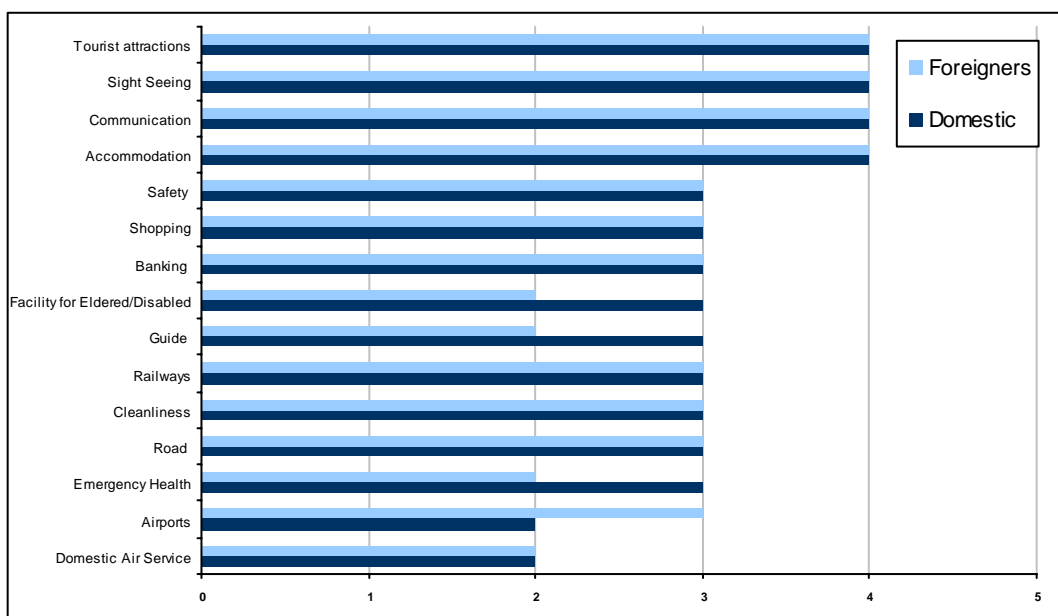


3.8.11 Satisfaction level with tourist facilities

The satisfaction level of the tourists visiting different destinations of the state is good so far as Transportation, Entertainment and Tourist attractions are concerned. But it is to be noted that the

foreign tourists have a different opinion regarding many of things with which the domestic tourists are quite comfortable. Tour operators have indicated scope for improvement in Accommodation, Food, Guides, Communication, Civic amenities and public facilities, Safety/security, Banking and facilities for the elderly, children or disabled persons.

Figure 3.32: Satisfaction level with tourist facilities



3.8.12 Linkages with department of tourism

Most of the tour operators have expressed their reservation about linkages with various government departments. However, they are hopeful about improvement in their relationship with various government departments. Procedural delays and general apathy towards the operators, to their issues and concerns have been major bottlenecks to a smooth cordial relation.

The expectations of tour operators from the government can be summarised as follows:

- More tourist related information and developments in the state.
- More tourist awareness programs.
- Approval from KSTDTC to become authorised agents.
- Removal or Rationalisation of inter-state tax disparity.
- Better transportation support and tie-up.
- Speedy clearance of various official documents and formalities.
- Stable power supply specially during the summer.

3.8.13 Problems faced by the tourist during stay

According to the tour operators, the following problems are faced by the tourist in the tourist destinations of the state:

- Lack of tourist information about various destinations and places of interest.

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- Inaccessibility to many places of tourist importance.
 - Costly local transport and accommodation.
 - Inadequate basic civic amenities and public facilities.
 - Harassment by the local people and taxi/auto-drivers.

3.8.14 Linkages with communities residing / controlling any destination

None of the tour operators in the state have any linkages or arrangements with any community residing or controlling any destination. The Karnataka State Tourism Development Corporation is working out an arrangement with a particular village community for special package wherein the interested tourist would be taken and left to enjoy the thrill and excitement of a real life situation for a shortwhile.

3.8.15 Important fairs and festivals

The important festivals celebrated in the state are Hampi Festival (November), Karnataka Rajyotsava day (November), Kadombothsava (December), Mysore Dussera festival (October), Patadakal festival (January), Kite festival (July), Karnavali festival of Dakshin Karnataka (February), Navarasapura festival (February), Hoysala festival (February) and Kittur festivals (January). Apart from these festivals, there are also few other religious and musical festivals like Mahamastakabhishek of Shravanabelagola, Badami festival, annual Musical festival of Dharwad, annual Chitradurga festival etc which attracts a lot of visitors from both within and outside the states.

3.8.16 Availability of trained manpower and facilities like camping equipment

Although the availability of trained manpower in real sense has been an issue of concern for the majority of people in the trade, the tour operators have taken up a lot of initiatives in recent times. Operators have started imparting training to their drivers and other supporting staff who also act as guides. However, a need for good professional training institute in the state has been strongly felt by them. Special equipment for camping, trekking, rock climbing etc can be arranged on demand by most of the operators.

3.8.17 Suggestions for development of tourism in the state at various locations

Suggestions received from the tour operators for the development of tourism are summarised as follows:

- Proper maintenance of the tourist attractions.
- Employment of more and more professionals in the support services like transport, Hotels etc.
- Tourist coaches to be put in separate category for tax purpose. Special permit to be provided to tourist coaches (and not for only 1 trip like the current practice)
- Adopting more tourist friendly approaches by all the people in the trade or sector.
- Providing better infrastructure.

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- Providing lot of tourism related information through various outlets.
 - Advertisement and Publicity through various channels including electronic media.
 - Inter-state publicity of various places of interest and showcasing Karnataka as a leading tourist destination.
 - Developing attractive and interesting tourist circuits.
 - Focus on adventure and wild life segments.
 - Identifying and developing unexplored destinations and places worth visiting.
 - Developing more and more light and sound programs.

3.9 Analysis of Survey Findings: Tour Operators / Travel Agents

3.9.1 Tourist traffic – existing and projected growth rate

Although the year 2000 has shown an increase of over 40% in total tourist arrivals compared to the previous year, there has been a rapid decrease in the tourist arrivals for the subsequent years. The reasons are mainly attributed to various disturbances all over the world and within state as well. However, the tour operators are expecting a minimum of 10-15% growth in the tourist arrival for the coming years.

3.10 Strengths and weaknesses of Karnataka as a tourist destination

The strengths of Karnataka as a tourist destinations are as follows:

- Presence of rich flora and fauna, historical forts and royal palaces, temples and heritage sites, beaches and hills, wild life and bird sanctuaries
- Variety of potential tourist attractions within short distances
- Virgin and unexplored destinations
- Adequate availability of Infrastructure like Power, Water and Communication
- Largely literate local community
- Brand Image of Bangalore as IT Hub all over the world
- Stable Government and Transparent administration
- The climate essentially being a tropical monsoon type is a joy for the visiting tourists
- Land of peace and communal harmony
- The weaknesses of Karnataka as a tourist destinations are as follows:
- The image of Karnataka as a Technology Capital of India than a Tourist destination amongst both Indians and foreign tourists
- Most of the major destinations are stand alone and far off from Bangalore
- Poor access roads to many of the tourist destinations
- Need for an International Airport to promote the state to foreign tourists

-
- Connectivity by land routes depends on private bus/taxi operators as public transport system and railway network are not upto the mark
 - Limited awareness among local community and misconceptions that tourism will bring environmental and social problems
 - Limited financial networking within the state - most of towns and destinations are yet to see ATMs and Forex Money changers
 - High risk perception / conservative attitude shown by private investors

3.11 Major issues

3.11.1 Policy Related

- Non Recognition of revenue earning potential of Tourism Sector by the State Government
- Identifying the role and relevance of private funding and entrepreneurship in Tourism Projects and developing a Public-Private Partnership model
- Acquisition of prime lands of public interest from Forestry, Horticulture departments and from private owners
- Procedural delays in implementation of project proposals-many projects don't get beyond the planning stage
- Allotted funds not being utilised
- Disparity in Tax structure across different states
- Dual rate policy for Foreigners and Indians

3.11.2 Infrastructure Related

- Many of the tourist destinations are inaccessible
- Lack of basic infrastructural facilities like proper roads & transportation, way-side amenities, public facilities, project specific requirements like base camps, trekking/rock climbing equipment, cave exploration equipment etc.,
- Absence of International Airports in the State and improper maintenance of the existing Airstrips /Helipads in the various district head quarters
- Inadequate maintenance of ancient temples, palaces & caves

3.11.3 Organisational Issues

- Absence of a stable tourism administrative setup
- Dual reporting structure of the Tourism department at the district level leading to delays in decision making
- Lack of co-ordination between the corporation and the department and also across other Govt. Depts.
- Absence of qualified tourism professionals and trained tourist guides in the department and the industry as a whole

3.11.4 Environmental

Issues of ecological sustenance and the carrying capacity of the various destinations

The environmental related policy issues like Coastal Regulatory zones (CRZ) etc.

3.12 Marketing and Promotion

- Lack of information to private entrepreneurs about the opportunities in the Tourism sector
- Limited promotion of many of the tourist destinations
- Minimal efforts to create awareness amongst the local people about the earning potential of Tourism
- Collaborated efforts with major tour operators and cruise ships to bring in foreign tourists
- Proactive promotional efforts to be made with the neighbouring states
- Information centres at the tourist destinations are inadequate and proper guidance to tourists for exploring scenic spots is needed

3.12.1 Prioritisation of destinations for planned development

The state government has already taken up some tourism projects on priority basis. These projects include Development and protection of World Heritage centres of Hampi and Patadakal, Jog development in Shimoga district, Development of Beaches in coastal Karnataka, and luxurious Palace on Wheel project covering the key places of tourist interest in the state. The Palace on Wheels is being planned in line with the one operating in Rajasthan. Development of Jungle and Wild Life resorts are also given importance and a separate body known as Jungle Lodge Resorts has been entrusted with the responsibility for developing the same. The government is also planning for reactivation and renovation of all the minor airports or airstrips in the state. Beside developing interesting and convenient regional or Hub and spoke type tourist destinations, a lot of efforts are also being taken to form theme based circuits like Coastal circuit, Hill circuit, Wildlife circuit, Southern circuit, Northern circuit, Golf circuit, Jain pilgrimage circuit, Temple circuits, Mixed circuits etc.

3.13 Survey findings: Tourism and Related Govt. Departments

The salient points of the discussions with various state government departments are presented in the following paragraphs.

3.13.1 State Tourism Department

The State Department of tourism (DOT) and Karnataka State Tourism Development Corporations (KSTDC) are focussing more on the development of mixed tourist destination circuits. This is going to offer variety to the tourists and not just a specific or focussed tourist circuit. A task force has been formed during the 'Connect 2000' meet to promote and develop tourism in the state. The department is also prioritizing the further development of world heritage centres like Hampi, Patadakal and also places like Badami, and Jog Falls. Apart from these, the wild life and Jungle resorts / circuits, Jain pilgrimage, eco-tourism are also being focussed for development.

3.13.2 Jungle Lodge Resorts

A separate organisation named Jungle Lodge Resorts has been given the prime responsibility for development of wild life and Jungle resorts. There are about 29 NGOs listed with KSTDC for adventure tourism. The Palace on Wheels project has been taken up on a war footing and hopefully would be completed within a short span of time. A separate organisation has been appointed as marketing and advertising agent for the state tourism department. This organisation is designing approaches, methods and catchy theme lines for showcasing Karnataka as the leading tourist destination. KSTDC is currently trying to promote “Bread and Butter Scheme’ which includes staying with village people in natural and complete village set-up in identified areas. KSTDC has already identified around 15 people who would be providing the facility to the tourist. This would give the tourist a real life exposure to some special community life and style. However, not much of aggressive marketing propaganda has been taken up in this respect and the department wishes to take the project in full swing only after the Computerised Reservation system is established and commissioned.

3.13.3 Infrastructure Development Corporation

The concept of private participation and giving certain items of tourist attractions for private maintenance is fast catching up. The Infrastructure Development Corporation of Karnataka is assisting the state tourism departments in privatisation of state tourism and other properties to private parties and thus encouraging private participation in the development process. Already, around six units/properties (hotels and restaurants) of DOT/KSTDC have been privatised. They are at places like Bidar, Gulbarga, Mangalore, Shirdi, Devarayan Durga etc. An effort is on to carve out specific sub-sectors in broad tourism sectors (Like Leisure, Adventure, Pilgrimage etc) and delegate complete responsibility and accountability to identified concerned specific department(s) for maintaining and developing the specific segments. Opening and developing four major entry points to the state from AP, TN, Kerala and Maharashtra sides is on the priority agenda of state tourism department. The state government is also coming up with the concept of CRS (Computerised Reservation system) which would act as hub for entire Karnataka and southern states. The facility for online fast booking/reservation, site surfing and getting all necessary details etc would be made available through this system. Passing on the maximum benefit to the clients would be an added advantage of the CRS. This would be cheaper. Security elements are to be maintained by the KSTDC.

The projects for revival and renovation of minor airports and critical railway gauge conversion like Hassan to Mangalore, Gadag to Bijapur etc. and providing other basic and supporting infrastructure have already been taken up with concerned government departments and related organisations. The government is also planning to set up a large showcasing platform similar to that of Dilli Haat, where the uniqueness of all the districts and their tourist destinations would be displayed in real life-like situation. Janapadaloka is the place which has been prim facie identified for setting up such an exhibition.

The DOT and KSTDC are also on continuous look out for all those places which have either not been explored or under-explored from tourism point of view and develop the same. Around 280 places have been identified as potential tourist destination during the global tourist investment meet. Kolar Gold Field, Sandhu Deer Sanctuary, Nisargadhama, Chitradurga, Mercara, Bidar, Tumkur, Gubbi, Tatikuni village, Gokarna, Gundavola, Gudigar, Talakadu, Udupi, Kati, Kollur, Subramanya etc are some of them. The departments are also planning to have Indo-Arab festival on a regular basis. The arrangement for inter-state relay coordination and sharing of tourism components is also one of thing, is in the mind of government to boost up inter-state tourism. The DOT and KSTDC are also planning

for an arrangement of prepaid taxis/transportation in destinations where there is a regular inflow of tourists. And in seasonal places a system of authorised taxi / autorickshaw who are registered by DOT/KSTDC, can be operated.

3.13.4 Water supply boards

As per the Karnataka water supply board, about 81.38 percentage of households in Karnataka are being provided safe drinking water and 96 percentage of the population are covered by water supply. However, the frequency of supply has remained a concern, specially during the summer seasons. Even in the cities like Bangalore, Mysore the drinking water is being supplied every alternate day. The distant areas or the districts even face harder times. As per Bangalore Water Supply and Sewerage Board, after completion of Cauvery Water project, the water supply in the state would improve manifolds. As informed, already Rs. 1000 crores has been invested for the project and another Rs. 3500 crores is proposed to be invested for rest of the project. The board is trying to bring down the water leakage percentage to 15% by the year end from current 30%. The per capita water consumption per month is around 90-100 litres. Various steps have also been taken to control pollution and effective solid waste management in the state. A project to treat the sewerage waters and supply of non-drinkable water, mainly for industrial usage is in offing. A lot of initiatives have been taken to prevent dirty water getting mixed up with clean drinking water. Cleaning and de-silting of lakes and other water bodies have also been taken up on a priority basis. Places like Mysore have already come up with the proposal for recycling of the waste or garbage materials for subsequent productive uses.

3.13.5 Power Supply Boards

The regular electricity supply especially during the summer seasons has been a major concern of the state. Besides having around nine power plants in the state, the Karnataka Power Corporation Limited has taken up some new power projects to generate additional power supply, the latest development being Bellary Thermal Power Project. The State Government has decided to set up a coal-based station at Kudatini in Bellary district to generate 500 MW of power at an estimated cost of around Rs. 2,217 crore. The Bellary Thermal Power Station (BTPS) will be the first of its kind in the State to have a 500 MW unit, when completed in 2005. The state's current total installed capacity is around 3,439 MW and the net power generation is around 20,774 million kwh.

3.13.6 Municipal Corporations and Panchayats

The local bodies like municipal corporations and Gram Panchayats are also doing a lot of activities regarding development of their places. The municipal corporations like Bangalore, Mysore etc are doing commendable jobs like cleaning of city, construction of lakes and gardens, roads and bridges to handle the increased traffic, civic amenities and public facilities, providing water supply to the habitants of the places etc. However, there are a lot of such local bodies which need to do a lot a better work and put in lot of efforts to make truly tourist friendly places.

3.13.7 Public Works Department

The state Public Works Department and their local offices are likely to get busier in the coming days. With the coming up of so many roads and other infrastructure projects connecting the major cities, towns and various destinations in the state, they are going to play a major role in the long-term development of tourism in the state. The department is mainly concerned with construction and development of State high ways and major district roads.

3.13.8 Karnataka State Hotel Owners Association

As per the Karnataka State Hotel Owners Association, there has been a decline in the tourist inflow due to the various internal & external disturbances in the recent years. Some of the issues which the association has taken up with the concerned state departments in recent times include Uniform tax structure for hotels and restaurants in the state and regular water supply for better maintenance. The luxury and other taxes imposed in the state are comparatively high among all other southern states. Till now the tax was collected on actual announced rates on the tariff cards (even if the rooms were allotted to tourists at a lower or discounted rates). However, from this year onward government is going to charge tax based on the actual worth of the property. The Hotel association has already submitted an application to the Commissioner of Commercial Taxes to review the matter as it going to be a huge burden for the hotel owners. As informed by the association, inspite of decreasing tourist inflow in to the state there has been 10-15% growth in terms of number of rooms. There are around 25 new hotels which came up during the last 3 years. As per the association, the total membership exceeds 1600. Besides, there are around 3000 Restaurants and more than 300-400 Lodges all over the state. The issue of reducing Tax on food in hotels is also being taken up at the association level. The hotels tend to lose out a substantial amount on the ground of higher tax on food. The tourists including the foreigners, who stay in hotels prefer to have food outside. The association is also of the opinion that instead of concentrating on foreign individual tourists, the state should put more focus on Domestic tourists who comes with family and has more disposable income. The association thinks that the hotel taxation should not be more than 10%. Currently it is 22.5% (10% on expenses which is a central government component & 10.5% luxury tax which is a state government component). The individual rate and group rate for the hotels are also to be made more attractive.

3.13.9 Academic experts and Eminent Personalities

According to Shri Virendra Heggade, Dharmadhikari- Dharmasthala, Mr NK Kulkarni, Retired Program Executive (All India Radio) and Writer, Mr. K Venkannachar, Retired Assistant Director, Kannada and Culture and many others, the major attraction of the state is its culture and heritage. The architectural magnificence in all its forts, temples, monuments are the major attractions for both foreign as well as the domestic tourists. However, they strongly feel that the state tourism can heavily capitalise on other attractions like pilgrim centres, Beach, Hill stations and other eco-tourism components too. They have also given stress on exploring new destination, worth visiting and develop the same, apart from the already existing places of interest. For developing a sustainable tourism in the state they feel more highlighting & propaganda is required. Depending on the places and seasons, the DOT should have regular travel package to various destinations. Apart from Heritage, Eco and Adventure tourism need to be encouraged, as there are ample opportunities in the state to develop and gain from this particular segment. However, a need for basic and tourism infrastructure, they feel, are a must for a long-term development. A balance between the volume and value tourism has to be struck. According some, the state should focus on high income group of tourists for segments like Hill and Leisure tourism but one should refrain from commercialising the places of religious value, as these places very high sentimental and emotional values attracted to them Commercialising these places would actually result in losing its original charm. The local state administrative bodies like municipal corporations, Gram Panchayats, District Collectorate etc need to be revamped and clear cut guidelines with respect to tourism need to be formulated for a better development.

3.14 Analysis of Survey Findings: Tourism and Related Government Departments

The major issues emerged from the discussions and interaction with various government and related departments can be classified into Policy related, Infrastructure related, Organisational related,

Environmental related and Marketing and promotional related issues. These issues have been dealt in detail in the earlier sections of this chapter. The major focus has been given on capturing the middle to high-income groups of tourist having higher disposable income. However, the budget category of people who formed a major chunk of domestic inflow of tourist can not be ignored at the same time. The service class people, who have had a considerable improvement in the quality of life and disposable income are also to be targeted for a greater return to the state economy. However, all these are possible only when the state has adequate and quality infrastructural support. With the tourism becoming a thrust area, and with a lot of on going activities, one can only hope for the better. The tourism policy has been formulated to encourage more and more private participation in development of tourism related infrastructure. Government has also initiated the procedures of handing over properties to the private parties for better management and maintenance. The institutions like Jungle Lodge Resorts, IDECK etc have been specially entrusted with the responsibility to look into privatisation aspects of tourism related projects. The government has also allowed automatic approvals for the foreign investment with equity upto 51% in tourism related projects. The foreign investors could repatriate the profits and dividends and were free to engage foreign technicians and professionals.

3.15 Survey Findings : Tourist Infrastructure

Although there are tourist information centres in all the major destinations of tourist attractions, in the form of DOT and KSTDTC offices, barring few, all are not well equipped to handle the needs of the tourists. There is a greater need to revamp and systematise these centres for providing useful and specific tourist information with regard to tourist places of attraction, accommodation facilities, journey booking facilities, tour guides and updating of the available documents etc. There is also a need to open up more information centres at the strategic locations like Main Bus stand, Railway Station, Airport, Seaport, mostly frequented tourist spots, major state entry points etc.

Regarding tourist accommodation, though there are enough facilities to accommodate the current tourist flow, quality and economical accommodation facilities are required in more numbers. Looking at the future and a continuous increase in the tourist inflow into the state, the requirement of such infrastructure has been presented in the project identification chapter of this report.

The facilities for civic amenities and public facilities like Toilets, Drinking water, Rest rooms etc are to be improved manifolds in almost all the tourist destinations. The facilities for elderly persons, children, physically handicapped or sick persons are also to set up in most of the places. The need for amusement parks, water parks, Gardens, museum and other recreational avenues for the children have also been mentioned by many of the travelling tourists. A hassle-free arrangement for availing the benefit of local transportation is also required to be given a thought.

3.16 Analysis of Survey Findings: Tourist and Basic Infrastructure At Visited Destinations

The qualitative assessment of the basic and the tourist infrastructures and the gaps for the major destinations visited are summarised in the separate Appendix 3.2. Although a few places may have some level of satisfaction or adequacy in the basic and tourist infrastructure facilities, the majority of the places either require a completely new set-up or need to improve upon the existing facilities available. From tourism infrastructure point of view, Bangalore, Mysore, Mangalore, Hassan or even Bijapur seem to be better equipped than the other destinations or places of tourist interest. Basic infrastructure facilities are required to be set up or improved in almost all the destinations for a sustainable tourism development in the state.

4 PROJECT IDENTIFICATION, SELECTION AND VIABILITY

4.1 Introduction

Investment planning for tourism entails an identification of investment opportunities at various destinations and prioritising them. Revenue producing opportunities have to be evaluated for their commercial feasibility so that they can be marketed to potential entrepreneurs.

This chapter discusses the framework adopted for prioritising destinations and projects. A summary of the viable projects is presented at the end of the chapter. Project profiles are given in Volume 2 – Annexure - IV

4.2 Ranking of destinations for tourism development

DCEL team covered 17 destinations across the State. The destinations were basically evaluated on the following parameters and ranked to prioritize the implementation and phasing of the projects over the twenty-year period.

- (a) State Govt. Priority- The priority and importance given by the State Government was analysed.
- (b) Volume of current/potential traffic flow- the existing number of domestic and foreign tourists over the last two years was taken into account while giving the ranks.
- (c) Number of tourist attractions- The number of varied tourist attractions available nearby and the presence of the distinct picnic spots / spokes around the destination was prima facie considered. Importance was also given to the diversity of attractions like those having beaches as well as waterfalls, temples along side hill slopes etc.
- (d) Significance of tourist destination (historical/religious/cultural) - Each of the destination was studied for any significant heritage/ pilgrimage/ festival of importance so that the ancient culture and tradition can be spread.
- (e) Tourist infrastructure availability - Availability of facilities like tourist accommodation, internal transport, wayside amenities, entertainment avenues, souvenir/gift/shopping centre, tourism info centres, travel agent/tourist taxi operators, coolies, civic amenities like clean drinking water & toilets, facilities for elderly /disabled were considered for ranking the destinations.
- (f) Tourism related basic infrastructure availability – Existence and Analysis of the prevailing Air connectivity, rail head, road network, water-supply, availability of power, existence of underground sewerage system/ solid waste management, communication, banking-ATM/ Credit Card facility, presence of emergency medical facility etc.)
- (g) Sustainability for tourism development – The carrying capacity of the destination is taken care of in this criteria as the eco-balance of the destination should not be altered inspite of the increase in the tourist flow.
- (h) Potential for socio-economic development – The possibility of promotion of local arts and handicrafts, the potential income generation, the mindset of the people were all analysed here.

- (i) Institutional/support mechanisms-availability – The interest shown by the Fin. Institutions, entrepreneurs, NGOs etc., were considered while giving the ranks.
- (j) The strengths and weaknesses of each of the destination were studied and the unique aspects of each of the destinations were considered for ranking.

Table 4.1: Ranking of Destinations

Sl. No.	Destination	Score as per the Evaluation
1	Bangalore	40
2	Jog Falls	37
3	Mysore	37
4	Hampi	36
5	Sringeri	35
6	Udippi	35
7	Badami	35
8	Mercara	35
9	Sharavanobelagola	35
10	Mandya (KRS)	34
11	Mangalore	34
12	Bijapur	34
13	Belur	34
14	Halebid	34
15	Chickmagalur	34
16	Patadakal	34
17	Hassan	33
18	Aihole	33
19	Gokarna	32
20	Hospet	32
21	Bandipur	32
22	Kharapur	32
23	Karwar	31
24	Shimoga	30
25	Chitradurga	28
26	Dharwad	22

The evaluation of the various destinations not only was an eye-opener to the existing potential of the destinations but also provided an overall framework of the type of projects that could be implemented and gave insights into the phasing of the projects. The final ranking of the destinations is shown in the above table.

4.3 Development of Tourist Circuits

Based on the availability of the huge variety and diversity in the places of tourist attraction with in the state, an effort has been given to identify and develop tourist circuits based on certain criteria, so as to enable the tourist to extract maximum pleasure. The Criteria for selection of circuits in brief are as follows:

- Should provide the tourists with an unique experience
- Multiple source of attractions

-
- The entry and exit points should be popular tourism hubs/major connecting cities
 - Well developed infrastructure and good means of accessibility
 - Should possess the carrying capacity and ability to withstand tourist inflow
 - Should not hamper the ecological balance of the region

Depending on the nature and the types of tourists the state receives, the identified circuits have been further grouped into following heads:

4.4 Regional Circuits with Hubs and Spokes

11 Circuits have been identified, with 3 circuits based on Mangalore as a hub, 2 circuits based on Karwar as a hub, 2 circuits based on Mysore as a Hub and the rest based on Udupi, Bijapur, Hampi and Chikmagalur as huts. Details are given in Appendix 4.1

4.4.1 Theme based Circuits

- Wild Life
- Temple
- Jain Pilgrimage
- Eco Tourism
- Plantation
- Spiritual
- Hill
- Coastal

Details of destinations to be covered in these circuits are given in Appendix 4.1.

4.4.2 Inter State Circuits

Five interstate circuits covering the states of Karnataka, Tamil Nadu, Maharashtra and Goa have been identified. The details of the identified tourist circuits are presented as separate Appendix - 4.1

4.5 Evaluation of the projects

The next step in the evaluation and identification of the projects is the evaluation of the projects. The projects which have been measured against the parameters as said earlier are classified into three basic heads such as:

- Tourism Projects
- Tourism Infrastructural Projects and
- Basic Infrastructural Projects

Types of projects on the basis of accommodation, transportation, public facilities, upgradation of Information centres, culture and heritage centres, light and sound programs, adventure and sports, amusement Park, zoo etc were considered while classifying these projects under the above three heads. All the proposed projects were ranked against the following basic parameters.

- State Govt. Priority
- Prima facie Potential (judgment/survey)
- Land Use regulations & other govt. regulations

- Availability of relevant natural resources (river/ ocean for water based activities, mountain for trekking/gliding local raw material)
- Current Infrastructural availability & Cost (Land, Water, Power, Local manpower, Communication)
- Planned Investment in Infrastructure
- Sustainability (Environmental constraints/issues) (protected area/eco sensitive zone etc)
- Local entrepreneurship/promoters (availability and willingness)
- Potential for socio economic benefit (employment/income generation to local people, encouragement to local crafts/women entrepreneurship)
- Others (Risk and amenability to financing by financial institutions)

4.6 Prioritisation of projects

Based on the scores, an effort has been made to generate the need or priority for the destinations-wise projects. Though this was not taken as the final evaluating criteria for the prioritisation of the destinations-wise projects, these rankings were considered as guiding factors for giving shape to identified projects. Crucial links in terms of the phasing of the projects over the twenty years was made easy by these rankings.

Priority for a project primarily depends on the ranking of the tourist destination along with the ranking of the specific tourism project itself. Therefore, if a destination is being developed on a priority, then projects have to be simultaneously set up at the place.

Considering the above, the destinations are short listed based on the evaluation, where the identified tourism projects can be designed and implemented.

Table 4.2: Destination Prioritisation

Destinations	Projects
High ranking (score 35-40)	Destinations which have to be given top priority for Projects implementation
Medium ranking (score 31-34)	Destinations which have to given next priority for Projects implementation
Low ranking (score 20-30)	Destinations which can be taken up at a later stage for Projects implementation

The evaluation of destination-wise projects is attached as Appendix – 4.2

The destination evaluation is attached as Appendix – 4.3

4.7 Project ideas/concept

To be a tourist is to travel and stay in places away from usual place of residence. Tourism as an industry got a boost when large numbers of people specially belonging to the middle class began to travel. This was due to the fact that the middle class societies became wealthier, and the travelling time

got reduced. Presently organized tourism is a major industry around the world and supports many national economies.

To develop a sustainable plan for development of tourism in the state, it was very important to understand the 'types of tourism' that can be developed in the state. These project ideas that were evolved were mainly based on tourism potential of the destination / region, the personal visits of the DCEL team to various places of tourist interest, the gaps observed thereof, the requirements arising from these gaps, interactions with local people and experts, hotel owners and entrepreneurs, etc. The basic idea was to enhance the visitors' experience to the place and giving the tourist "the Value for his Money.

4.7.1 Project Profiles

The various projects proposed under the head of Tourism projects are the ones through which the existing tourism potential of the scenic spot is utilized with the consideration of sustainability and maintenance of the Eco-balance of the region. These are the projects which can stand-alone and attract local population, day tourists apart from the domestic and foreign tourists visiting the destination.

o Coorg Restaurant	o Aero Gliding Sports
o Ropeway	o Beach Cottage
o Galatta Camp	o Five Star Hotel
o Children's Park with restaurant	o Museums/ Heritage Centres
o Ethnic Village	o Fort/Palace/Temple Devpt
o Adventurous Lake Camps	o Light & Sound Program
o Karna-trekking Camp	o Karnatic Saga-Luxury Train
o Kannada shikara	o Integrated Jog Development Plan
o Doordarshini (Aqua Towers)	o Development of World Heritage Centre Hampi
o Coffee Resorts	o Night Safari at Bannerghatta Park
o Water Sports Complex	o Golf Courses

Project profiles have been prepared for fourteen projects among the above, which are revenue generating and can be taken up in the proposed locations by entrepreneurs and necessary concessions and encouragement in the form of facilitating these projects should come from the Government. The detailed project profiles of each of the projects are attached as Annexure (Volume 2) .

4.7.2 Summary of the Projects

A brief summary of the individual Projects are presented in the subsequent paragraphs.

(i) Coorg Restaurant

The suggested project is a wayside restaurant, specialised in providing the Coorgi cuisine with a capacity to provide food to 50 tourists and tea & other snacks to 100 tourists. This will also have a bar

so that the local Karnataka wine can be served and beer lovers can have a contented drink. The restaurant shall be located close to a scenic spot. The target market is largely the middle class and high end Indian tourists apart from a few occasional foreigners and should be positioned as an high end environment friendly relaxing food retreat amongst both the day tourists, outstation visitors and local week enders needing a break from home food.

(ii) Coffee Resorts

This project envisages to provide accommodation with a restaurant and bar in picturesque coffee estates surrounded by hill tops and mountain ranges, designed on the lines of Malnad huts with sloping bamboo roofs. The capacity of the resorts shall be to cater to 50 visitors to the restaurant with 10 single room huts and 20 double room huts. The resort is to be located in the vicinity of the ghat range. The coffee resorts are targeted at higher end upper class Indian tourists and foreign tourist groups.

(iii) Water Sports Complex

The proposed project is a water sports complex, which can be developed in big and picturesque lakes located in various tourist destinations of the State. The proposed water sports complex shall consist of the various types of safe and standardised water sport related equipment like water scooters, pedal boats, rowing boats, kayaks, canoes and pedal surfs. The target population could be adult tourists, aged between 18 to 45 years interested in adventure, though it does not ban families and aged people to have a view of the natures' water paradise.

Again, as the fares are kept at lower levels, all types of tourists can be targeted without any income barriers.

(iv) Aero Sports

This project which is a very popular adventure sport in the western countries can be promoted in the State to attract foreign tourists to Karnataka. Various components of the sports include gliding para gliding, para sailing, manual Aero modeling, remote Aero modeling etc. The target market for this proposed aero sports facility will be largely foreign tourists, but adventurous upper class Indians can also gradually be attracted to this project.

(v) Beach Cottage With Restaurant

The proposed beach cottage project envisages, cottages built by using bamboo either in traditional Malnadu huts or in Malabar style for a capacity of 10 rooms providing double accommodation with restaurant and open air spacious bar. The cottages shall be facing the beach at an appropriate distance of 200 metres from the high tide line as per Coastal Regulation Zone (CRZ) regulations. The high end Indian tourists and the foreign tourists who are on the look out for a serene vacation, rich in culture and traditions are the appropriate target market.

(vi) Karna Trekking

The proposed project consists of a trekking camp with necessary equipment for 30 trekkers and a restaurant with a capacity to cater to 35 visitors. It shall be located to in the midst of lushy forests at the base of small hill tops and mountain ranges. The target market for this trekkers' camp is young and enthusiastic men and women who are in the prime of their ages looking for adventure and leisure filled with fun and thrill. The camps can be positioned as unique hill retreats in the minds of the foreign tourists.

(vii) Galatta Camp

The project basically consists of an amusement park, in the midst of lush green forests interspersed with rivers and grassy slopes. The project envisages catering to a capacity of 360 amusement riders, 25 trekkers, indoor games for 16 guests and a 40 seater restaurant. The target market is largely visiting tourists, the locals living in and around the district along with day tourists wishing to spend a fun filled day at the Camp.

(viii) Five Star Hotel

The proposed project is a five star hotel having 5 single rooms, 85 double rooms and 10 family suites with a view to cater to the need of the high class tourist segment. It should contain all the facilities and services essential for meeting the prescribed standards of a five star hotel. The target market of the proposed hotel is focussed on international and high end tourists.

(ix) Ropeway

The proposed project consists of a ropeway having a capacity to transport 1440 people in a day with a multi-cuisine Karavalli restaurant at one of the base stations which can cater to 50 people. The foreign tourists can be attracted in large numbers to the ropeway and the restaurant if a village theme is adopted and the positioning is done as a flight across the Kannada culture.

(x) Aqua Tower

The proposed project consists of three components viz.:

- An aquarium with 25 tanks,
- A watch tower to cater to 200 tourists and
- An angling camp for 20 visitors.

This project can come up nearby any big and picturesque lakes/rivers.

(xi) Adventurous Lake Camps

This proposed project is basically a lake camp consisting of 10 double room Malnad cottages, facilities for angling cycling and nature walk apart from a Mangalorean restaurant providing spicy seafoods among others.

(xii) Children's Park with Restaurant

The proposed project basically consists of a children's amusement park in a zoological setting with a multi-cuisine Malnad restaurant. The various components of the amusement park include a Columbus pirate ship, a crazy cup, an umbrella ride, a children boat ride, a merry-go-round vehicle, Zoological Zone etc.

(xiii) Ethnic Village

The proposed project is all about creating a village camp and providing folklore accommodation to the guests. The envisaged capacity for the proposed village resorts consist of five double rooms, three family rooms and two dormitories with a total capacity of forty five guests to stay. The target market for these type of ethnic village resorts is largely foreigners who would like to have a look at the nation's cultural treasure in a village living there and knowing/experiencing their lifestyle.

(xiv) Kannada Shikara

This project to be built across big and picturesque lakes located across the State consists of three major components namely (a) a floating cabin in the form of a circular boat accommodation, (b) hut type restaurants surrounding the lake and (c) water sports for adventurous enthusiasts.

Apart from the above mentioned projects, the following projects are also proposed.

(xv) Museums/ Heritage Centres

It is proposed to have cultural and heritage centres in various tourist destinations, through which the cultural lifestyle of the district, the major attractions, could be depicted by creating different pavilions for different themes.

(xvi) Fort/Palace/Temple Development

The state is known for its age-old forts and palaces and priceless monuments. These need to be renovated and provided with flood lighting. Though the Department of Archaeology has a bigger role to play, tourism had to contribute as most of the foreign tourists and die- hard Indian enthusiasts throng the state to have a glimpse of the grandeur and elegance of these forts.

(xvii) Light & Sound Program

Light and Sound shows in close proximity to the tourist attractions are an added attraction in the surrounding places of these scenic spots. Different themes can be taken up for these programs and the total cost is estimated as Rs.400 lakh to design and build these programs all over the state.

(xviii) Karnatic Saga-Luxury Train

The Government of Karnataka proposes to operate a luxury tourist train on the lines of Palace on Wheels and the Royal Orient Services which shall traverse key places of tourist interests in Karnataka. The target segment is the broader section of the affluent class comprising foreign travelers, foreign nationals working in India, upper class Indian travelers, corporate groups etc.

(xix) Golf Courses

To get in more foreign tourists and attract the Indian Golf enthusiasts to Karnataka where the climate acts as a boon to the golfers, it is proposed to invest another Rs.10 crore during the next twenty years to develop new Golf Courses at Mysore, Mangalore and Gokarna and develop and expand the existing ones at Chickmagalur, Mercara and Bangalore. Table 4.5 summarises the identified locations for identified types of projects.

4.8 Tourism Infrastructure Projects

The following projects are classified under the head Tourism Infrastructure projects basically because they are Infrastructure projects catering to visitors and tourists. The Government of Karnataka has a key role to play in bringing in the investment from multilateral agencies and to promote individual entrepreneurs to promote more revenue generating projects in the infrastructure. Ways and means had to be devised by the Government to rope in big corporate through the different forms of Public Private Partnership.

- (a) Hotel and Other Accommodation
- (b) Information Centres

- (c) Signage
- (d) Transportation
- (e) Landscaping

4.9 Basic Infrastructure Projects

The basic infrastructure required in a particular destination like water supply, availability of un-interrupted power supply, storm water drainage facility and sewerage services, solid waste management etc., shall form part of these projects. For our estimation purposes only three major aspects are considered which are namely

1. Airports
2. Roads
3. Public facilities

The total investments required in the state for basic infrastructure, tourism infrastructure and Tourism project over the next twenty years to usher in a new era of tourism and to bring in more influx of both domestic and foreign tourists are presented in the Table 4.3.

Table 4.3: Investments

Investments/ Head wise	Total Investments Rs in lakh
Basic Infrastructure Projects	138070
Tourism Projects	44470
Tourism Infrastructure Projects	58045

The 20 year investment plan for identified project is given in Chapter 5.

4.10 Project Concepts - To Be Explored

Besides the destination specific or circuit bound projects, the following projects concepts have been identified which are required to be explored to its maximum potential. A brief description of each of these concepts is presented in the project profiles – Annexures (Volume 2).

- Night Safari at Bannerghata National Park.
- Integrated Jog Development.
- Tourism Plaza at Bangalore.
- Re-creation of Dussehra in Mysore.
- Music Gurukul in Dharwad.
- Oceanarium in Mangalore.
- Ayurveda and Yoga Health Resorts

These project concepts, need to be separately studied and implementation plan drawn upon for developing sustainable tourism in the state of Karnataka.

4.10.1 Project Viability of selected / short listed projects

Project profile have been prepared for revenue generated projects. These are enclosed in Annexure (Volume 2)

A summary of Financial Indicators of the economic tourism projects are given in the Table 4.4

Table 4.4: Summary of Financial Indicators for Tourism Projects Considered

Sl. No.	Project Concept/Configuration	Investment Rs. Lakhs	Financial Indicators (ROI)	Employment Generation (Direct)
1	Coorg Restaurant -a wayside restaurant with a capacity to provide food to 50 tourists and tea & other snacks to 100 tourists.	7.94	28.68%	10
2	Coffee Resorts -accommodation with a restaurant and bar, capacity to cater to 50 visitors to the restaurant with 10 single room huts and 20 double room huts.	36.63	19.67%	14
3	Water Sports Complex -capacity envisaged - 8 water scooters, 8 pedal boats, 4 rowing boats, 8 kayaks, 8 canoes and 8 pedal surfs. An additional 20 life jackets and 20 life buoys.	84.67	26.35%	19
4	Aero Sports -gliding components consists of par gliding, par sailing, manual Aero modeling and remote Aero modeling	31.57	32.34%	11
5	Beach Cottage with Restaurant -capacity of 10 rooms providing double accommodation with restaurant and a open air spacious bar.	22.85	27.16%	7
6	Karna- Trekking -project consists of a trekking camp with necessary equipment for 30 trekkers and a restaurant with a capacity to cater to 35 visitors	3.12	31.06%	11
7	Galatta Camp -consists of an amusement park, trekking, indoor games and of course an ethnic restaurant. Cater to a capacity of 360 amusement riders, 25 trekkers, a indoor games for 16 guests and a 40 seater	115.83	24.70%	15
8	Five Star Hotel -having 5 single rooms, 85 double rooms and 10 family suites with a view to cater to the need of the high class tourist segment	3891	24%	150
9	Rope-way -capacity to transport 1440 people with a multi-cuisine Karavalli restaurant at one of the base stations which can cater to 50 people	455.80	22.58%	11
10	Aqua Tower -project consists of an aquarium with 25 tanks, a watch tower to cater to 200 tourists and an angling camp for 20 visitors.	24.95	23.27%	6
11	Adventurous Lake Camps -lake camp consisting of 10 double room Malnad cottages, facilities for angling cycling and nature walk, a Mangalorean restaurant	26.38	22.12%	12
12	Children's Park with Restaurant -a children's amusement park in a zoological setting with a multi-cuisine Malnad restaurant.	78.09	22.93%	15

Sl. No.	Project Concept/Configuration	Investment Rs. Lakhs	Financial Indicators (ROI)	Employment Generation (Direct)
13	Ethnic Village -a village camp, providing a folklore accommodation to the guests. Capacity of five double rooms, three family rooms and two dormitories(total capacity of 45)	27.19	32.36%	10
14	Kannada Shikara -consists of a floating cabin in the form of a circular boat accommodation, hut type restaurants surrounding the lake and water sports for adventurous enthusiasts.	24.37	23.9%	15

Table 4.5: Summary of Projects with possible locations

S.#	Project Concept/Configuration	No.	Proposed / Possible location
1	Coorg Restaurant -a wayside restaurant with a capacity to provide food to 50 tourists and tea & other snacks to 100 tourists.	137	Alongside a scenic spot where regular inflow of high end day tourists are there or places in the national and state highways connecting major towns and tourist destinations Bangalore, Mysore, Karwar, Yana, Gokarna, Idagunji, Jog Falls, Pattadakal, Murudeshwar, Karkala, Vennur, Subramanya, Jevargi, Almati Dam, Aihole, Badami, etc.
2	Coffee Resorts -accommodation with a restaurant and bar, capacity to cater to 50 visitors to the restaurant with 10 single room huts and 20 double room huts.	6	Kemmannagundi, Baba Budhan Hills, Kudremukh, Madikeri, Baghamandala and Kushalnagar
3	Water Sports Complex -capacity envisaged - 8 water scooters, 8 pedal boats, 4 rowing boats, 8 kayaks, 8 canoes and 8 pedal surfs. An additional 20 life jackets and 20 life buoys.	6	Gokarna Om beach, Marawanthe beach, Murudeshwar, Dandeli across Kali river, Ullal beach in Mangalore and Devbagh beach in Karwar.
4	Aero Sports -gliding components consists of par gliding, par sailing, manual Aero modeling and remote Aero modeling	9	Badami and Hospet Baba Budhan, Koodachadri, Kudremukh, B R Hills, Mysore Chamundi Hills, Nandi Hills and at Hebbal in Bangalore
5	Beach Cottage with Restaurant -capacity of 10 rooms providing double accommodation with restaurant and a open air spacious bar.	10	Karwar, Gokarna, Murudeshwar, Bhatkal, Udupi, Mangalore, Malpe Beach, St. Mary's Island, Maravanthe and Kaup.
6	Karna- Trekking -project consists of a trekking camp with necessary equipment for 30 trekkers and a restaurant with a capacity to cater to 35 visitors	40	North and South Canara, Shimoga, Chickmagalur, Hassan and Coorg, Pattadakal, Hospet, Hampi, Bellary, Chitradurga, Ghanapur in Belgaum, Jog Falls, Kemmannagundi, Yana, Agumbe, Kukke Subramanya, B.R.Hills, Sandur Devagiri Hills, Dandeli, Koodachadri Hills and Kundadri Hills.
7	Galatta Camp -consists of an amusement park, trekking, indoor games and of course an ethnic restaurant. Cater to a capacity of 360 amusement riders, 25 trekkers, a indoor games for 16 guests and a 40 seater	6	Badami, Chamundi Hills in Mysore, Nandhi Hills, Madikkere, Kudremukh and Sirsi
8	Five Star Hotel -having 5 single rooms, 85 double rooms and 10 family suites with a view to cater to the need of the high class tourist segment	7	Bangalore, Mangalore, Mysore Belgaum, Hospet, Hassan and Shimoga

S.#	Project Concept/Configuration	No.	Proposed / Possible location
9	Rope-way -capacity to transport 1440 people with a multi-cuisine Karavalli restaurant at one of the base stations which can cater to 50 people	8	Pilikula Nisarga Dhama in Mangalore, Jog Falls, Nandhi Hills, Kemmannagudi, Sharavanabelagola, KRS, Chamundi Hills in Mysore etc
10	Aqua Tower -project consists of an aquarium with 25 tanks, a watch tower to cater to 200 tourists and an angling camp for 20 visitors.	10	Linganamakki Dam, Kukrahalli lake, Pilikula Nisarga dhama, Gangamoola, Shivasamudram, Seethahole, Honnemaradu and Sakleshpur.
11	Adventurous Lake Camps -lake camp consisting of 10 double room Malnad cottages, facilities for angling cycling and nature walk, a Mangalorean restaurant	9	Shivasamudram, Gurupur river, Gangamoola, in the Ulsoor and Sankhey lakes at Bangalore, Kushalnagar, Honnemaradu, Pilikula Nisaghadhama in Mangalore and at Karanji Tank at Mysore.
12	Children's Park with Restaurant -a children's amusement park in a zoological setting with a multi-cuisine Malnad restaurant.	15	in Bangalore, Mysore, Mercara, Hassan, Mangalore, Chickmagalur, Bijapur, Karwar, Badami, Belgaum, and Bijapur
13	Ethnic Village -a village camp, providing a folklore accommodation to the guests. Capacity of five double rooms, three family rooms and two dormitories(total capacity of 45)	11	BR Hills, Madikeri, Lakkundi, Karavalli, Puttur, Melkote, Bolantur, Koodali near Shimoga, Sagar near Jog Falls, Agumbe near Shringere and Sakleshpur.
14	Kannada Shikara -consists of a floating cabin in the form of a circular boat accommodation, hut type restaurants surrounding the lake and water sports for adventurous enthusiasts.	6	Srirangapatna, Mysore Kukrahalli lake, River Kempuhole, River Seethahole near Agumbe, Netravathi, and at Linganamakki Dam
15	III Star Hotel-60 rooms	18	These types of accommodation can be designed depending upon the viability of the proposed accommodation in the particular location. It is understood from the findings of the survey that most of the destinations have far few standard accommodation and inadequate amenities. In this context, taking into account the number of additional bed requirement over the next twenty years in different destinations as per the projected tourist inflow, the total accommodation requirement of the state is determined.
16	II Star Hotel-60 rooms	18	
17	I Star Hotel -30 rooms	110	
18	Dormitory-100/200 beds	13	
19	Cottages-10	7	
20	Public Facilities	41	

4.10.2 Projects and destination prioritization

Based on the scores arrived through evaluation criteria for the projects as well as the destinations (refer the evaluation of destination-wise projects attached as Appendix – 4.2 and the destination evaluation attached as Appendix – 4.3), a matrix can be generated for taking up projects on priority at prioritised destinations. Though criteria used for said evaluation may not be taken as the final evaluating criteria for the prioritisation of the destinations-wise projects, these would act as guiding factors for giving shape to identified projects. It is to be noted that priority for a project primarily depends on the ranking of the tourist destination along with the ranking of the specific tourism project itself. Therefore, if a destination is being developed on a priority, then projects have to be simultaneously set up at the place.

Considering the above, a small matrix showing the projects that may be taken up immediately at some of the prioritised destinations is presented below. Please note this is not an exhaustive matrix. More matrix can be generated in similar fashion for more destinations and the projects.

Destination and Project Matrix

Destinations	Projects
Mysore	Amusement Parks, Zoo and Children Park, Transportation, Information Centres and Light and Sound Programs
Mercara	Light and Sound, Cultural Heritage Centres, Amusement Park and Rope-way
Badami-Aihole-Pattadakal	Transportation, Public Facility, Amusement Park and Zoo and Children Park
Belur-Halebeid-Shravanabelagola	Rope-way (Shravanabelagola), Hotel and Accommodation
Bangalore	Air-strips, Cultural Heritage Centres, Amusement Park
Hampi	Information Centres, Transportation, Public Facilities, Hotel and Accommodation
Jog falls	Water Sports, Transportation, Cultural Heritage Centres, Amusement Park

5 PERSPECTIVE PLAN

5.1 Introduction

The perspective tourism plan of the State needs to be both forward looking and realistic, i.e., forward looking in the sense that it envisages optimistically for the future and realistic in the sense it remains within the policy framework and recognizes constraints, which are insurmountable. Having this view, it is essential to prepare Perspective Plan after understanding:

- Directions of development envisioned in the tourism policy of the State.
- Various constraints arising due to Environmental and Social Impacts
- Exploitable Tourism Potential of the State

5.2 The State Tourism Policy - A Review

Due to thin spread of incentive packages all over the State of Karnataka and even after a lot of private investment and changes, the impact of investment has not been felt in the various areas of the tourism industry. While more investment has been made in the southern parts of the State like Bangalore, Mysore and surrounding areas, the Northern Karnataka has been largely ignored.

While other state Governments made successful efforts in developing tourism within their states, the relative inability of the State to harness and develop its full tourist potential may be attributed to a combination of factors. These factors are lack of effective policies, inadequate infrastructure, ineffective marketing and lack of decent facilities for the tourists.

The main rationale for formulating a comprehensive tourism policy is rooted, on one hand, in the convergence of socio-economic spread benefits, environment - friendliness and employment potential of tourism industry and on the other, in the growing demand for tourism products in the State, brought by a rapid industrial growth in the State during the recent years that has led to tremendous increase in number of business travelers.

The Government of Karnataka has therefore come up with the Revised Tourism Policy for the State with effect from 1.6.1997, in which a new package of incentives and concessions have been provided to the tourism industries in the State. The major objectives of the revised tourism policy are mainly:

- Promotion of tourism policy,
- Enhancement of employment and income generation,

Diversification and development of identified tourism sectors in order to attract more tourists through a varied consumer choice.

- Encouraging more and more private participation for development of infrastructure facilities.
- Comprehensive development of major tourist destinations.
- Create adequate facilities for budget and other categories of tourists.
- Strengthen the existing infrastructure and develop new ones where necessary.

-
- Creation of tourism infrastructure so as to preserve handicrafts, folk arts and culture of the state and thereby attract more tourists.

The state government will function as a catalyst and confine its efforts to infrastructure development, dissemination of information and coordination of sectoral activities to create conditions for attracting substantial private sector investment in tourism sector. The state also wishes to withdraw from related tourism activities like running hotels, transportation, etc., and hand them over to professionals in the private sector.

In addition to the facilitation role assigned to itself by the Government in the development of tourism, the Government has decided to adopt the following strategy towards the private sector with the objective of securing its active involvement in leading the development of tourism in the State.

Special incentives package to be made available for encouraging new tourism projects as well as expansion of existing tourism units.

Infrastructural facilities to be strengthened and developed within the State, particularly in Special Tourism Areas and to be developed.

Effective mechanisms are to be set up to build meaningful co-ordination with the Central Government and the State Governments agencies, the local self-government bodies and the NGOs.

Government is to encourage building effective linkages with the relevant economic agents and agencies such as the national and international tour operators and travel agents of repute, hotel chains and global institutions connected with tourism such as WTO.

Various proposals of the revised tourism policy are pertaining to following crucial aspects:

- Tourism as Industry
- Redefining the roles of the State and the Market
- Preparation of Perspective Plan & Focus on development of Potential Tourism Products
- Human Resource Development
- Feedback and Monitoring

Following sections describe the above aspects in details:

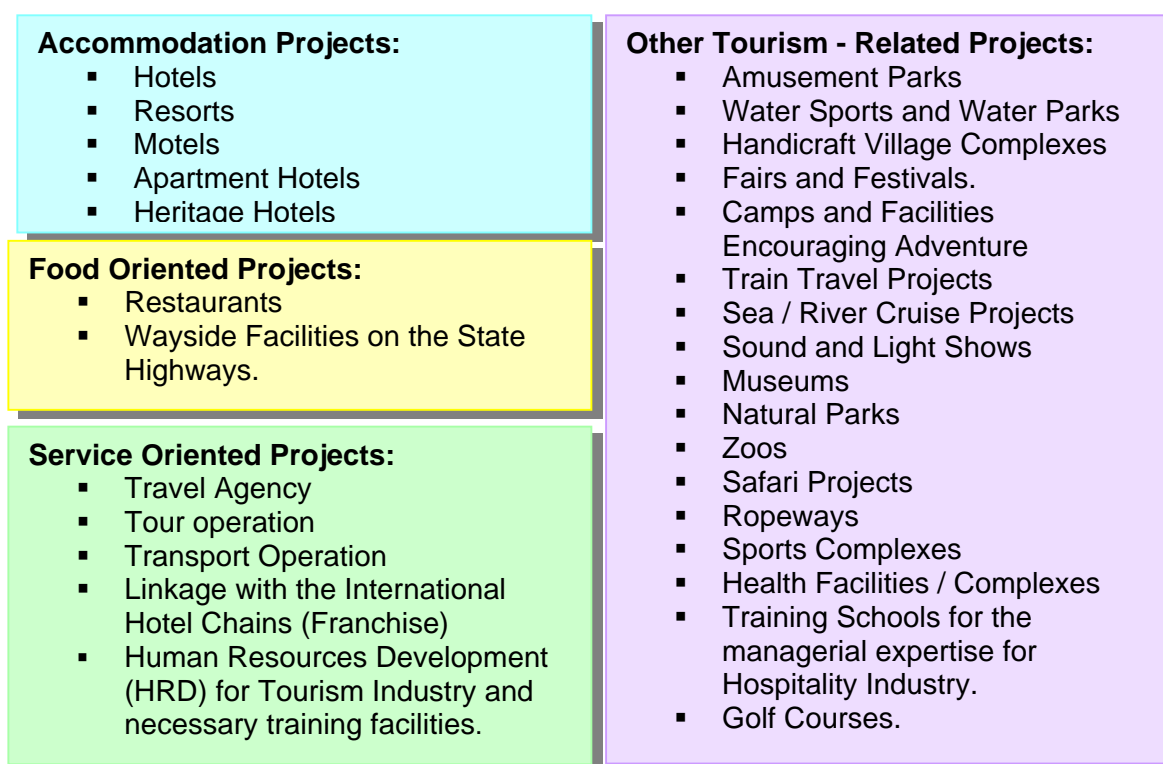
5.3 Tourism as Industry

Like other industrial projects, tourism projects too involve professional management, capital investment, special skills and training. The Government of India and a number of other states including Karnataka has declared tourism as an industry. This will enable the tourism projects to get various benefits generally availed to industries, such as:

- The process of grant of land will be facilitated in urban areas for the projects concerning setting up of hotels, restaurants and apartment hotels etc. Existing arrangements for grant of government waste land to industrial units will be made applicable to various tourism projects.

- Arrangements will be made to acquire private land under Land Acquisition Act for various tourism projects by companies registered under the Companies Act.
- The existing commercial rates of assessment applicable to land involving tourism projects would be reviewed and rates of assessment for industrial purposes will be made applicable to them.
- As one of the sets of infrastructural institutions, the State Financial Institutions have made an important contribution in creating conducive environment for industrial entrepreneurs. They will be called upon to do the same for tourism entrepreneurs in terms of making available adequate finance. So far, the lending from the State Financial Institutions has been largely confined to hotels only. In reality, the range of activities for tourism projects is far larger than just hotels as can be seen from the following illustrative list :

Figure 5.1: The Range Of Activities for Tourism Projects



- Most of the projects on this illustrative list are not eligible for loans from the banks or the State Financial Agencies. It will be necessary to make suitable changes in the lending criteria for viable projects in the listed activities in order that their financial requirements are met. The modification of the lending criteria of the State Financial Agencies will be made with regard to the financial ceiling, debt equity ratio, recovery period, moratorium etc. Necessary arrangements will be made to ensure that the State Financial Agencies and the banks attach adequate priority to the financing requirements of tourism projects. New incentive package will be made available to replace the existing incentive policy. Suitable schemes will be designed to market tourism products, and particularly wide publicity will be secured in respect of various facilities being offered by the travel agents, tour operators etc.

5.4 Redefining the Roles of the State in view of changing market trends:

Since the approach of the Tourism Policy focuses on market-led developments, the role of the State would be as follows:

- The Government proposes to make commercial services available entirely through private sector or in association with it. The States role will primarily focus on strengthening and upgrading existing infrastructure and development of new infrastructure.
- Efforts will be made to get funding for development of infrastructure for these destinations / areas from national and international agencies. To ensure timely provision of necessary funding, the Government will earmark funds in the annual budgets of the departments concerned.
- In conformity with States promotional role in the development of tourism sector, all competitive and commercial activities of Tourism Corporation will be privatised except where no entrepreneur is coming forward to meet the existing need. This privatisation would help strengthen the financial position of the corporation and also help provide qualitative services to the tourists.
- Tourism Corporation will assume a catalytic role focused on acting as clearing house of information, production and distribution of promotional literature, policy advice etc.
- The Tourism Corporation will assist entrepreneurs and agencies in tourism sector and will try to help alleviate their difficulties particularly vis-a-vis the Government and its agencies.
- A Computerized Information Centre will be set up at the State level to make available necessary information to the agencies/entrepreneurs who wish to set up tourism projects.
- In addition to its existing offices in Bombay, Delhi and Madras, the Tourism Corporation will also open its offices in other major cities of India to give wide publicity and disseminate information on Karnataka Tourism and market tourism products through these offices and through reputed travel agents in other big cities. Thus, the information about Karnataka's tourist destinations and related information would be made available to tourists from outside the State in their own cities.
- The process of decentralization will be further strengthened by delegation of administrative and executive powers of approval of incentives to small tourism projects to District Level Bodies. These bodies, in addition, will also secure co-ordination from other departments / agencies of the Government in development and promotion of tourism. Representation will be given on this body to the experts, individual agencies and individuals connected with the tourism.
- A Single window clearance system will be instituted for speedy clearance of various permissions, approvals required under different laws and rules. Necessary modification/amendment will be made to various administrative arrangements and laws which are not consistent with the approach of this Policy. Care will be taken to ensure that prospective investors do not have to suffer protracted and complex administrative process.
- Intensive efforts will be undertaken to attract investors from outside the State as well as from other countries including non-resident Indians to invest in tourism sector on large scale. Tourism Corporation of Karnataka and Directorate of Tourism will play active role to ensure that investors get various permissions easily and are provided with all the necessary facilities.

5.5 Preparation of Perspective Plan & Focus on Tourism Products:

Perspective plan for tourism development would be prepared in consultation with experts. Primary focus would be on to develop tourism products based on:

(i) Religious (pilgrimage) Tourism

Karnataka has a preponderance of pilgrimage centers as in some other states. These places are visited not only by the devotees from all over the country but also by non-resident Indians and foreign travelers especially from various parts of the world. Necessary accommodation facilities and related services will be created on these sites.

5.5.2 Heritage Tourism

A large number of old Palaces, Forts, Monuments and other places of archaeological importance exist in the State. These historical buildings can be converted into hotels, restaurants or museums by providing suitable incentives to owners. Wildlife and Pilgrimage Tourism circuits can be linked to heritage properties exploiting the geographical congruity. Development of this sub-sector will not only attract foreign tourists but also provide encouragement and support to local art and craft. Government will take necessary steps to promote Heritage tourism in the State.

5.5.3 Wildlife Tourism

There is substantial scope for development of tourism based on wildlife in the State. The National Parks, Sanctuaries, Jungle Lodges etc can be effectively further developed into better tourist destinations by providing infrastructural facilities. In order to facilitate visitors to these areas, coordination among various agencies will required to be established.

5.5.4 Coastal and Beach Tourism

The State has a long and relaxed and unexplored or under-explored coastline. Identified stretches of coastline can be developed into beaches from tourism point of view. It will be the endeavor of the State to develop beach potential by providing such facilities as may attract foreign tourists. Various tourist destinations easily accessible from the coast may be linked through coastal shipping circuits.

5.5.5 Tourism based on Traditional Art and Craft and Cultural Activities

There are several places in the State which are known for their craftsmanship. Similarly, there are many fairs and festivals that are celebrated through out the year with enthusiasm. By developing accommodation, transport, other facilities and recreation, these fairs and festivals will be promoted nationally and internationally. The places of importance from art and craft point of view will be included in the tourist circuits and necessary facilities provided to tourists. The idea of creating a massive tourism plaza reflecting the cultural lifestyle of the locals, food court with regional flavours, light and sound programs, miniature version of the existing tourist destinations, Pictorial Guides on how to explore etc is on the offing.

5.5.6 Adventure Tourism:

This is also a territory with possibility of development as a sub-sector which will be examined and new activities like Safari, Horse-riding, Parachuting, Trekking etc. will be promoted. Such activities will create large scale employment opportunities for guides, coolies, traders for hire of tents and equipments etc. and will also encourage paying guest accommodation in such areas. Private entrepreneurs and institutions will be encouraged to develop such facilities.

Various sub-sectors of tourism activities listed above will be encouraged by marking new tourism units eligible for incentives under Tax Holiday incentive scheme in designated areas. As mentioned earlier, the State Government intends to designate certain areas having significant tourist potential as Special Tourism Areas. To this end, reputed consultants and institutions will be engaged to prepare area development plans in respect of various areas. These areas will be developed by following integrated area development approach. The State Government will make efforts to tap all the source of national and international funding for development of these areas and provide special encouragement to tourism projects being established therein. For ensuring faster development of these areas, area development committees will be constituted.

Besides, the destination specific or circuit bound projects, the following projects concepts have been identified which are required to be explored to its maximum potential.

- Night Safari at Bannerghata National Park.
- Integrated Jog Development.
- Music Gurukul in Dharwad.
- Oceanarium in Mangalore.
- Golf Tourism

5.6 Human Resource Development

Tourism falls into the service industry which essentially implies that people engaged in this trade deal with people and cater to their needs. Hence, the people in the tourism industry need to develop skills for dealing with tourists and to develop a knowledge base, which has to be constantly updated of the facilities available to the tourists.

The need for training persons in this industry is felt due to the following reasons:

1. The impressions of a tourist during his visit is largely determined by two factors – the first is the impression of the tourist on the site visited and its history and the second, the hospitality, quality of service and knowledge and courtesy extended to the tourist during his stay. Therefore, a lot depends on the persons in the trade to make the tourists' experience a pleasant one. The right selection, training and development are thus very important.
2. Being a service industry, it offers tremendous scope for employment to a vast cross section of persons in various capacities like travel agents, guides, hotels (front office, waiters, cooks, stewards, housekeeping, etc.), private entrepreneurship in travel trade, restaurant, lodges and souvenir shops, artisans involved in production of handicrafts, support and ancillary services.
- 3.

4. The two major activities in tourism are:

- ♦ Accommodation and hospitality and
- ♦ Travel trade.

Training for both these activities has to be based on clearly identified skills and knowledge needed for their effective performance.

5.6.1 Current Status

In the accommodation and hospitality sector the training programs are fairly well structured upto the middle management level but the turn out falls short of the annual requirements.

Training programs in the travel trade are still in a nascent stage. The programs in this area broadly fall under two categories:

- (i) In-house on-job training, which account for the largest intake of personnel in this sector.
- (ii) Courses on tourism offered by a few universities and private institutions covering some aspects of travel trade.

5.6.2 International Training

DOT proposes to send senior officers involved in tourism trade to JICA in Japan for a 3-month training program.

5.6.3 Language Courses

DOT proposes to introduce government-approved guides to the beginners level language courses in French, German and Japanese. Tie-up arrangement with Alliance Francaise, Max Mueller Bhavan and other agencies are being worked out. The course is of a 3 month duration with about 25 persons per course.

5.7 Post Graduate Certificate Course in Travel and Tourism Management

DOT proposes to conduct a post graduate course in travel and tourism management in conjunction with the Food and Nutrition College, Bangalore, a government recognised institution. Though the modalities are being discussed it is proposed that the course will be of 3 months duration, run twice a year with 20 students per course. The faculty will be drawn from the institute, the department of tourism and specialists in various aspects of tourism trade.

As an alternative, the DOT is considering utilising the services of the Karnataka Institute for Tourism and Hotel Management (KITH) as an agency for human resource development for the tourism industry as well as for conducting courses. This institute has received the official sanction of State Government.

DOT runs audio visuals/talks at various tourist sites for locals involved in the tourism trade. The aspects that are likely to be dealt with are historical importance of the tourist site, transport facilities

available, use of credit cards, etc. It is proposed that such educational programs would be run by guides or members of the department of tourism.

5.8 Seminars/Workshops

DOT proposes to hold seminars at state, national and international levels. The details of the seminars will be worked out by DOT at a latter stage. The basic purpose of these seminars are:

- To generate awareness among a cross section of persons involved in the tourism industry and to sort out problems faced especially from government regulations.
- To enable persons involved in the industry in India get together and exchange views, developments etc that have taken place.
- To provide a platform for exchange of ideas at an international level and to promote tourism in Karnataka.

5.9 Administration, Feedback and Monitoring

DOT is a nodal agency as the focus of the project is on tourism development. For the administration and monitoring of the project DOT proposes to set up a special cell in the department of tourism who will plan, receive reports, co-ordinate and report on the implementation of the project. The cell will be headed by an officer of the rank of Joint Director/Deputy Director who will hold overall responsibility for the project implementation. The Joint Director/Deputy Director would also ensure that the executing agencies get all the administrative assistance from various departments.

The Joint Director/Deputy Director should be assisted by a team of 3 managers who could be assigned responsibilities for various sub-projects.

In addition, at the field level for continuous monitoring of the progress of the project. DOT proposes to introduce 6 mobile inspection units to be located at different sites. Each mobile inspection unit (also called Regional project monitoring cell) will have 3 persons – one member from the tourism department of that region, the second member of the department whose work is being reviewed and the third a member officer to be nominated by the District Administration of the area where the project is being executed.

The objective of these regional project monitoring and evaluation cell is continuous inspection/monitoring of sub-projects and submission of evaluation reports and liaison with the central project monitoring and evaluation cell.

5.10 Environmental Analysis and Forecasting

5.10.1 Environmental Factors

As the environment is an integral component of the tourism industry, it is expected that tourism developers of the state should take special care to ensure that the environment is properly cared for and preserved. Ideally, there ought to be harmonious co-existence between the tourism and the environment. But quite often, we see a conflicting relationship between the two.

Where there is a harmony between tourism and the environment the latter benefits from the former or vice versa. One of the major tourism-related benefits, which a state can gain from trade, is the conservation of its natural and man-made environments. The palace-hotels are a source of great fascination for tourists and provide revenue for those who own them. Similarly, the natural environment has benefited from tourism in a number of ways. Establishment of wildlife parks and sanctuaries has led to the conservation of wildlife and rare plants and flowers. Income generated from tourism can be reused to preserve the environment of the place. Tourism also gives a fillip to the local handicrafts industry.

On the other hand, tourism is said to be in conflict with the environment when a large number of tourists arriving at a destination leads to overcrowding which further leads to generation of waste water and other pollutants causing damage to the surroundings.

An environmental planning approach is essential for sustainable development of tourism. This necessitates that all aspects of the environment be carefully surveyed, analysed and considered in determining developments at environmentally sensitive tourists destinations.

A critical factor for achieving environmental sustainability is controlling the development within the carrying capacity limits. Tourism carrying capacity is based on the concept of maintaining a level of development and use that will not result in serious environmental deterioration, socio-cultural or economic problems. Determination of destination-wise carrying capacity requires much detailed study and analysis.

5.10.1.1 A qualitative Environment Impact Assessment with regards to New Tourism Projects

Environmentally speaking, Karnataka so far has been enjoying an overall clean and pleasant status across the state. Although with each passing day, with increasing activities and population, there bound to happen some alteration in the overall environmental status, the situation can be still said to be under control. Even Bangalore, which is considered to be one of the fastest growing city and a business hub, does offer a salubrious, air-conditioned weather through out the year. An attempt to maintain and preserve the natural ecological balance has been made by setting up more and more parks, gardens and lakes all over the places. The same is applicable for other growing cities of the state like Mysore, Mangalore, Hubli-Dharwad, Bijapur, Bidar etc.

The proposed new tourism projects at various destinations and places shall not prove to be a point of concern, if certain regulatory measures are strictly adhered to. The concern state departments or the regulatory authorities need to take complete responsibility for helping people to maintain an eco-friendly environment, even at the places of major tourist attractions. A continuous public awareness programs at regular interval, for maintaining a clean and healthy surrounding, can be carried out to educate people in this regard. Assistance from NGOs and Developmental Organisations closely working with people both at grassroot level and higher echelon of the society can be taken to reach majority of the masses. As the increase in various tourism attractions would bring in more and more tourists to the state, provision has been kept in proposed projects for accommodating and handling them over the next twenty years. However, as said earlier that the critical factor for achieving sustainability is controlling the development with the carrying capacity limits and for determination of

which a detailed study has to be taken up to analyse and assess impact of increased development on environment, socio-cultural and economic fronts.

In recent times, the categorisation or segmentation of tourism sector into various groups (like Adventure, Leisure, Pilgrimage, Heritage etc.) has also helped to certain extent in averting unwarranted traffic at tourist places. This can be attributed to the reason that tourists these days are more focused on selecting destinations as per their choice and want to enjoy to maximum possible extent within a planned time frame and budget. The state, in this aspect, stands distinctly in an advantageous position to offer a large variety of tourist destinations suiting to the choice of individual tourist. The traffic load, therefore, to a large extent would be distributed, without raising an alarming bell so far as environmental factors are concerned. However, in recent times, in the cultural and heritage spots and pilgrim centers, the state needs to exercise more regulatory measures to preserve the sanctity, beauty and cleanliness of the places from the visitors who may not be well aware of the long term detrimental affect of their uncaring behaviour on the environment.

5.10.1.2 Role of Environment Regulatory Body

In line with various regulatory measures and programs, as said in the earlier paragraphs, for maintaining an eco-friendly and healthy environment, the Karnataka State Pollution Control Board has undertaken some major annual plans and 10 Point Program, 2002-2003 for translating their objectives into concrete actions. A similar constant effort from other regulatory bodies would definitely go a long way in maintaining and preserving a healthy environment in spite of increased load of tourist traffic/population in the state. Some of the major annual plans and the 10 Point Program of Karnataka State Pollution Control Board are presented below:

Annual Plans- 2002-2003:

- Monitoring of environment by involving universities, NGOs and schools.
- Establishing 9600 Eco-clubs with the assistance of World Bank and Government of India.
- Monitoring of ambient air quality in Bangalore and other cities: Real time air quality mapping and climate modeling.
- Awareness campaigns: Plastics.
- Propose to introduce more Parisara Vahinis.
- Encouraging use of clean fuels like LPG.
- Monitoring of lakes and publishing the water quality of lake.
- Introduction of Economic Instruments for environmental Compliance by the industries.
- Propose to organize Environmental exhibition like Eco. Org 2002 in December, 2002.
- Parisara Hoysala and Green Police.
- Awareness- Mobile Publicity Vans.
- Strengthening of water quality and air quality network: partial sourcing out.

10 Point Programs- 2002 - 2003

- Establishment of Environmental Management Planning and Research Institute (EMPRI).
- ISO 14000 Certification by Large Red category industries.
- Eco-flags and Eco-clubs for environmental awareness.
- Scholarships in discipline of environment protection/ pollution control including areas such as Lead level tests for children and Benzene levels in cities.
- Eco Adalats to be conducted at District levels.
- TSDF finalization for Hazardous waste disposal and three CETPs.

- Purchase Policy on eco-friendly goods in the State.
- Citizen Charter and directory of pollution load in Karnataka
- In-House journal/Environmental Status Report and disclosure scheme.
- Technology .org at Palace grounds.

5.10.1.3 General Environmental Status

A brief on the current general environment status of the major tourist destinations are presented in the subsequent paragraphs.

Mercara: This growing popular Hill station of the state is largely a leisure and pilgrim centre. Eco-tourism is also fast catching up. The overall environment is perfect for a clean and salubrious holiday leisure. The proposed projects would be able to take up the increased load of tourist traffic in the coming years with out having a detrimental effect on the environment. However, an improvement in better sewerage and drinking water supply would only prove to be good for the place.

Mysore: Regarded as the Retired man's Paradise, this historical city attracts majority of the state tourist traffic. Loaded with lots of attractions, the city is well equipped to handle and manage the increased tourists. A well-developed tourism infrastructure coupled with calm natural ambience, has so far rightly struck a balance between natural and man-made creations. Overall environmental status is clean and pleasant.

Bangalore: Considered to be one of the fastest growing city and a business hub, as said earlier, the city offers a salubrious, air-conditioned weather through out the year. An attempt to maintain and preserve the natural ecological balance has been made by setting up more and more parks, gardens and lakes all over the places. Also called as "Air-conditioned City" – it is soon waiting to be considered as one of best global tourist destination in true sense.

Hassan: Also known as 'Poor man's Ooty' the place acts as a hub for the surrounding places of interest. The city in itself has got all the basic requirements for good destinations and proposed projects would help it to become one of popular tourist centre or hub in the near future. Overall environmental status is clean and pleasant.

Belur, Halebid, Shravanabelagola: This destination-trio basically frequented by pilgrims and people having interest in heritage and culture. The only time Shravanabelagola bears a lot of traffic load is during the Jain festival of Mahamastokavisha, which is held once in twelve years. However, appropriate measures are taken by the concerned authorities to maintain the beauty and balance of the place by suitable arrangements at the outskirts during the festival. The proposed projects would also enhance the capacity to bear increased traffic load in the coming years. Overall environmental status is clean and less polluted.

Badami, Aihole (world heritage centre), Patadakal: These three places, all lying in close proximity to each other, are one of the most beautiful destinations in the state. These places mainly attract heritage and pilgrim tourist. In addition to the existing tourist infrastructures and projects, some more have been proposed to take care of the future increase in tourist traffic. There are scope for further improvement in sewerage and regular water supply in these places. Overall environmental status is clean and less polluted.

Bijapur: This historically important place apart from being an attraction in itself also acts as prominent tourist centre for other surrounding places. The place also is an entry point from Maharastra side. Considered as one of the growing city, and looking at the increased tourist traffic it needs to handle, additional projects have been proposed to take care of the load and environmental aspect. An effort is already taken up by the concerned authority to make a greener Bijapur.

Hampi (world heritage centre), Hospet: This twin city attracts more of heritage tourists than many other tourist places. Hampi- the ruined city, is visited by people who mostly make their stay at Hospet and therefore, Hospet bears more tourist traffic than Hampi. Although Hampi is generally visited by well-defined tourist segment, the inside local ambience needs lot of regulatory measures to preserve the beauty of the place. Some modifications and new projects have been mentioned to enhance the capability of the places to take care of both the local and visitors traffic load in future. Overall environmental status is clean and less polluted.

Chikmagalur: The hilly terrain of Chikmagalur offers one of the best varieties of coffee in the country. Acting as a centre for surrounding places of interest, the place is generally frequented by heritage tourists. The town is now growing as educational and trade and commerce centre. With the anticipated increased in tourist/visitors traffic, the projects have been proposed to accommodate and handle the traffic load with minimum disturbance to the natural ambience. Overall environmental status is clean and pleasant.

Shimoga: A place with natural bounty, beautiful landscape, water falls, lush paddy fields is among the least polluted destination of the state. Located almost centrally in the state, this state is enriched with educational tradition, culture and heritage. With anticipated increased in tourist/visitors traffic, some projects have been proposed to accommodate and handle the traffic load with minimum disturbance to the natural environment. Overall environmental status is clean and pleasant.

Mangalore: This lovely beach town of the state is also a fast growing industrial town. The place is frequented by mostly heritage and then followed by business tourists. The over all environment is clean and less polluted. However, with anticipated increase in tourist traffic in future, projects have been identified and proposed to accommodate and handle the traffic load with minimum disturbance to the natural environment. Overall environmental status is clean and pleasant.

5.10.2 Social factors

Tourism organisations, whose processes and products damage the environment also, in a way, receive implicit subsidies by not paying for the social cost, which they ought to bear. For instance, tourism organizations, which dispose of their waste products in flowing water and are not made to pay some tax for it, have to bear lower costs of waste disposal than those, which have installed pollution control equipment. Tourism organizations, which pollute the air, have lower equipment costs than those, which have made arrangements for air pollution control. Such organizations do not bear the cost of damage done to public health in the surrounding areas. This type of subsidisation, in the form of not paying for the social cost, results in a poor allocation of resources and production of incorrect goods and services in incorrect quantities. The well being of society is thus diminished. In order to improve public welfare and ensure proper allocation of resources in an economy, social costs need to be incorporated in the cost structure of these tourism organizations. This would require that the polluting tourism organizations be assessed for the damage they do to society.

The most complex and controversial link in the assessment process is the measurement of social costs. Social cost should be measured in terms of the cost of rectifying the damage done to the environment. For example, the social cost of tourism organizations polluting the air and thus causing many diseases in the surrounding area can be measured by calculating the cost of hospitals and other provisions required for curing diseases in the affected area. Similarly, the social cost of a tourism organization allowing its waste to pollute a river may be determined by estimating the cost required to purify the river again.

5.10.3 Other factors

Tourism on a whole is a very sensitive to many factors. Some of the main factors that can effect development of tourism are

- Changing demographics
- Cultural behaviour
- Political factors
- Legislation affecting taxation, Investment / Foreign investment
- Economic factors – per capita income, savings, etc

To reduce the effect of the above factors on the development, periodic studies and monitoring of the development of tourism vis-a-vis changes in the above factors should be done.

The Perspective Plan ought to and recognize and reflect on the importance of environmental, social and other impacts of tourism development. Such a step would create public consciousness about the seriousness of the problem. It will also help to provide justice to the society by compelling those who create pollution to pay for rectification of the same. It will improve public welfare.

5.11 Competition Analysis

5.11.1 Tourism Needs Analysis

Tourist needs and expectations is one of the main driving factors for the development of tourism on a whole. Tourists would always like to have value for money when he visits any tourist destination. These needs vary from region to region, tourist to tourist. The domestic & foreign tourists visiting Karnataka have different needs. Their motivations for an experience are different from each other. An average domestic tourist seeks leisure-related activities followed by cultural-heritage in Karnataka. The major items of attractions, as mentioned by domestic tourists, were temples and religious places, archaeological attractions, eco-tourism attractions like forests and waterfalls, leisure and adventure activities and special interests like pre-historic caves, handicrafts, etc.

An average foreign tourist in Karnataka seeks a blend of Culture and Heritage, Leisure avenues and Business and Conference. The attractions and major items of tourist interest, as indicated by the foreign tourist, are culture and handicrafts, eco-tourism attractions like nature, forests, adventure and wildlife, archaeological attractions and monuments, leisure activities, tribal /village lifestyle and special interests like shopping for handicrafts items.

The Perspective Plan must address various issues related to tourist needs & corrective measures to be taken while implementation of the plan.

5.12 Competition

The State of Karnataka has already many destinations of tourist's interests and therefore provides a unique competitive advantage. In addition to this, the state also possesses abundant natural resources, like beaches, forests, wild life etc. The unique ethnic and rural / tribal culture coupled with historic heritage sites and handicrafts of the region also provide a competitive edge to the state.

As far as the neighboring States are concerned, Tamilnadu and Kerala have made rapid strides, particularly the latter, more as a result of necessity. Karnataka, although endowed with rich heritage and equally attractive destinations, was all along not so focussed on this sector. This perhaps may be due to the priorities set forth by the Government, in laying more focus on engineering, education, and research establishments. The fact that most part of Karnataka, is bestowed with a salubrious climate all round the year was not leveraged from the tourism point of view.

It is only in the recent past that the development oriented Karnataka Government, which has been spearheading the State on the industrial and agricultural fronts by attracting global investments in information technology (IT) and bio-technology (BT) over the years, has turned its energies in promoting tourism aggressively.

Though Karnataka was the first State in the country to have come out with a tourism policy a decade ago, and revised it five years later, it has somehow not been able to attract as many tourists as its neighboring coastal states like Kerala and Goa, which are smaller in topography and lesser in the number of tourist destinations they can offer or boast of.

Known as the land of coffee and computer chips, with one of the richest flora and fauna, historical forts and royal palaces, temples and heritage sites, long beaches and hill resorts, wildlife and bird sanctuaries, and rich culture Karnataka is getting its act together to showcase its tourist products to the world by roping in the private sector, in a big way.

As in the case of Information Technology or Bio-Technology, there is a need for greater connectivity and convergence of the stakeholders in making Karnataka the prime destination of domestic as well as foreign tourists. The Government is now determined to capitalize on the global brand that Bangalore has acquired over the years, largely due to its climate and human resources.

Some of the recent policy decisions taken to promote this sector include:

- Raising a loan of Rs. 125-crore from HUDCO to create the infrastructure required for making the tourist destinations accessible and useable.
- Coining Karnataka as the 'Theatre of Inspiration', the Tourism Department would be meeting every quarter to review and implement decisions taken by the State Department as well as the trade.
- To get the private enterprise involved actively in the Government's initiatives for shaping the direction of tourism development and marketing.

- State Government has, through its Department of Tourism, subsidized as many as 225 projects worth Rs. 22 crore in remote areas; raised investment subsidy to 30% with Rs. 30-lakh cap; granted sales tax and luxury tax exemption to new hotels; and 100% stamp duty exemption and concessional registration charges. The department proposes to get a target of 10% annual growth during the next 10 years.
- The Department of Tourism, Government of India, is working on developing tourist circuits, with emphasis on six circuits in the Country which includes Hampi in Karnataka.
- In order to provide information on tourism across the State, the Department has set up a Call Center in Bangalore (1-901-441-222 or 080-677 1222) for instant access and enquiries.
- While Karnataka Tourism will spearhead destination positioning and marketing, trade networking in India and abroad will be strengthened through private sector. The game plan is to focus on 10 overseas and 7 domestic markets.
- With the Center also recognizing the role and importance of tourism industry in the nation's economy, Karnataka is set to witness a sustained development and growth in the State tourism.
- In view of its beneficial impact on employment generation, foreign exchange earnings, and promotion of national integration through domestic tourism, the Union Government has stepped up the plan outlay in the coming year by 50 percent to Rs. 225 crore.
- A milestone decision is been taken to carry on the Bangalore International Airport project with the formal signing of the shareholder's agreement in the City on January 23rd. The agreement for the \$ 320 million (Rs. 1,150 crore) Airport Project coming up at Devanahalli, about 35 kms. from Bangalore and will become fully operational by 2005.
- The Corporation hopes to introduce 3,500 new buses all over the State. The KSRTC also plans to introduce model buses like Rajhansa and Volvo GCM if they get at least 20 passengers per trip.
- With a view to Identify and address the issues related to tourism in the State and work in tandem with other like minded groups, associates, local authorities and government agencies such that workable solutions are found and implemented, the leading Tour operators, Travel Agents, Transport Providers, Hotel and Resort owners, ancillary service providers and persons engaged in tourism and Hospitality business in Karnataka have formed Karnataka Tourism Forum. The organisation is a Region specific body and handles all issues pertaining to Karnataka in relation to tourism.
- The Bangalore City Corporation (BCC) has proposed more than a dozen flyovers at a cost of around Rs. 100 crore and half-a-dozen subways to ease traffic on city roads. The cruise, however, won't be all that smooth as road users will be slapped an infrastructure cess. The BCC will levy a solid waste management cess for households and establishments.
- A revenue of Rs. 40 lakh is expected from cess on infrastructure and solid waste management, which could not be realised as the KMC Act had not been amended to that effect till recently. The amount of cess will soon be finalised.
- Karnataka compares favourably in the rates of luxury tax on hotels as can be shown in the table below :

Table 5.1: Luxury Tax on Hotels

State	% of tax levied on hotel room tariff
Tamil Nadu	25.0
Gujarat	15.0
Kerala	15.0
New Delhi	12.5
Karnataka	12.5
Goa	12.0
Rajasthan	10.0
West Bengal	10.0
Maharashtra	10.0
Uttar Pradesh	5.00
Andhra Pradesh	5.00

5.13 Market Analysis

5.13.1 Market Trends and Segmentation

In the state, the tourism industry is surviving mainly on heritage and leisure themes. The detail analysis of market trend, occupancy of hotel, spending pattern and other major parameters or points have been presented in the Chapter - 3 of this report.

Please find below the major market segments available for Karnataka to be developed along with the target markets.

Table 5.2: Market Segment and Possible Target Markets

Sr. No.	Market Segment	Target markets – outside State	
		Domestic	Foreign
1	Pilgrimage	Mumbai, Maharastra, Gujarat, Tamil Nadu, Pondicherry, Kerala, Andhra Pradesh, West Bengal, Orissa,	Not for Pilgrimage but to study the heritage value of the pilgrimage spot. - U.S.A, UK, France, Japan, Italy, German
2	Leisure	Mumbai, Maharastra, Gujarat, Tamil Nadu, Pondicherry, Goa, Kerala, Andhra Pradesh, West Bengal, Orissa, Punjab, Delhi, Uttar Pradesh, Rajasthan , N-E States	U.S.A, UK, France, Japan, Italy, German
3	Heritage	Mumbai, Maharastra, Gujarat, Tamil Nadu, Pondicherry, Goa, Kerala, Andhra Pradesh, West Bengal, Orissa, Punjab, Delhi, Uttar Pradesh, Rajasthan , N-E States	U.S.A, UK France, Germany. Canada, Japan, Netherlands and Australia
4	Wild Life	Mumbai, Maharastra, Tamil Nadu, Pondicherry, Goa, Kerala, Andhra Pradesh, West Bengal, Orissa, Punjab, Delhi, Rajasthan ,	U.S.A, UK France, Germany. Canada and Australia, Netherlands

5	Adventure	Mumbai, Maharastra, Tamil Nadu, Pondicherry, Goa, Kerala, Andhra Pradesh, West Bengal, Orissa, Punjab, Delhi, Rajasthan ,	U.S.A, UK France, Germany. Canada and Australia, Netherlands
6	Beach	Mumbai, Maharastra, Tamil Nadu, Pondicherry, Andhra Pradesh, West Bengal, Orissa, Punjab, Delhi, Uttar Pradesh, Rajasthan ,N-E States	U.S.A, UK France, Germany. Canada and Australia, Netherlands
7	Business	Mumbai, Maharastra, Gujarat, Tamil Nadu, Pondicherry, , Andhra Pradesh, West Bengal, Punjab, Delhi, Uttar Pradesh, Rajasthan	U.S.A, UK France, Germany. Canada, Japan and Australia, Ireland, Sweden,

The Asian markets are still untapped and remain virgin for tourism growth.

5.14 Perspective Plan

5.14.1 Conceptual Framework for Perspective Plan

Any plan has to be based on some kind of vision / mission. Considering the directions spelt out in the tourism policy and views garnered from the key stakeholders during the focus group meeting, consultants have attempted to formulate the Vision / Mission Statement as "To develop and sustain Karnataka as a major Tourist Destination.

Further analysis of this broad vision statement indicates following broad aims and objectives:

- Sustainable Tourism Development in the State
- Transforming Karnataka as a major tourist attraction

5.14.2 Sustainable Tourism Development in the State

In order to identify and include components ensuring sustainable development, it is essential to understand what is meant by 'Sustainable Development' in the context of tourism. The widely adopted views regard Sustainable Tourism as the kind of tourism which is:

- **Informative:** Travellers not only learn about the destination, they learn how to help sustain its character while deepening their own travel experiences. Residents learn that the ordinary and familiar may be of interest and value to outsiders.
- **Supportive to integrity of place:** Destination-savvy travellers seek out businesses that emphasize the character of the locale in terms of architecture, cuisine, heritage, aesthetics, and ecology. Tourism revenues in turn raise local perceived value of those assets.
- **Beneficial to local residents:** Travel businesses do their best to employ and train local people, buy local supplies, and use local services.

- **Conserving resources:** Environmentally aware travellers favour businesses that minimize pollution, waste, energy consumption, water usage, landscaping chemicals, and unnecessary nighttime lighting.
- **Respectful to local culture and tradition :** Foreign visitors learn about and observe local etiquette, including using at least a few courtesy words in the local language. Residents learn how to deal with foreign expectations that may differ from their own.
- **Non-abusive:** Stakeholders anticipate development pressures and apply limits and management techniques to prevent the “loved to death” syndrome. Businesses cooperate to sustain natural habitats, heritage sites, scenic appeal, and local culture.
- **Striving for quality, not quantity:** Communities measure tourism success not by sheer numbers of visitors, but by length of stay, money spent, and quality of experience.
- **Providing great experience:** Satisfied, excited visitors bring new knowledge home and send friends off to experience the same thing—which provides continuing business for the destination.

The essence that can be drawn from above is that the Perspective Plan should focus on development which is participative, eco & environment friendly, qualitative and tourist friendly.

5.15 Transforming Karnataka as a Major Tourist Destination

Further analysis of the broad objective of transforming Karnataka into a major tourist destination clearly brings to the fore the objective of Increasing Tourist Inflow. From the current contribution of tourism to state GDP, it is quite evident that there is lot of scope for improving the trend of tourists’ inflow (both domestic as well as foreign) in Karnataka. The relative inability of the State to harness and develop its full tourist potential and attract tourists may be attributed to a combination of factors such as lack of effective policies, inadequate infrastructure, ineffective marketing and lack of decent facilities for the tourists. The perspective plan must address various issues connected with tourists’ inflow, especially, 1) Development of Distinct Brand Image and 2) Development of Superstructure to support the image.

- **Development of Distinct Brand Image :** Proper image of Karnataka to the tourist, both domestic and foreign, has to be reflected in order to attract tourists. As known to everyone, Karnataka has both, the touch of modernity as well as rich traditional and cultural heritage and a variety of tourist destinations / attractions. In line with these image, the Brand Equity of Karnataka can be projected.
- **Development of Superstructure to support the Image:** The brand image projected needs to be strongly supported by the proper superstructure, i.e. tourism infrastructure. The supportive and amenable superstructure would not be possible without proper planning exercise. The Perspective Plan ought to include plans for:
 - Developing Destinations (i.e. Identification of Potential Sites and developments needed with respect to core & tourism infrastructure and other amenities)
 - Preservation of Environmental / Cultural / Social fabric
 - Enhancing institutional framework (with a view to upgrade human resources, information system, quality of overall service, etc)

5.16 Objectives / Goals

The conceptual framework for the Perspective Plan draws attention to several aspects which need to be considered while setting objectives/ goals for the tourism perspective plan. Several aspects discussed are interrelated and interdependent. For an instance, Tourist Inflow, Contribution to GDP and Employment Generation are critically linked to each other. Some are qualitative in nature and can not be translated into measurable indicators. In order to assess the effectiveness of Perspective Plan, it is essential that the Goals / Objectives have some kind of measurability.

From the discussions held with the Tourism Department officials and an analysis of the historical trends, it has been estimated that the contribution of the tourism sector in the State's GDP is likely to go up from the current rate of 12 per cent to around 25 per cent by the year 2020.

In line with the above estimates, the other measures and indicators of the tourism sector are projected as shown in the Table 5.3.

Table 5.3: Projection of Measures and Indicators of Tourism

Measures and Indicators/Projection in Years	2001	2005	2010	2020
Arrival of Foreign Tourists(Nos in lakh)	2.08	2.53	3.23	5.26
Employment generated by Tourism(Nos in lakh)	3.69	4.49	5.72	9.32
Arrival of Domestic Tourists(Nos in lakh)	180	244.89	359.82	776.83
Revenue due to Tourism(Rs in Lakh)	19525	28587	46039	119413
Forex Earnings due to Tourism(Rs in Lakh)	32211	39153	49970	81396
Tourism Contribution to State GDP(%)	12	13	15	25

The tourism contribution in Karnataka to the state GDP has been estimated to be around 12% during the year 2001. The same is expected to grow up to 13% by 2005, 15% by 2010 and 25% by the year 2020. As an industry, this sector has the highest Multiplier Effect due to its strong linkages with socio-economic development of the society. The development in tourism sector not only directly affect the increased revenue generation of the State from the outside visitors (both domestic and foreign) but also enhance employment and income generation at the local level. Being a labour intensive industry, tourism related activities generate income and employment, particularly for women, rural artisans, educated unemployed and youth. Furthermore, as the development of the tourism sector is basically an integrated one. It also facilitates development in the other related sectors / industries like Power, Water, Transportation, Agriculture, Small-Scale sectors (like Handicraft, Handlooms, Artisan etc), Hotel etc.

The industry also has a High Capital Output Ratio. In the Indian context, every one million additional visitors would generate Rs. 4300 crore in terms of revenue. The industry also possesses a high Employment Output Ratio. Every additional Rs. 1 million investment in the industry is expected to generate 47.5 direct jobs. In Karnataka, the industry employed around 1.56 lakh people directly and 3.59 lakh indirectly and generated a revenue of Rs.195.24 crore in the year 2001. Where as the employment generated by the industry is expected to go up to 9.32 lakh by the year 2020. Accordingly, the revenue generated from tourism is expected to reach around Rs. 1194 crore by the year 2020 from Rs. 195 crore in 2001.

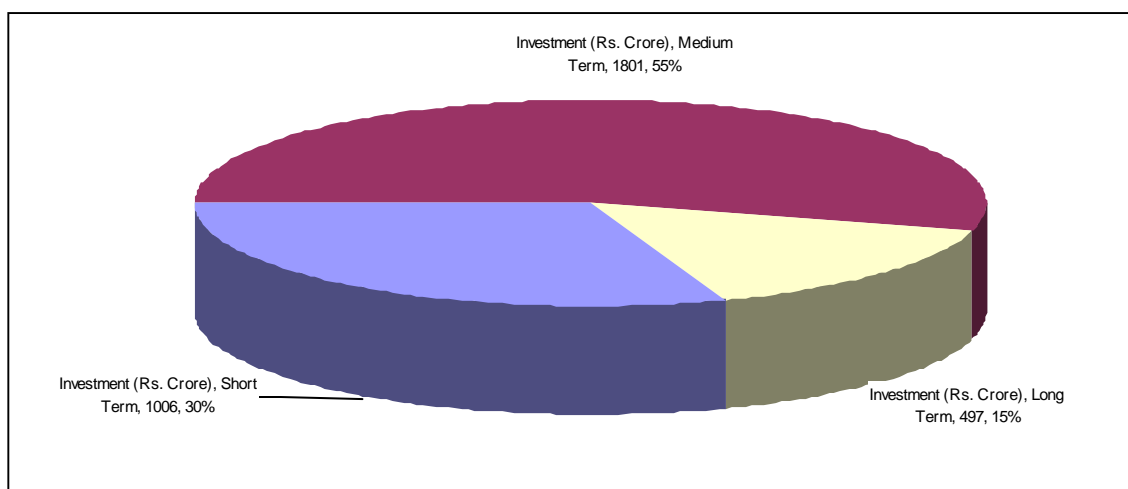
The industry also has the capability of generating substantial amount of foreign exchange earning in the state. The estimated foreign exchange earning that the industry could generate from the sector has been pegged at Rs. 814 crore by the year 2020 from Rs. 195 crore in 2001. The annual growth in this sector in the State during the next 10 years has been estimated at 10%.

The tourism growth in the State can be impelled significantly considering the following amenable factors:

- Fairly good basic Infrastructure like roads, power, rail, airport, ports etc.
- Variety of attractions - heritage, beaches, Archaeological, leisure, wild life, hills etc.
- Regular power supply in the state.
- High standard of living.
- Variety of flora and fauna available.
- Development of eco tourism (Like Pirotan islands etc)
- Different government policies in place for promotion of private sector finance.

5.17 Investment Phasing

Figure 5.2: Investment Phasing (Value in lakhs)



The project-wise total investment phasing of different projects over the next 20 years are presented in Appendix 5.1, Appendix 5.2 & Appendix 5.3 of this chapter.

5.18 Other Important Aspects of Perspective Plan

Apart from attaining physical targets as described above, the Perspective Plan must also address other important aspects like:

- Creating a Distinct Brand Image & Superstructure to support the image
- Environmental sustainability

As reiterated earlier, creating a distinct brand image for Karnataka Tourism is the first and foremost step in Perspective Plan. The brand image projected needs to be strongly supported by the proper superstructure. The supportive and amenable superstructure would not be possible without proper planning exercise. This Perspective Plan focuses on:

5.19 Destination Identification and Development Plan

- Core Infrastructure
- Tourism Infrastructure
- Amenities and Facilities

5.20 Preservation and Conservation of Heritage Resources, ecology and environment

- Prepare Inventory of all fragile sites
- Prepare management Plan
- Develop Regulatory Mechanism

5.21 Enhance Institutional Mechanism

- Develop MIS System
- Human Resource Development Plan
- Creation of EIA Cell & Project Development Company to assist Tourism Department in speeding up of development process.

Various aspects related to destination identification have been already discussed in the Chapter 4.

As stated earlier, the Perspective Plan ought to and recognize & reflect on the importance of environmental, social and other impacts of tourism development so as to create public consciousness about the seriousness of the problem.

An environmental planning approach is essential for sustainable development of tourism. This necessitates that all aspects of the environment be carefully surveyed, analysed and considered in determining developments at environmentally sensitive tourists destinations. As stated earlier, a critical factor for achieving environmental sustainability is controlling the development within the carrying capacity limits. Determination of destination-wise carrying capacity requires much detailed study and analysis. This Perspective Plan proposes an Environment Impact Assessment (EIA) Cell within the department to assess and monitor tourism development with respect to environmental and social angle.

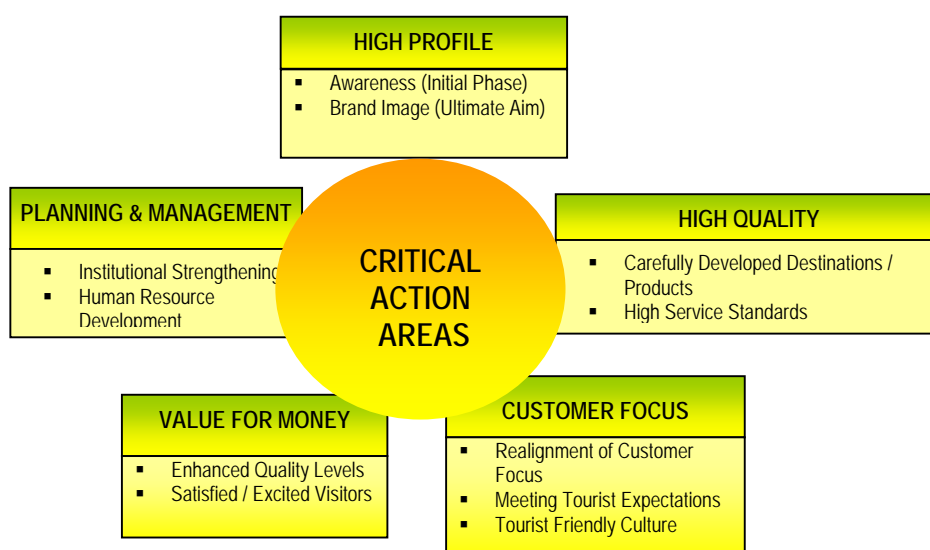
6 IMPLEMENTATION STRATEGY

6.1 Introduction

This chapter discusses the issues related to implementation of the tourism perspective plan – issues of promotion, financing, human resources development and agencies to undertake various activities.

The aim of devising development strategy is to develop and sustain Karnataka as a major tourist destination. To make this happen, it is essential to identify strategic factors imparting competitive advantage and build appropriate strategies for attaining the desired goals/ targets envisioned in the Perspective Plan. Based on findings of the survey and focus group discussion among key stakeholders of the tourism sector, the following have been identified as key factors around which the development strategy has been formulated:

- High Profile
- High Quality
- Customer Focus
- Good Value for Money
- Planning & Management



Before conceptualising the framework used in formulating the strategy and the action plans, the general factors typically affecting the demand in the tourism industry have been considered, as under:

- Social, economic and political status of the country
- Demand for travel is dependant on a number of goods and services which requires a high degree of co-ordination and efficient delivery systems

- The product to a large extent, consists of goods of a highly perishable nature which cannot be stored e.g., accommodation and transportation capacity.
- The product or facilities have an inherent rigidity and hence cannot be shifted around to cope with altered situations at short notice and hence initial investments have to be planned carefully.
- Though tourists make value comparisons between and among destinations and tourist products, yet the 'uniqueness' of attractions in one country tends to transcend many other considerations.
- A tourist is mainly influenced by the image of the State/Country as projected by the media.

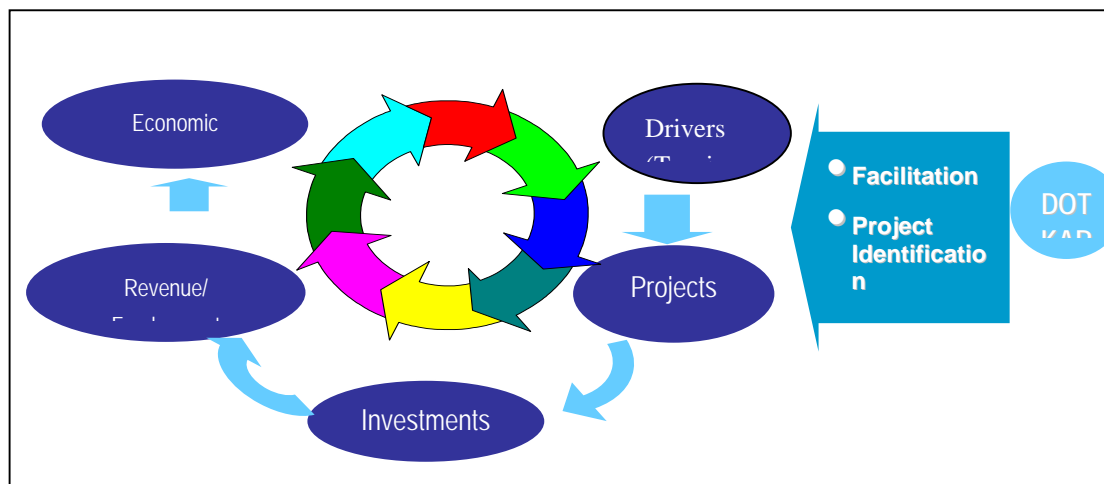
A profile of the tourists and the factors influencing them are presented in the table below:

Table 6.1: Profile of Tourists and the influencing factors

Classification Stages	Stages	Factors
a) Foreign Tourist	- Choice of destination	Promotion of country (cultural/leisure destination)
- Business Executives		Knowledge and Communication
- Leisure i.e., holiday		Packages offered
- Specific interest e.g. archaeology		Country held in what view (e.g. disturbed politically)
	- Pre-travel arrangement	Ease with which formalities taken care of.
		Getting a visa organised
		Friendly, efficient trade/ travel agent
	- Arrival into the Country	Welcome
		Travel
	- Transit & during stay	Quality of facilities
		Price & value for money
		Hospitality accorded
	- Departure	Travel assistance
		Shopping opportunities e.g. souvenirs
b) Domestic Tourist	- Choice of destination	Proximity
- Business Executive		Knowledge and Communication
- Pilgrimage		Packages available
- Industry/Job Incentives		Tourism importance of the place
- Leave Travel Concession		Environment
- Leisure – families going together		
	- Pre-travel arrangements	Price & value
	- Arrival of tourist & during stay	Variety of facilities
		Price & value
	- Departure	Shopping opportunities

The conceptual framework used in formulating the strategy and the action plans is pictorially depicted as under:

Figure 6.3: conceptual framework



6.2 Development Strategy

Karnataka's tourism development strategy will be focusing on the following priorities :

- The management and implementation of the Tourism Master Plan
- Promoting travel in Karnataka
- Establishing Karnataka's position as a world-class tourism destination while retaining its distinctive identity
- The restoration and preservation of tourism attractions
- The promotion of Eco-tourism
- Promoting repeat visits
- Promoting educational trips
- Raising Karnataka's profile and showcasing the state as global destinations
- Increasing visitor arrivals
- Positioning Karnataka as a hub for meetings, conventions and exhibitions

6.3 Communicating and finalizing the plan

Clear understanding of the perspective plan is essential to achieve goal congruence amongst various government departments. This would enable the concerned departments to make amendments if possible in their policies and regulations related to tourism projects and also provide feedback on issues related to their subject in the proposed projects.

Communication of the plan can be done through different channels depending upon the audience. Communication of plan to various state government bodies can be done through the KSTDC (Karnataka State Tourism Development Corporation).

6.3.1 Process of communication

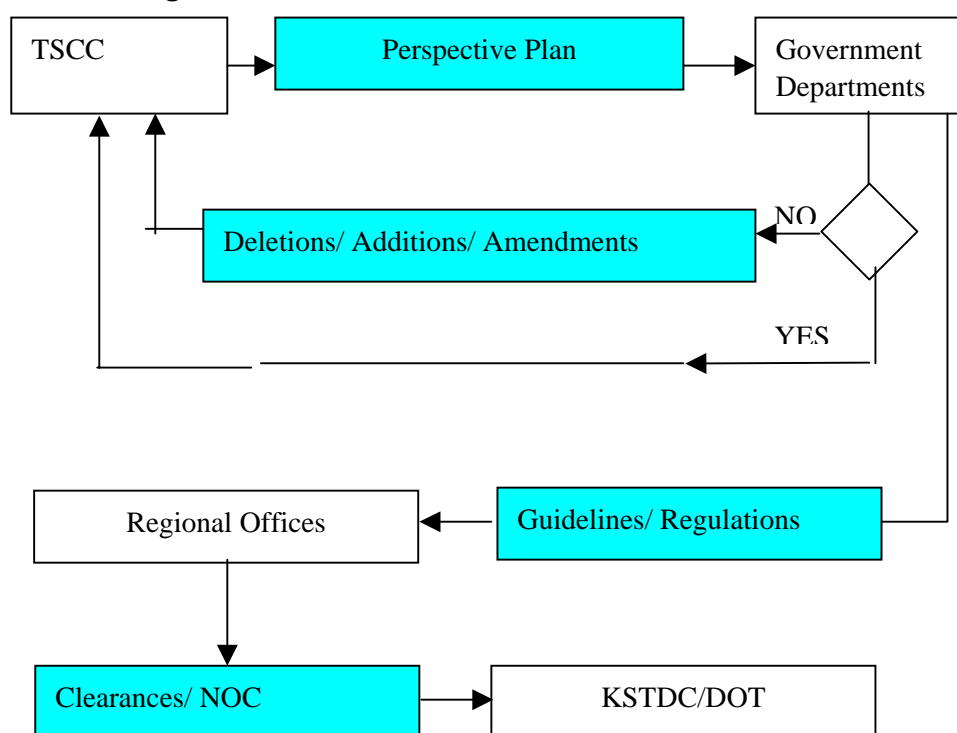
(i) Communication with government departments

It is crucial to achieve goal congruence in the implementation of the perspective plan for development of tourism in Karnataka. It is necessary for all concerned state departments to principally approve the perspective plan before initiation of the actual implementation process.

All deletions, additions, suggestions and amendments in the plan should be incorporated after receiving feedback from concerned government agencies on the Perspective Plan. This exercise would then provide a road map of activities for respective departments on a time scale, which would in turn give synergies in development of necessary infrastructure to sustain the planned growth in tourism.

Once the Perspective Plan is agreed upon principally by all concerned departments, at implementation stage, zonal implementation officers would interact with regional offices of concerned departments to get clearances for specific projects in that region.

Figure 6.4: Government to Government Interaction

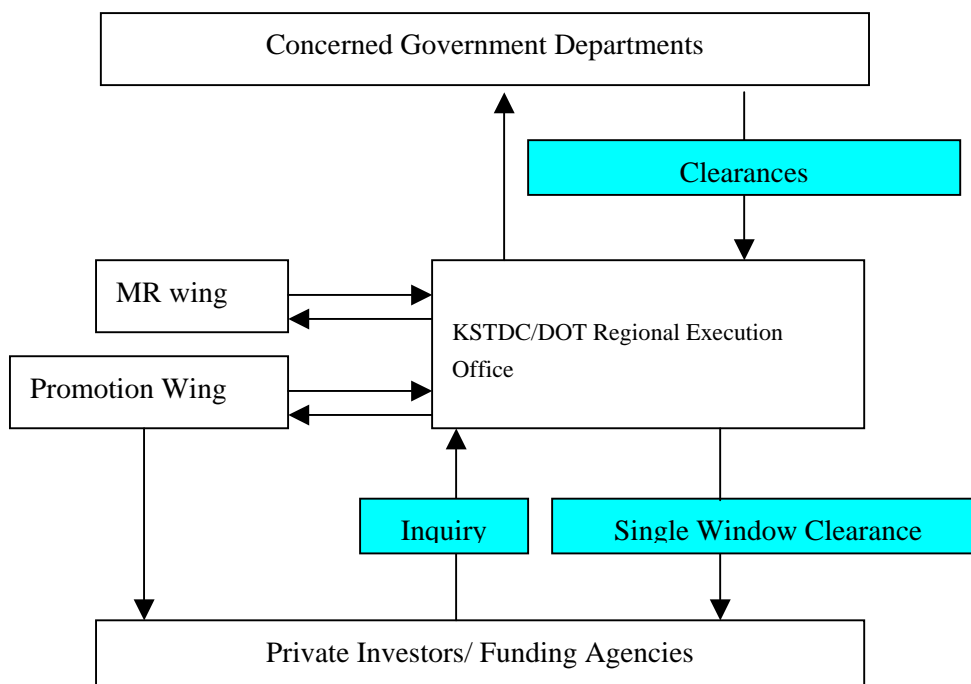


(ii) Communication with Investors/ Funding Agencies

The communication of the perspective plan for tourism development to the private entrepreneurs and funding agencies like KSFC (Karnataka State Finance Corporation) IDBI, SIDBI, etc., is essential in terms of informing them about the thrust areas identified by the state government. The perspective plan also offers a project shelf giving project profiles of individual projects shortlisted in that area. These would be helpful to private investors to make investment decisions in a particular project.

A major impediment in setting up a tourism project is the number of clearances required to set up a tourism related project. The private investor should face minimal bureaucracy and procedural hassles to expedite the process of capital inflow into the tourism economy.

Figure 6.5: Government to Private Interaction



6.4 Developing an Institutional framework

To communicate and co-ordinate with different government departments to get required clearances from various departments, a high level co-coordinating committee is proposed to be set up with representation from all related state government departments mentioned above. This committee will be responsible for the implementation of the perspective plan and would be called as Tourism Steering and Controlling Committee or Co-ordination Committee (TSCC).

TSCC will be a high powered committee of senior officers of the Karnataka State Government. This committee will meet at least once in 6 months and if necessary more often to overcome any major hurdles that may come up. The committee will be constituted by the Minister for Tourism as Chairman, Commissioner of the Tourism department, Finance Secretary, Planning Secretary and Secretaries of all concerned departments such as Water Supply, Irrigation, Sewerage, Power, PWD, KSRDC, KSRTC, Forest, Art and Culture, ASI and State department of Archaeology, as Members. The Managing Director of the Tourism Development Corporation, Government of Karnataka will be the Member-Secretary. The Secretary Tourism would be the convener of the TSCC. The convener will be given the responsibility to communicate the perspective plan for project development and receive feedback from the concerned with regard to implementation issues of the specific projects suggested in the plan.

6.4.1 Functions of TSCC

- Get approvals from various state government departments for the perspective plan.
- Receive feedback from various departments regarding the issues, laws and regulations that can act as impediments in implementation of specific projects suggested in the plan.
- Revision of perspective plan based on the feedback.

- Getting clearances from various departments for the proposed projects.
- Reviewing the implementation of the perspective plan and taking corrective actions where and whenever necessary.

6.5 Promotion/ Marketing Cell of KSTDC/DOT

KSTDC's existing marketing department would handle promotion and publicity campaigns directed towards both tourists and investors. This department would work closely with other departments such as forests, ASI, arts and culture and promote tourist attractions related to all these departments.

6.6 Market Research, Planning and EIA Cell

The market research and planning department of KSTDC would undertake feasibility study and detailed project reports for short-term projects. This cost can be recovered from the private investors taking up that project.

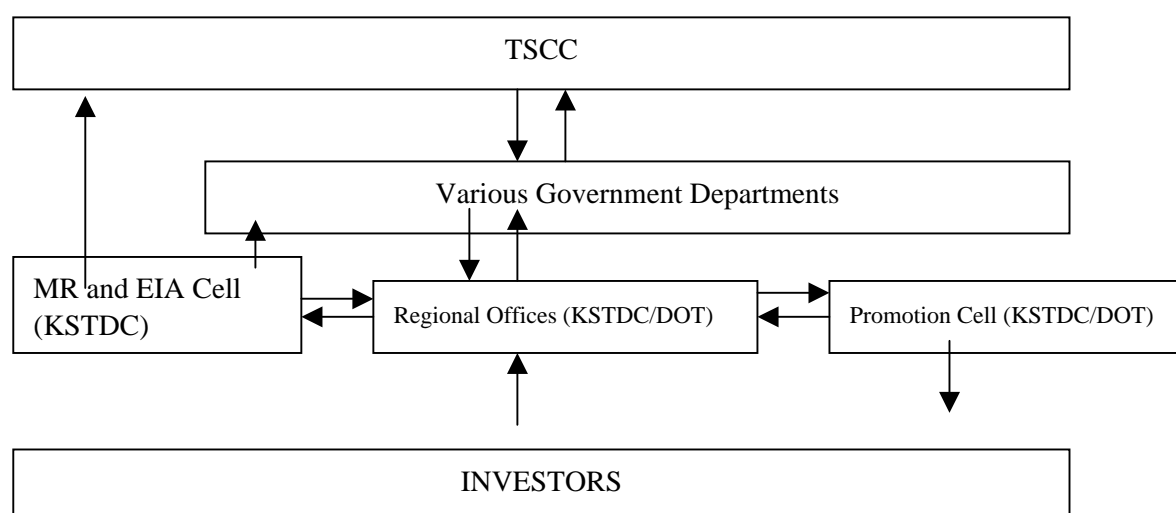
This cell would also perform an essential function of continuous monitoring of the impact on environment of a particular destination due to increase in the tourist inflow and setting up of new tourism projects.

6.7 Regional Execution Offices

The regional tourism offices of KSTDC / DOT would act as facilitators between investors and the government departments. These offices would be a single window clearance point for all projects proposed in that region.

The regional offices would also assist investors and funding agencies in implementation stage for acquisition of land, augmentation of basic infrastructure, etc.

Figure 6.6: Institutional setup



6.8 Action programs

The elaboration of some action programs and special studies to guide implementation of the tourism development strategy:

- Preparation of the action program that specifies the development projects and other actions required to implement the first stage or first five years of the development strategy;
- Preparation of a marketing plan which will consist of marketing objectives, marketing strategy and promotion program;
- Design of a comprehensive MIS for creation and maintenance of statistics relating to tourists arrival, average spending pattern, destination-wise tourists visited, etc.
- Undertaking of a study and preparation of a program for development of rural and Eco-tourism;
- Formulation of recommendations on the best approaches for interpretation of tourist attractions;
- Undertaking a study on human resource development for tourism in Karnataka with recommendations on an integrated program for providing qualified personnel to work in all aspects of tourism;
- Preparation of a public tourism awareness program and a tourist behaviour code;
- Preparation of a financial plan for the tourism development strategy with recommended sources of funding for tourism development;

6.8.1 Implementation

Implementation of certain elements of the action programs:

- Recommendations for the promotion program and layouts of priority collateral material;
- Based on the priority projects in the rural and Eco-tourism fields, certain projects will be selected to serve as models for expanding the possibilities of tourism development;
- Based on priority projects on cultural heritage, certain projects will be selected for improved presentation and interpretation facilities;
- Based on recommendations, the public tourism awareness program will be implemented all or in part in the first stage of the program;
- Based on recommendations, tourist information services in the marketing plan will be initiated including the establishment of a tourist information centre in Bangalore;
- Organisation of a tourism investment forum or conference in Bangalore.

6.9 Human Resource Development

The availability of trained manpower is one of the major critical factors for the success and development of sustainable tourism. The role of trained guides, interpreters, tour operators and even the service providers in hotels and restaurants is of immense value adding to the comforts and the convenience of the tourists.

6.9.1 Suggested activities to enhance the human resource and institutional capacities for operating, managing and teaching tourism

Undertaking of certain activities to enhance knowledge, skills and capabilities of persons and organisations in government and the private sector to effectively operate and manage all aspects of the tourism sector.

- Organisation of a two-week training seminar on principles and techniques of integrated and sustainable tourism development planning. The seminar will focus on planning tourism development in Karnataka.
- Organisation of a two-week training seminar on principles and techniques of integrated tourism marketing and promotion techniques. The seminar will focus on tourism marketing in Karnataka.
- Organisation of a one-week training seminar on principles and techniques of interpretation of cultural heritage sites and cultural expressions. The seminar will focus on appropriate heritage interpretation in the State.
- Organisation of a one-week training seminar on principles and techniques of developing rural and Eco-tourism;
- Organisation of a study tour to leading foreign countries on rural and Eco-tourism. The duration of the study tour will be about ten days and include such countries as Poland, Austria, France and the UK where rural and Eco-tourism are well developed;
- Organisation of a two-week training seminar on principles and techniques of hotel and catering operations and management. The concept of the seminar is the enhancement of knowledge and capabilities of supervisors and managers;
- Organisation of a two-week training seminar on tour and travel agency operations and management for tour and travel agency personnel. The seminar content will include principles and techniques of tour programming and costing in Karnataka.
- Organisation of a program for qualified persons to take short tourism training courses, seminars or workshops in other countries. The training events will be selected based on the relevance of their content to the training needs in the State.
- Organisation of a national seminar for one or two days for about 100 persons on the national tourism development strategy and action programs, with the objective of exposing higher level government officials, private sector and NGO representatives and community leaders to the tourism strategy and the importance to Karnataka of developing tourism in a sustainable manner;

6.9.2 Undertaking of certain activities to improve institutional capabilities of the government, private sector and academic institutions to manage, operate and teach tourism

Installation of a functioning and computerised tourism information management system (TMIS) in the Karnataka State Tourism Development Corporation. The TMIS will be established with appropriate hardware and software and insertion of existing data into the system, with provision made in the system for

updating of data in the future with respect to tourism related statistics such as tourists arrival, destination-wise tourists visited, average spend pattern, average number of days stay, etc.

6.10 Marketing Strategy

6.10.1 Marketing and Publicity

Marketing and Publicity plays a pivotal role in successful implementation of a perspective tourism development plan. It is often a point of debate whether the tourist inflow at a certain destination attracts related infrastructure or projects or is it the existing infrastructures and tourism amenities that attract tourist to a certain destination. Thus the marketing effort for tourism projects should be addressed to both tourists and investors for tourism projects.

6.10.2 Defining marketing objectives

Before evolving a strategy for promotion of tourism industry, it is essential to decide the target audience for each destination and theme of suggested projects in that destination. It is also important to set marketing objectives for each destination.

The marketing objectives would broadly involve the following elements for formulating the marketing strategy:

1. Destination Prioritization
2. Target customer – Location-wise, Income-wise, Purpose-wise
3. Targeted Tourist inflow
4. Target investment inflow at each destination

From the Target Customers' point of view, marketing the tourist destinations in Karnataka will have to be done at two levels:

1. Marketing for the domestic tourists; and
2. Marketing for the foreign tourists

The preparation of publicity material, conduct of tourist festivals to coincide with the arrivals of tourists in Karnataka and audio-visual presentations to familiarise the tourists with the tourist destinations in Karnataka will have to be done in such a way that the product is neither undersold nor oversold. To this end, a few objectives have been identified:

1. To increase the average duration of stay of foreign tourists
2. To sustain the growth of domestic tourists at an annual growth rate of 7-10%
3. To provide avenues for expenditure so that the average expenditure of foreign tourists is increased.

For creating effective awareness about the places of tourist interest in Karnataka, it is proposed to evolve an aggressive marketing strategy. For this purpose, it is proposed that Government would spend an amount of Rs. 8 crore for marketing and publicity during 2002-03. (An estimate of Rs 50 crore was provided in the master plan 1997-02). This includes providing computers with touch screen information kiosks at all important International Airports in the country and Domestic Airports viz., Goa, Cochin, Trivandrum, Jaipur, and Lucknow. Information kiosk with touch screen computers will also be set up at important Railway Stations such as Delhi, Mumbai, Chennai, Kolkata, Hyderabad and Goa.

Department of Tourism is proposing to open Liaison Offices in Mumbai, Delhi, Kolkata, Chennai, Hyderabad, Jaipur, Trivandrum and Agra.

The Department of Tourism, Government of Karnataka is also proposing to publish a multimedia CD-ROM containing audio, video and text based information on all the tourist spots in Karnataka. As part of giving thrust to promote tourism and making Karnataka a global destination, the Department has also plans to launch an Internet edition of the contents that go into the CD-ROM. The Department will actively participate in international travel markets, festivals, fairs and exhibitions.

Department will also take up membership of all the International and domestic tourism related organisations. The Department proposes to prepare documentaries on all important places of tourist interest. Printing of attractive brochures/leaflets on all tourist places of Karnataka and exhibiting them with all major travel agents, 5-star hotels, etc.

Department is proposing to strengthen its structure to meet the requirement of high inflow of domestic and foreign tourists.

As a part of promoting a sense of competition and quality consciousness, the Department proposes to institute awards for best Hoteliers/Restaurants/Guides/Documentary/Books on Tourism, etc. The Department also proposes to enter into joint venture with private parties in the field of Tourism to create necessary tourism related infrastructure.

It is also proposed to have periodical study on Impact of Tourism related activities on a continuous basis. The Department plans to engage the services of outside experts on a regular basis.

The Government marketing strategy will also be supported by involvement of private sector investors. The effort of both Government and Private Sector is expected to boost Tourism inflow of both, foreign and domestic tourists.

Department would frequently get feedback from people in the field of Travel and create data bank. It would also devise method of good feedback from tourists.

The approach of department has also to be changed and it will have to be more package oriented, specific and practical.

The department would make all efforts to put Karnataka very high on the Tourism map of the world.

6.11 A brief elaboration of some of the marketing strategies with reference to publicity and advertisement of Tourism in Karnataka is presented in the subsequent paragraphs.

6.11.1 Media Publicity

Publicity in the print and Audio-visual media should be used to promote individual destinations, circuits and even the entire state. Such promotion of destinations would serve a dual purpose of attracting tourists as well investments to that destination.

The promotion campaigns should promote selected destinations depending upon the target audience and development priority of that destination. Eg. If development of tourism in Bangalore or Mysore is the priority in the next 5 years, promotion of these places should also be done at that stage.

A combination of media tools should be used depending on the destination type and the target audience. This is necessary to achieve the exact degree of repeat exposure and acceptance so as to create “desire to visit” in the minds of the target customer.

It should be noted here that a good promotion campaign is only successful if a sound distribution network backs it. Similarly in tourism industry a good promotion campaign will only attract tourists on a sustainable basis only if it is backed by good accessibility to destination, tourist infrastructure and tourist retaining capability.

Various media tools suggested for destination marketing depending on the destination type and target audience is to be judiciously planned such as in-flight magazines, tourist magazines, airports, TV, etc.

In addition to this Karnataka as a destination should be promoted amongst international tourism writers and tours should be hosted for travel writers from East Asian and European countries. The regions that should be targeted as the primary attractions for foreign tourists are Hampi, Patadakal, Bangalore and Mysore which are popular amongst visitors from these regions.

6.11.2 Road shows and exhibitions

Karnataka tourism department should take active part in national and international tourism exhibitions to propagate and enhance the brand image of Karnataka among the domestic and international tourists and tour operators.

(i) Target Group: Domestic Tourists

Table 6.2: Suggested Media Mix

	Tourist Magazines	Travel Guide	Hoardings	Television	Newspapers	Other Magazines
Camping Destinations				✓	✓	✓
En Route destinations			✓		✓	
Local weekend destination			✓		✓	✓

6.11.3 Newspaper articles and interview

Interviews and articles on particular destinations or tourism policy on the whole can be used as a tool to invite private investors in the tourism sector. Such articles and interviews can appear in publications of associations related to tourism industry, travel magazines and other business magazines and newspapers.

Such a publicity campaign can address the exact target audience of private entrepreneurs and other funding agencies. This can be particularly used in promoting medium and long-term destinations and projects.

6.12 Familiarity (FAM) tours for tour operators

National and international tour operators should be called for a free visit to priority destinations of the state government and information regarding the destinations should be disseminated to them. Tour operators should be encouraged to visit the priority destinations more often through alliances between tour operators and KSTDC/DOT.

6.13 Alliances with transporters, international airways, international tour operators etc

KSTDC should go in for alliances with international and domestic transporters and tour operators outside Karnataka for Joint destination promotion campaigns.

6.14 Tourist Information Center and Kiosks

This tool potentially is the most effective tool in the marketing mix as it offers promotion as well as acts as a facilitator or service provider to tourists. Tourist information centers should be strategically located at national and international gateways and important tourist destinations.

The facilities available at Tourist Information Centers (TIC) are

- Information Kiosks
- Help desk providing related literature and brochures
- Booking services for Conducted/ Package Tours, Transport and Hotel accommodation.

Full fledged TIC should be provided at important gateways and major destinations while interactive information Kiosks should be provided at Major railway stations, airports, high budget hotels etc.

6.15 Marketing strategy to attract investors

Apart from the strategies outlined in the earlier paragraphs, a special marketing effort has also to be made to attract and convince the private entrepreneurs and funding agencies. Marketing department of KSTDC/DOT should target private entrepreneurs, funding agencies like TFCE, KSFC, World Bank, ADB, etc for investments in different types of projects in Karnataka. Use of several methods or combination of more than one individual method to reach out to the potential investors and offer them opportunities to invest in tourism projects in Karnataka can go a long way.

Some of the steps or strategies which can be taken up for promoting tourism in Karnataka and attract investment in the sector can be as follows:

1. Seminars, presentations and exhibitions showcasing investment opportunities in the State at national and international travel and tourism exhibitions
2. Presentation to various organizations in the tourism industry such as Indian Association of Amusement Parks and allied Industries (IAAPI), FHRAI etc and convey to them the perspective plan proposed by the Government
3. Distributing printed brochures to potential investors stating
 - i. Information of tourist destinations
 - ii. Current and potential tourist inflow
 - iii. Projects identified and investments required
 - iv. Incentives and assistance given by the government
 - v. Investment procedure

Apart from the strategies discussed so far, the following things can also be done to promote and develop sustainable tourism in the state of Karnataka:

- Create awareness amongst the local people on the earning potential of Tourism
- Collaborated efforts with major tour operators and cruise ships to bring in foreign tourists
- Proactive promotional efforts to be made with the neighbouring states

6.16 Financing

The Government has to prepare a strategy paper for disinvestment from the tourism projects of getting into managing tourism destinations and properties but encourage the private investors to do the same. The Government has to limit its role to only that of a facilitator and take up the responsibility of providing the basic infrastructure necessary for the development of tourism in the State.

6.16.1 Funding sources for projects

There are three basic types of funding requirements for the suggested projects in the Perspective Plan according to the nature of project.

Largely, the source for direct revenue generating project will be private sector investment, but in newly developing areas the KSTDC/DOT would be the pioneer developer until the private sector gains confidence to make investments.

Basic infrastructure augmentation like power, water, public amenities, signages, etc., would be the responsibility of the concerned government departments and thus the financing of such schemes.

The third category of projects/ activity such as marketing and publicity, human resource development (HRD), tourist information centres (TIC), planning and implementation of projects, MIS, feasibility analysis and Environment monitoring would be funded by KSTDC/DOT. A cost sharing arrangement between KSTDC/DOT and private players could be possible in some categories like TICs, Publicity and HRD.

There is a fourth category of projects such as Ethnic Village or Tourism Plaza as suggested, wherein the initial investment in terms of the required infrastructure, would be made by the government.

However, the method of implementing the project can be decided after carrying out a detailed feasibility study of different options, essentially keeping the private investors in mind. The various configuration of these projects can be innovatively worked out during the stage of the detailed study.

For entrepreneurs willing to invest in direct revenue generating projects like accommodation facility, water park, etc., will have access to finance from various domestic funding agencies and international funding institutions such as Commercial banks, TFCI, KSFC, World Bank, ADB, UNDP, etc.

(i) TFCI

Tourism Finance Corporation of India (TFCI) provides financial assistance to enterprises for setting up and/ or development of tourism related projects, facilities and services. These include hotels, restaurants, holiday resorts, amusement parks and complexes for entertainment, education and sports, safari parks, rope-ways, cultural centres, convention halls, transport, travel and tour operating, air service, tourist emporia, sports facilities etc.

(ii) KSFC

Karnataka State Financial Corporation (KSFC) has been operating schemes of assistance for hotels, restaurants and tourism related projects in the state.

(iii) International funding agencies

Many international funding agencies fund tourism projects and projects related to provision of infrastructure at tourist destinations. Generally international funding is available for projects promotion, socio-economic development, environment and forest conservation, and heritage restoration.

(iv) The World Bank

Not directly involved in funding tourism projects, this agency provides major funding for infrastructure, environmental and conservation projects that benefit tourism as well as serve general needs.

(v) UNDP (United Nations Development Program)

The UNDP is mainly a technical assistance agency. It is an important source agency for the funding of tourism planning and other tourism related projects through WTO (World tourism organization). Many of these projects include provision of equipments as well as technical assistance. The UNCDF provides small scale tourism assistance in form of grants and long term loans for social facilities, services and economic activities.

(vi) Asian Development Bank (ADB)

Similar to the World Bank, this agency gives preference to infrastructure projects.

6.16.2 Privatisation of Tourism in Karnataka

Karnataka has embarked on a major initiative that will see involvement of private sector from the planning stage to implementation of various schemes as a partner through a new forum called 'Connect'. This forum was conceived as a first step to streamline the relationship between the

department and industry to identify strategies to jointly market tourist spots in the State. The Government plans to hold meeting under the Connect platform every quarter to thrash out the ideas and plans by the stakeholders such as hotels, tour and travel operators and others associated with other infrastructure facilities developers and the Government departments.

As Tourism is a private sector business, it is important that the policies and initiatives of the Government directly benefit the various players in the private sector. Various initiatives have already been taken to give a thrust to tourism promotion. The Tourism Department will approach leading hotels such as the Taj and Oberoi for making a feasibility study to provide facilities in some of the important destinations such as Tanir Bavi and Karwar and plans are on the anvil to develop a golf course facing the sea at Tanir Bavi. Corporates' help may also be sought in the maintenance of heritage centres like the Tatas have offered for the Taj Mahal. The Government is also likely to come out with a comprehensive plan prepared by a Cabinet sub-committee. A State-level co-ordination committee under the chairmanship of the Additional Chief Secretary has been set up to implement the schemes to provide necessary facilities to promote tourism.

Privatisation of State Owned Hotels To Private Sector: As informed and published in Travel & Tourism, as part of its ongoing endeavor to improve the financial health of Mayura Group of Restaurants and Hotels of the state owned KSTDC, the Karnataka government has decided to privatise seven out of the 28 odd properties run by the corporation throughout the state. There are quite a few a proposal submitted before the state government to privatise all the properties owned by the KSTDC, as they were not well managed. This restructuring exercise would in a way improve the financial prospects of the corporation also. The government is also seeking to engage competent authority and experts to speed up the privatisation process. The entire privatisation will be done in phases and in accordance with the advice of the experts.

On the other hand, the tourism department is in talks with private players like Deccan Aviation and Taneja Aerospace for 22-45 seater aircraft catering to strategic destinations like Hampi, Mysore etc. The state civil aviation ministry has also taken up work on Mysore, Belgaum, Hubli and Bellary airstrips. This would be followed with other destinations like Badami, Shimoga, Coorg, Karwar etc.

As informed, negotiations are already on to hand over the properties that are not doing well to management contract for private parties. Initially, only a few of them would be handed over to private management. This would be in a way sort of joint venture between the private players and the KSTDC and would go a long way in ushering in professional standards in these properties. The corporation would give the necessary backup and moral support for the private investors.

Anticipating a huge inflow of international business travelers with coming of Devanahalli Airport, the Oberoi group has acquired land near the proposed international airport site to construct a 400-room deluxe hotel as soon as the airport is functional. Many other national and international hospitality companies are also making a beeline in the Devanahalli sector to start hotels and resorts.

The recent efforts, as said above, of the state tourism department in attracting investments in the tourism sector seems to have finally paid off. A small group of private entrepreneurs from the middle eastern countries have approached the Karnataka government with proposals to set up a variety of hospitality operations such as beach-side resorts and entertainment centres. Though still in the conceptual stages, the projected investment in these projects is said to be around Rs 300 crore. This apart, Germany's Kempinski Hotels is among a host of other

international hotel companies that are showing interest in operating luxury accommodations properties at the world heritage site Hampi. The tourism department has already held direct negotiations with the chief executive officer of The Kempsinski Group as well as other leading hotel chains at the International Tourism Bourse (ITB) in Berlin last year. For Karnataka, the Gulf and European region is a lucrative market both in terms of attracting private investments and tourists. In recent times, especially after September 11, the focus seems to have shifted to the East, and there is an opportunity needed to be grabbed.

6.16.3 Strategy for Privatisation

There are certain important pre-requisites, which Karnataka tourism would have to address before introducing privatization of loss making units. These are:

- Extensive consensus building within Karnataka tourism at Administrative and Personnel Level to resolve HR issues particularly among staff currently employed by Karnataka tourism to operate and maintain these facilities.
- Critical evaluation of various privatisation options, i.e. from management / service contracts to full fledged divestiture with a view to meet the objectives which Karnataka tourism intends to attain through privatisation.
- Prioritisation of projects intended for privatisation
- Initiation of project structuring process. This is time consuming, and would need to include :
 - ♦ Creating an inventory of the assets and their condition
 - ♦ Valuation of the existing assets
 - ♦ Financial structuring of the project

There are various options for privatisation. However, selected option should be technically sound in the sense that it is capable to meet the intended objective of privatisation as well as makes sense in the local conditions (i.e. fits to legal and regulatory framework). In order to evaluate privatisation options for Karnataka tourism properties, it is essential first to understand the objectives with which privatisation is sought for these properties.

The accommodation properties owned by Karnataka tourism may be classified into following categories like:

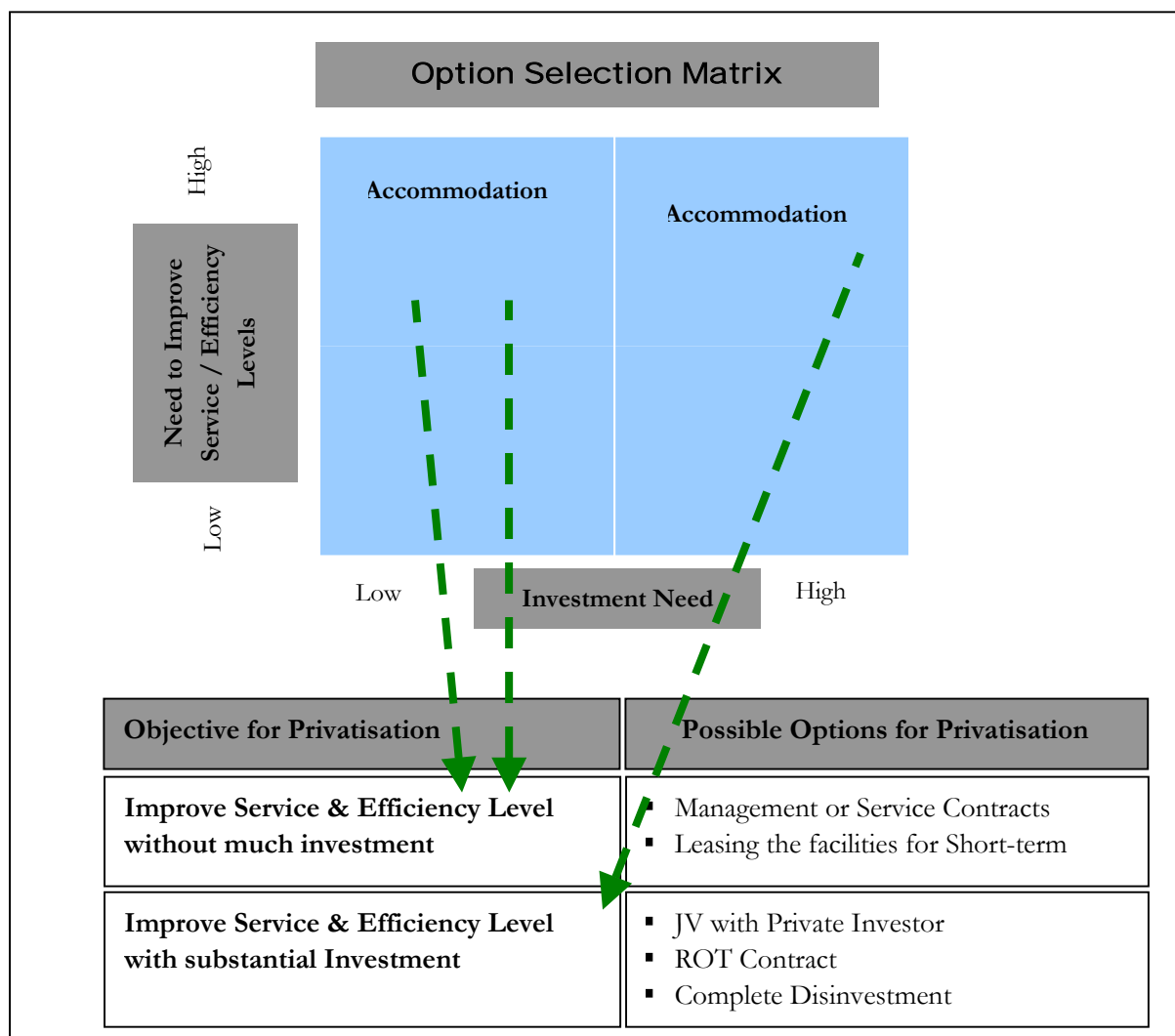
- Profit making units
- Unprofitable units but can be made profitable either by improving efficiency / service level or by making further investment or combination of both
- Potentially loss making units

The appropriateness of privatisation option for a particular accommodation property to a great extent would be dependent on which of the above category it fits into. If the property requires only enhancement in service and efficiency level, then the appropriate option could be management or service contract.

If the property requires substantial investment in addition to enhancement of service / efficiency levels, then Karnataka tourism can adopt any of the following privatisation options:

- Joint venture with private investor, who acquires operation and management control through equity participation
- Rehabilitate-Operate-Transfer Route (ROT), in which private investor is given right to operate and manage and earn from the facility for the duration of concession period in lieu of investment it has made to rehabilitate the property.
- In case of potentially loss making units, Karnataka tourism can go for complete disinvestment.

Figure 6.7: Privatization option selection Matrix



After selecting appropriate privatisation options for different properties, Karnataka tourism would need to prioritize the projects to be put under privatisation process. Initiating privatisation in phases as per the priority appears more appropriate in the sense that such a process provides an opportunity to draw important lessons from earlier phases and chance to introduce amendments in the later phases making entire process very effective. The prioritization can be done using following criteria:

- Degree of amenability for privatisation

-
- Complexities involved in the process

The next step in the process of privatization is proper structuring of the identified project for privatisation. This involves several activities like:

- Business valuation (including valuation of assets and inventory)
- Assessment of specific enhancement needs and investment needed for enhancement, valuation of asset
- Preparation of growth plan including analysis of prospects and risk factors
- Deciding appropriate financial structuring depending on the privatisation option selected

Other remaining steps in the process are:

- Preparation of Bid and concession agreements Documents
- Inviting competitive bidding and the selection of private developers / operators depending upon the option chosen in a transparent manner.

Various tasks to be covered under above process are quite complex in nature and need special knowledge, experience and dedicated efforts for carrying out these tasks effectively. In order to carry out these tasks, it is suggested that Karnataka tourism constitutes a separate exclusive cell i.e. **Project Development Company (PDC)**. The proposed PDC will have a dual function of acting as a technical secretariat to Karnataka tourism and also as a facilitator in the privatisation process. The core work of PDC would be to:

- Prioritise Karnataka tourism projects
- Attract Private Sector Participation for identified projects
- Ensure quicker implementation (due to better short-listed & configured projects, speedy privatisation process)

6.17 Infrastructure Development

As mentioned earlier, sustainable tourism development cannot be viewed in isolation. Unless the State gears itself in improving the infrastructure, most of the plans will remain only on paper. It is therefore, imperative that adequate funds are allotted and specific action plans have to be drawn out in the development of infrastructure projects. The present Government of Karnataka, fully recognising the importance of this aspect, is giving top priority to infrastructural projects.

Karnataka's investment in infrastructure, by far the maximum among all states in the country. The Government is providing incentives to infrastructural projects. Some of the major projects that are coming up in Karnataka include:

- Power generation & distribution
- An international airport near Bangalore
- An International Convention Centre and an Electronic Trade, Technology Development & Exhibition Centre is proposed to come up shortly.

- A Mega City project for the development of Bangalore with a project outlay of Rs. 805 crore.
- A world class technology park at Whitefield near Bangalore
- The Bangalore-Mysore Expressway at a cost of Rs. 640 crore.
- A 99 km long Elevated Light Rail System at an investment of Rs. 4,300 crore.
- Construction of ring road around Bangalore. The Bangalore-Mysore expressway will make Mysore a satellite city paving way for industrial townships along the expressway.
- Apart from Bangalore, many growth centres are planned namely Dharwad, Hassan, Raichur, etc. Airstrips are coming up at Hubli, Gulbarga and Mysore to facilitate faster transport.

All these projects will certainly go a long way in the development of tourism in the State in the coming years.

6.18 Identification of Executing Agencies

Since tourism is a multi-sector project, agencies need to be identified who will be responsible for the execution of each sub-project. At a later stage, it may be worthwhile to identify by name the officer in each agency who will be the contact person for this project.

The following table broadly indicates the sub-project and the executing agency for each sub-project:

Table 6.3: Executing Agency

Sl. No.	Name of Sub-project	Department Responsible	Actual executing agency
1	Accommodation	DOT	KSTDC, Private Sector
2	Transportation	DOT	DOT, KSTDC, ITDC, Private Operators
3	Wayside amenities	DOT	KSTDC, DOT
4	Wildlife and Adventure Tourism	DOT	DOT, Private Sector
5	Visitors Induction Centre	DOT	KSTDC, DOT
6	Landscaping		
	- at wildlife sanctuaries	Forest Dept	Forest Dept
	- Flood lighting	DOT	DOT, Private Operators
	- Son et lumiere	DOT	DOT
	- Signage	DOT	DOT, Department of Archaeology, Municipal Corporation
	- Archaeology	Dept. of Archaeology	Dept. of Archaeology
7	Telecommunication	Dept. of Telecommunication	Dept. of Telecommunication

Sl. No.	Name of Sub-project	Department Responsible	Actual executing agency
8	Roads	PWD	PWD
9	Water & Sanitation	KVWSSB & PHE	KWSSB & PHE
10	Power	KEB	KEB
11	Air Strips	PWD	PWD/ KSTDC
12	Human Resource Development	DOT	DOT with the help of language training & other institutes
13	Marketing Strategy	DOT	DOT
14	Project monitoring and evaluation	DOT	DOT

The project responsibility and the execution / implementation of the identified specific projects are presented at the end of this chapter as Appendix 6.1.

6.19 Steering and Control Agency

In addition to various executing agencies and DOT as the administration agency, the Government of Karnataka proposes to set up two committees under a Government Order specifying their role and function. The two committees envisaged are as follows:

- Implementation Committee which will meet periodically to sort out minor problems, review the progress of project implementation and to provide necessary guidance or initiate corrective action. The committee will consist of Secretary, Information, Tourism and Youth Services Department as the Chairman and the Heads of Departments concerned with different sub-projects as Members and, Director of Tourism as Member Secretary.
- Empowered committee will be a high powered committee of senior officers of the Karnataka State Government. This committee will meet at least once in 6 months and if necessary more often to overcome any major hurdles that may come up. The committee will be constituted by the Minister for Tourism as Chairman, Tourism Commissioner, Finance Secretary, Planning Secretary and Secretaries of all concerned departments as Members. The Managing Director of Tourism Corporation, Government of Karnataka will be the Member-Secretary.

6.20 Recommendations

Major plans, action and strategies proposed so far can be compiled and summarised as the following recommendations:

- Tourism Department should act as a nodal agency for co-ordinating with various other State and Central departments in order to promote the state and to provide better infrastructure.
- A single window clearance of tourism projects with a transparent process should be evolved.
- The dual reporting structure should be removed and the tourism heads at the district level should be at helm of affairs in their location. The role of the District Collector in Tourism needs to be re-examined.

-
- More budgetary support to the department should be provided by the state government
 - Additional assistance from Central Government should be sought for developing mega tourism projects envisaged for the state
 - Awareness should be created among the locals on the earning potential/employment opportunity on account of tourism, thereby changing the closed and conservative mindset of the people
 - A tourism university can be developed with Mysore/Bangalore and let the state take the lead role in churning out tourism professionals.
 - The role of private entrepreneurs in Tourism promotion and in implementing projects should be recognised and a Public-Private Tourism model be evolved.
 - The Government should focus its efforts in promotion of the State abroad and in other States and act as a facilitator by limiting itself to providing infrastructure support.

As said earlier, the aim of devising development strategy is to develop and sustain Karnataka as a major tourist destination. To make this happen, it is essential not only to identify strategic factors imparting competitive advantage and build appropriate strategies for attaining the desired goals/targets envisioned, but also co-ordination amongst various related departments and stakeholders. A mix of appropriate tools along with focussed approaches, taking into consideration various factors affecting this industry would definitely go a long way in making Karnataka a sought after global tourist destinations in the coming years.

Appendix 1.1: Travel Circuits and Destinations

A. Travel circuits

1. Kullu-Manali-Lahaul/Spiti-Leh-Monastic circuit
2. Gwalior-Shivpuri-Orchha-Khajuraho
3. Bagdogra-Sikkim-Darjeeling-Kalimpong
4. Bhubaneswar-Puri-Konark
5. Hyderabad- Nagarjunasagar-Tirupati
6. Chennai-Mamallapuram-kanchipuram-Vellur-Thiruvannamalai-Ginjee-pondicherry (Southern heritage circuit)
7. Rishikesh-Narendranagar-Gangotri-Badrinath
8. Bhopal-Sanchi-Indore-Ujjain-Maheswar-Omkareswar-Mandu (Bhopal & Sanchi)
9. Jaisalmer-Jodhpur-Bikaner-Barmer
10. Bangalore-Mysore-Hassan
11. Raigad Fort – Janjira Fort-Kuda caves-Srivardan-Harihareshwar-Sindhudurg
12. Varanasi-Sarnath- Gorakhpur-Kushinagar-Sunali-Piprahwa (Kapilvastu)- Sankisa-Kausambi-Sarvasti-Lucknow (Budhist circuit)
13. Patna-Bodhgaya-Nalanda-Rajgir-Vaishali (budhist circuit)
14. Bhubaneswar-Lalitgiri-Ratnagiri-Udaygiri-Kendraparha-Chand Bali Bhadrak (Sun temple)
15. Kochi-Thekkady-Madurai-Rameswaram

16. Harishankar-Narsinghanath-Hirakud-Sambalpur-Bed vyas (Gandhamardhan circuit)
17. Swaranchuda-Chandipur-Chandaneshwar-Panchelingeswar-Similipal sanctuary-Khiching circuit
18. Araku valley –Nandapur-Gupteswar-Rayagada circuit (Panchabati circuit)
19. Guwahati – Kaziranga-Shillong- Tawang
20. Ahmedabad-Rajkot-Dwarka-Porbandar-Somnath-Girnar-Palitana-Ahmedabad
21. Ahmedabad-Modhera- Patan-Ambaji-Mt. Abu

Appendix 1.2: Destinations

1. Ajanta Ellora (Aurangabad)
2. Andaman Islands
3. Bekal beach
4. Diu (Daman & Diu)
5. Kangra (Pong Dam)
6. Lakshadweep islands
7. Manali (Solang Nalah)
8. Muttukadu Mamallapuram
9. Puri
10. Sindhudurg
11. Kutch district
12. Dangs Saputara hill station

Appendix 1.3: Pilgrim Centres

Sr. No.	State	Centre	No. of centres
1	Andhra Pradesh	Tirupati	1
2	Assam	Kamakhya	1
3	Bihar	Bodhgaya & Patna Sahib	2
4	Gujarat	Dwaraka, Palitana, & Odwada (near Vapi)	3
5	Haryana	Kurukshetra	1
6	Himachal Pradesh	Paonta Sahib and Jawalaji	2
7	Jammu & Kashmir	Mata Vaishno Devi/Katra	1
8	Karnataka	Gulbarga & Sringeri	2
9	Kerala	Guruvayur	1
10	Madhya Pradesh	Ujjain	1
11	Maharashtra	Shirdi, Nanded and Jyotiba	3
12	Orissa	Jagannath Puri	1
13	Punjab	Amritsar/Anandpur Sahib	2
14	Rajasthan	Ajmer Sharif	1
15	Tamil Nadu	Rameswaram	1
16	Uttaranchal	Badrinath & Haridwar	2
17	Uttar Pradesh	Barsana-Gokul, Nandgaon, Mathura, Vrindavan and Gowardhan, Sarnath- Kushinagar	8
Total			33

NATIONAL TOURISM POLICY 2002

Department of Tourism, Ministry of Tourism & Culture, Government of India



INDIA
TOURISM





NATIONAL TOURISM POLICY 2002

Department of Tourism
Ministry of Tourism and Culture
Government of India



*" The one land that all men desire to see and having seen once,
by even a glimpse, would not give the glimpse for all the shows
of all the rest of the globe combined."*

– Mark Twain on India

Cover: Shivling Base Camp (Photo Credit: Highlanders Communications)

Back cover: Periyar Game Sanctuary, Kerala

Atithi Devo Bhava

Guest is God

India is a journey of mind and soul

It is a journey of the five senses

It is a journey of self-discovery

It is a journey of self-fulfilment

PREFACE

A national policy on tourism highlighting the importance of the sector and the objectives of tourism development in the country was presented in the Parliament in 1982. The policy was formulated in an environment of a closed economy with rigid licensing procedures. The policy did not emphasize the role of private sector, and foreign investment was not envisaged. The policy also did not lay adequate emphasis on domestic tourism and the need for product development. In the Chief Ministers' Conference held on October 30, 2001, the Prime Minister of India, Shri Atal Bihari Vajpayee had stated:

"Tourism is a major engine of economic growth in most parts of the world. Several countries have transformed their economies using the tourism potential the fullest... Tourism has great capacity to create large scale employment of diverse kind – from the most specialised to the unskilled and all of us know that generation of massive productive employment opportunities is what India needs the most".

The Ministry of Tourism had prepared a draft National Tourism Development Policy with the objective of positioning tourism as a major engine of economic growth and to harness its direct and multiplier effects for employment and poverty eradication in an environmentally sustainable manner. This draft was circulated to all the stakeholders in the Tourism sector, the Private sector, the Industry Associations, the State Governments, Departments and Ministries of Government of India. The draft on National Tourism Policy-2002 was also discussed at the three-day Tourism Conclave comprising of:-

- a. Meeting of all foreign and domestic officers of Tourism Ministry;
- b. Meeting of State Tourism Secretaries ; and
- c. Meeting of the State Chief Ministers and Tourism Ministers.

The Policy rests upon the following basic principles:-

- I. Account should be taken of the fact that for the last four decades or so, a tourism revolution has been sweeping the world. In 1964, the number of tourists leaving their homes, worldwide, was 100 million. This number increased to 200 million in 1974, 500 million in 1992 and 700 million in 2001. And this number is likely to swell to 1.5 billion by 2020 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 the techniques and tools of its machinery of implementation. In this connection, it has to be noted with concern that during the last decade or so, India's share of world tourist traffic has remained static at 0.38 per cent.



Tiger, Ranthambhore National Park, Rajasthan

- II. At the institutional level, a framework would have to be evolved which is Government-led, private-sector driven and community-welfare oriented. Government have to provide a legislative framework to regulate tourism trade and industry, ensure safety and security of the tourists and create basic infrastructure and health-care facilities. 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. Both Government and the private sector would be required to safeguard the stability and also the social and economic advancement of the local communities and the communities in the neighbourhood.
- III. The deep-rooted relationship of tourism and our cultural assets should be fully recognised and provided for. Improvements and environmental upgradation of the protected monuments and the areas around them should be considered as a linchpin of the tourism industry.
- IV. Effective linkages and close coordination should be established with such Departments as Civil Aviation, Environment, Forest, Railways, Home, etc.
- V. Sustainability should serve as a guiding star for the new Policy. The development and management strategies should be so worked out as to ensure that tourism largely acts as a smokeless industry and its ecological footprints remain as soft as possible. No one engaged, directly or indirectly, in the tourism industry, should be allowed to secure short-term gains by resorting to what has been called the darker side of tourism. Neither over-exploitation of natural resources should be permitted nor the carrying capacity of the tourist-sites ignored.

- VI. Greater emphasis should be laid on eco-tourism whose parameters should be broader than those of nature tourism alone. It must help in eliminating poverty, in ending unemployment, in creating new skills, in enhancing the status of woman, in preserving cultural heritage, in encouraging tribal and local crafts and in improving overall environment and facilitating growth of a more just and fair 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, and it should be so designed that the infrastructure created under it serves as a backbone of international tourism in times to come.
- IX. 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. The requirements of this class of tourists should be met and guest tourism encouraged through Panchayats and local bodies and associations.
- 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. A section of the State police should be earmarked to act as tourist police and special training should be imparted to it.
- XIII. At the international level, India should play a dynamic role and make its presence felt at the World Tourism Organisation, World Tourism and Travel Council and Earth Council. Its unique cultural values and spiritual heritage should be projected with dignity and elevation befitting a great nation, whenever suitable opportunity comes our way.
- 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. It should be ensured that good policies are not shipwrecked in the sea of half hearted implementation.



Hang-gliding



A Yoga Class

1

INTRODUCTION

The policy document seeks to enhance employment potential within the tourism sector as well as to foster economic integration through developing linkages with other sectors. Broadly the policy paper 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;
- focus on domestic tourism as a major driver of tourism growth.
- position India as a global brand to take advantage of the burgeoning global travel trade and the vast untapped potential of India as a destination;
- acknowledges the critical role of private sector with government working as a pro-active facilitator and catalyst;
- create and develop integrated tourism circuits based on India's unique civilization, heritage, and culture in partnership with states, private sector and other agencies;
- ensure that the tourist to India gets physically invigorated, mentally rejuvenated, culturally enriched, spiritually elevated and "feel India from within".

The policy document takes into consideration seven key areas that will provide the thrust to tourism development. These are: Swagat (Welcome), Soochana (Information), Suvidha (Facilitation), Suraksha (Safety), Sahyog (Cooperation), Samrachana (Infrastructure Development), and Safai (Cleanliness)

2

TOURISM AND NATIONAL DEVELOPMENT IN INDIA - CURRENT SITUATION AND PROSPECTS

In its modern form since the end of the Second World War, tourism has grown into one of the world's largest industries with a growth rate in excess of 5 per cent per annum over the past twenty years. International tourism flows across frontiers in the year 2000 reached 698 million while receipts from these flows reached US\$ 595 billion (including receipts from international transport fares). Estimates prepared by the World Tourism Organization indicate that global domestic tourism flows are at least ten times greater than international tourism flows indicating that there were at least 6,980 million domestic arrivals in 2000. Globally, tourism accounts for 11% of the global GDP and 8% of the world trade employment (*Table A – Annexure I-A*). In most countries with a large population, domestic tourism is the foundation of a viable and sustainable tourism industry. Much of the growth of global tourism has been generated by domestic tourism, which tends to be more focused on rural destinations. With a growing interest in the intangible culture of different countries (i.e. lifestyles, cuisine, ceremonies, music, religious beliefs, traditions, customs, and history), there is a strong potential to encourage international tourism to the rural areas as well. India's share of global international tourism at 2.64 million foreign arrivals through its borders in the year 2000 is relatively small in volume (about 0.38 per cent) but almost twice as high in terms of US\$ receipts (about 0.69 per cent) (*Table B – Annexure I-A*).

On the other hand, India's share of global domestic tourism is much higher (around 4.6 per cent of estimated global domestic tourism). While the proportion of global US\$ receipts from international tourism increased from 0.57 per cent in 1990 to 0.69 per cent in 2000, this compares with a share of 1.37 per cent in 1981. In contrast, India's neighbours in South and South-East Asia have more effectively utilised tourism for economic growth and employment creation (*Table C – Annexure I-B*). A forecasting study undertaken by the World Tourism and Travel Council estimated that in 2001, tourism would account for 10.7 per cent of global Gross Domestic Product, 207.1 million jobs; US\$ 1,063.8 billion in export value, and US\$ 657.7 billion in capital investment. A study on the economic impact of tourism conducted by the World Tourism and Travel Council estimated that in 2001, the consumption activity arising from domestic and international tourism will contribute 5.3 per cent of India's Gross Domestic Product. Tourism will also sustain 25 million equivalent full time jobs or 6 per cent of India's workforce, and contribute more than US\$ 3 billion in gross foreign exchange receipts. Separate estimates prepared by the Department of Tourism using a multiplier based on 1980 research suggests that the actual employment generation effect of (direct & indirect) tourism in India is around 42 million (includes full time/part time/casuals). The forecasting study undertaken by the World Tourism and Travel Council further indicates that between 2001 and 2011:-

- global Gross Domestic Product will increase from 10.7 per cent to 11 per cent;
- global employment contribution will increase from 207.1 million to 260.4 million jobs or 9 per cent of total global employment;
- the global value of tourism related exports will increase from US\$ 1,063.8 billion to US\$ 2,538.3

billion or 12.8 per cent of global export value; and

- global capital investment in tourism will increase from US\$ 657.7 billion to US\$ 1,434 billion or 9.3 per cent of global investment.

Forecast data from the World Tourism Organization shows that the share of tourism volumes and related receipts, Gross Domestic Product, employment, and export earnings is expected to *move away from the developed countries towards the less developed countries as a result of favourable economic, motivational, technological, and policy factors.*

Forecast Change in the Share of International Tourism Arrivals between Developed and Developing Regions

Regions	2000	Share %	2010	Share %	% AAG
Developed Regions of the World	528	78.45%	730	69.79%	3.29%
Less Developed Regions of the World	145	21.55%	316	30.21%	8.10%
Total	673	100.00%	1046	100.00%	4.51%

Source: WTO Forecasts

WTTC’s status paper, “The India Imperative” has analysed India tourism in the light of the latest Tourism Satellite Accounting Research TSAR (2001) and projections for the year 2011. Subject to addressing key policy issues highlighted in the paper, WTTC has identified India *as one of the foremost growth centres in the world in the coming decade.*

- The development priorities of the Government of India up to 2012 are to place the economy on a significantly higher growth path that will deliver greater economic benefits in the context of the new global economic and security order, but also enhance human well-being, achieve social equity, sustainability, and efficiency. To achieve this overall development goal, the Government of India has embarked upon a strategy that involves a radical departure from past policies, and institutional arrangements in order to optimize and release the potential of its natural, human, financial, and technical resources.

One of the sectors of the economy considered to have particular potential is tourism. Tourism is seen to be a priority sector because it is:-

- able to maximize the productivity of India’s natural, human, cultural, and technical resources, and are sustainable development;
- labour intensive and cottage or small industry based, providing employment that is of a high quality thus contributing to higher quality of life;
- capable of being primarily focused on rural areas with appropriate and relatively low cost programmes;
- has extensive forward and backward economic linkages that build overall income, employment (especially for women, youth, and disabled persons bringing greater social equity, and justice), investment, and raises central, state, and local government revenue;
- is able to deliver significant levels of hard currency as an export industry; and

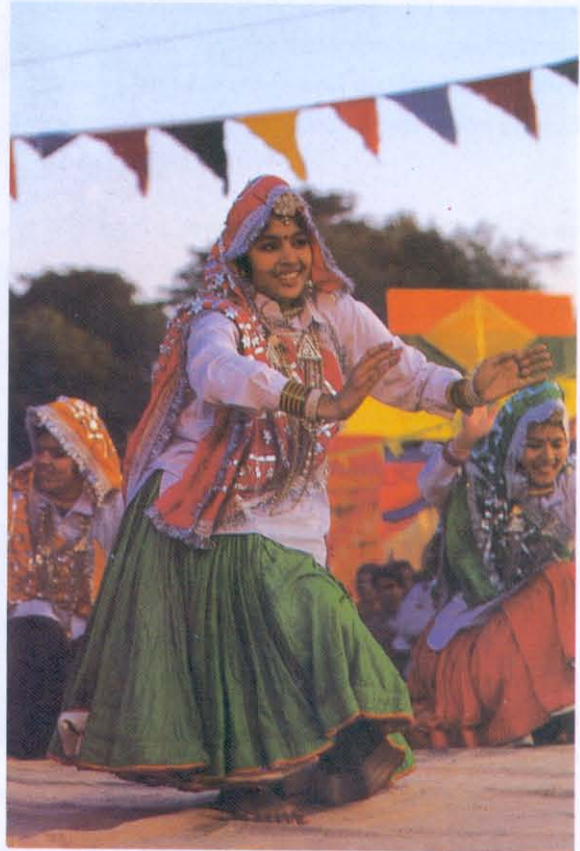
- able to promote understanding, peace, and contribute to national unity and regional stability.

There is great potential for creating 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 and India has the potential to more than triple its travel and tourism jobs. The tourism industry has a very strong linkage to socio-economic progress of the country. It has a very high revenue capital ratio. It is estimated that an investment of Rs.1 million creates 47 direct jobs and 11 indirect jobs, which far surpasses the employment potential from Agricultural and Industrial sector.

SWOT Analysis

The tourism sector's contribution to the national development priorities and strategies has so far been relatively limited. A review of the sector's competitive strengths and weaknesses, opportunities, and threats indicates that it has considerable growth potential. The main results of the analysis are:-

- India's great competitive strength from tourism point of view is its ancient and yet living civilization that gave rise to four of the world's great religions and philosophies, and brought travellers and trade millennia ago. The rich natural and rural landscape of India is punctuated with the built heritage of its ancient past and more modern structures of the present and its hopes for the future. India's contacts with other civilizations is reflected in the rich cultural diversity of its people through its languages, cuisine, traditions, customs, music, dance, religious practices and festivals, its holistic healing traditions, art and craft.
- The main competitive constraints facing the tourism sector are the low priority that the sector has been given by government (*Table*



Ghoomar Folk Dance, Haryana



A craftswoman at Surajkund Crafts Mela



Vishwa Shanti Stupa, Rajgir, Bihar

D – Annexure I-B). In the past it was unable to effectively link its role in relation to national development priorities, undue focus was laid on the international market at the expense of domestic tourism, the poor quality of the environments surrounding many of India’s main tourist sites, the security scenario in the region that affects the perception of India as a safe and secure destination, the quality of facilities and services at attractions (*Table E – Annexure I-C*), the quantity and quality of transportation service, and related infrastructure, facilitation of entry to India by international tourists, the multiplicity and high level of taxation (*Table F – Annexure I-C*), limited availability of tourist information in-source markets and at destination, limited scope, accuracy and reliability of market data for planning and management, insufficient marketing of India in its domestic and international markets, lack of attractive project financing, restrictive land use policies that limit the availability of suitable land for tourism development, limited and poor facilities and services outside the major cities, especially in rural areas, and the lack of community participation leading to in some cases hostility to tourism. The low priority accorded to tourism has meant that it has played only a marginal role in India’s development programmes to date and this is reflected in the limited budgets, limited cooperation and coordination capabilities, and an inability to implement strategic initiative and projects.

Notwithstanding the constraints (which themselves present opportunities), the key competitive opportunities are: (1) leverage the huge potential of its domestic urban population to develop rural tourism (*Table G – Annexure I-D*); (2) leverage its strength as one of the world’s ancient civilizations in the context of its rich and diverse natural heritage to increase its share of the huge international travel market, especially the fast growing long haul segment of this market, and (3) leverage India’s strength as one of the world’s largest economies for business, trade, meetings, convention, incentive, events, and exhibition based tourism.

- The main internal threats to the development of the tourism sector are failing to effectively resolve the constraints identified above. These are security, safety and health situation; failing to involve communities in the decision-making process for tourism development; and failure to adopt and implement sustainable development and management principles and practices at tourism sites, especially in the rural and natural areas of the country. From an external point of view, the main threats are not effectively addressing the fierce and ever-increasing competition from competing countries, over-reliance on a few well-worn international and domestic travel markets, unbridled growth of international tourism that is characterized by high volumes, low economic yields, and high levels of adverse socio-cultural, and environmental impacts, and further regional conflicts such as that resulting from the September 11 event of 2001.

India possesses a rich and diverse range of unique tangible and intangible cultural, natural, and man-made tourism resources, many of which are world class in quality, and most of which are located in rural areas. The tourism resources of the country have the potential to attract significantly higher levels of market demand from the domestic and international markets provided that sustainable site management practices and principles are adopted and applied, and the other constraints identified above are effectively resolved. Provided that the identified constraints and opportunities are addressed, and appropriate plans prepared to handle the internal and external threats, then it is considered that India Tourism focus should be to:-

1. substantially increase the proportion of the urban resident leisure and pilgrimage tourism to rural areas not just in terms of volume but also in terms of length of stay and expenditure. For example, the total urban resident leisure and pilgrimage domestic market is estimated to increase from 22.5 million in 2001 to 50.5 million by 2012 and it would be a key objective to encourage these to visit the rural areas through appropriate strategies; and
2. substantially increase the volume of high-yielding (high average per capita expenditure) international tourists from the priority regional and long haul source markets based on the identified travel interests.



Sculpture Panel, Parsvanath Jain Temple, Khajuraho

3

TOURISM DEVELOPMENT GOALS, OBJECTIVES AND STRATEGIES

The tourism industry, unlike many other industries, is a composite of several service providers. These service providers are generally in the private sector. In addition, public sector institutions such as the national or state departments of tourism are involved in the planning, development, and management of tourism. The participation of different private and public agencies makes tourism industry a complex phenomenon requiring a strong cooperation and coordination for it to be developed and expanded along lines that will contribute to the overall national development objectives. Left to itself, the industry will develop naturally, but not necessarily optimally or sustainable, and without any clear links to the broad development objectives of the country.

Uncontrolled tourism growth could damage India's socio-cultural structure, degrade its tangible and intangible cultural and natural heritage, and lead to adverse economic impacts such as high importation costs, and weakening inter-industry linkages. On the other hand, when the industry is properly planned, developed and managed at all levels of government in partnership with the private sector, it will strengthen India's socio-cultural structure. It would valorize its tangible and intangible cultural and natural heritage, and lead to positive economic impacts including enhanced employment and income opportunities in rural areas, lower importation costs, and stronger inter-industry linkages.

The vehicle for achieving the positive benefits of tourism, mitigating the negative effects, and delivering sustainable industry development framework of India's national development priorities is the preparation and implementation of a comprehensive national tourism policy. The overall goal and strategy for the development of the tourism industry is to ensure that its development is closely tied to the national development priorities of the country. In this context the Government of India's vision for the development of the tourism sector is:-

"Achieve a superior quality of life for India's peoples through Tourism which would provide a unique opportunity for physical invigoration, mental rejuvenation, cultural enrichment and spiritual elevation".

3.1 KEY OBJECTIVES

To achieve the overall vision for the development of tourism, five key strategic objectives need to be achieved. They are:-

1. Positioning and maintaining tourism development as a national priority activity;
2. Enhancing and maintaining the competitiveness of India as a tourism destination;
3. Improving India's existing tourism products and expanding these to meet new market requirements;
4. Creation of world class infrastructure; and

5. Developing sustained and effective marketing plans and programmes.

3.2 POSITIONING TOURISM AS A NATIONAL PRIORITY

- Inclusion of Tourism in the Concurrent List of the Constitution of India. This will provide a constitutional recognition to the tourism sector, help in channeling the development of tourism in a systematic manner and enable central government to legislate for tourism development. The proposal for including tourism in the Concurrent List was circulated to the State Governments and discussed at the Chief Ministers' Conference. Majority of the States have agreed to the proposal. The state-wise status may be perused at *Annexure –I-E*.
- To provide effective linkages and close coordination between Departments, a Group of Ministers on Tourism has already been constituted.
- Constitution of a Tourism Advisory Council with key stakeholders to act as a "think tank".
- Prepare the basis for the adoption of the Tourism Satellite Account System based on SN3 protocol for the national accounts.
- Plan, and implement a professionally managed integrated communications strategy to be called the 'National Tourism Awareness Campaign'.

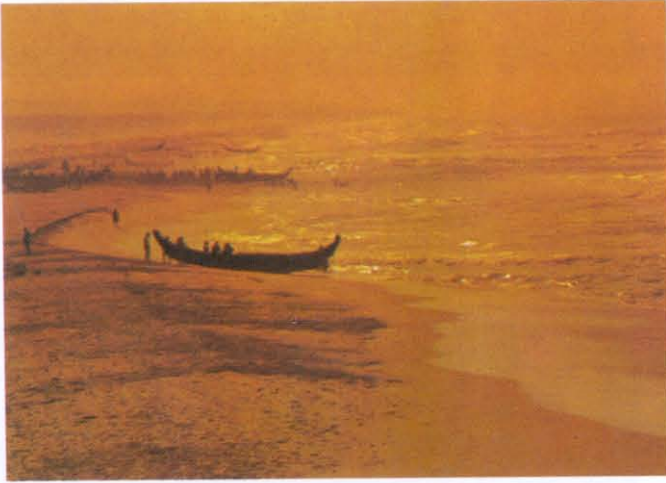
3.3. ENHANCING INDIA'S COMPETITIVENESS AS A TOURIST DESTINATION

- a. Visa on Arrival - Implement visa on arrival and consider strategies for the fast issuance of visas and permits, including electronic visa approaches, and improved processing of arrivals by customs and immigration officials.
- b. Computerization of the system of issuance of visas by Embassies / High Commissions.
- c. Air capacity available to India is woefully short during peak travel months ranging from October to March and specially from main tourism originating destinations like North America, Western Europe and South East Asia. Additional seat capacity from the major destinations would provide a major impetus to tourism and economic development. An analysis by Indian Council for Research on International Economic Relations (ICRIER) reveals that the benefits of the additional seat capacity whether provided by the national carrier or any other international carrier would have a significant benefit for national economy. The model at *Annexure –I-F* strengthens the argument for opening India's sky for enhancing tourism through increased capacity.
- d. Improve the standard of facilities and services at the nation's international and major domestic airports by employing professional property management agencies to manage the physical premises on an outsource basis, and speeding up the privatization/leasing of airports.
- e. There is a need for creation of special tourism police force for deployment at major tourist destinations. This will provide travellers security through a spirit of courtesy and hospitality.

3.4 IMPROVING AND EXPANDING PRODUCT DEVELOPMENT

In relation to the development of products that are related to the special interests of the target markets, the product development strategy should be to:

- India has a unique cultural heritage. It has a vast array of protected monuments spread throughout the length and breadth of the country. India has 22 world heritage sites (16 are monuments). The conservation, preservation and integrated development of the area around these monuments provides a rare opportunity for growth and *expansion of cultural tourism* in India.



Beach, Kerala



Marine Life



A Sumptuous Sadya, Kerala Cuisine

- Develop sustainable *beach and coastal tourism* resort products based on a more flexible approach to developments in the coastal zone. There is a need for identifying a series of government sites on the West Coast of India, free of encroachments, for the development of beach resorts by the private sector, with sites to be offered on long term lease at preferential terms. These sites should primarily be in the regions of Goa, Kerala, and North Karnataka for reasons of air access;
- Develop and position the Kochi and Andaman & Nicobar Islands as *international cruise destinations*. This positioning is supported by their proximity to international cruise routes, their exotic appeal and the need for high quality, low impact eco-tourism activities in the islands, and develop a dedicated cruise terminal;
- Capitalize by packaging India's unmatched variety of *traditional cuisines* that are today becoming increasingly popular in the world. The linkages and ripple effects created by a rapidly expanding restaurant sector can have dramatic implications for the Indian economy, implement private-public partnership of the Culinary Institute of India that will research and document ancient culinary traditions, create a highly skilled workforce of culinary professionals that can populate not only hotel and catering establishments in India, but also



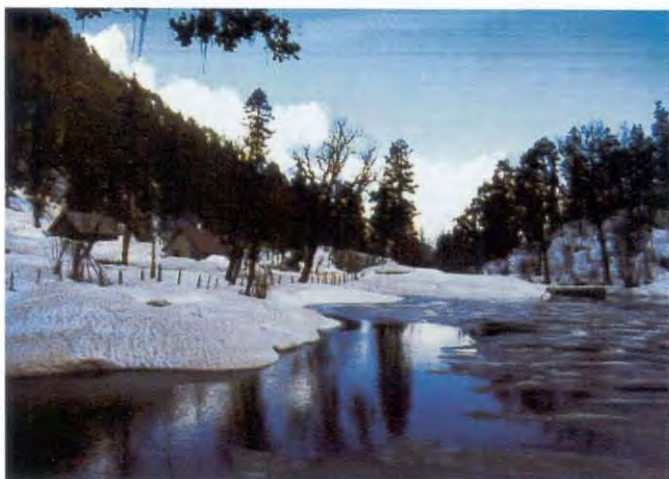
Periyar Wildlife Sanctuary, Kerala

internationally, serving to promote India internationally through a non-traditional medium, and encourage Indian entrepreneurs to establish restaurants of Indian ethnic cuisine internationally, by conceiving an innovative incentive scheme;

- Actively promote the development of *village tourism* as the primary tourism product to spread tourism and its socio-economic benefits to rural and new geographic areas. Key geographic regions for the development and promotion of endemic tourism. The optimum locations appear to be: North-Eastern states, Uttaranchal, Rajasthan, Ladakh, Kutch, Chhattisgarh, and the Plantation regions (tea, coffee);
- India has some of the greatest variety of fauna in the world that has perhaps not been exploited to its full potential for tourism. In this context, the wildlife sanctuaries and national parks need to be integrated as an integral part of the India tourism product, and priority needs to be given to the preparation of site and visitor management plans for key parks, after a prioritization of parks. Tentatively, these would be: Corbett National Park, Kanha National Park, Bandhavgarh National Park, Ranthambhore, Mudumalai, Nagarhole, Kaziranga, Periyar, Bharatpur, Little Rann of Kutch, Chilika and Sundarbans. The quality of tourist facilities available at the parks should be enhanced, in particular, improve visitor information / interpretation centres, and the tiger and the elephant should be the 'brands' in Indian wildlife tourism;
- India perhaps has one of the greatest *adventure tourism* assets in the world in the form of the *Himalayas*, as well as in its mighty rivers. Mountain based adventure (soft and hard) activities



Naga Youth



Dodital



White Water Rafting

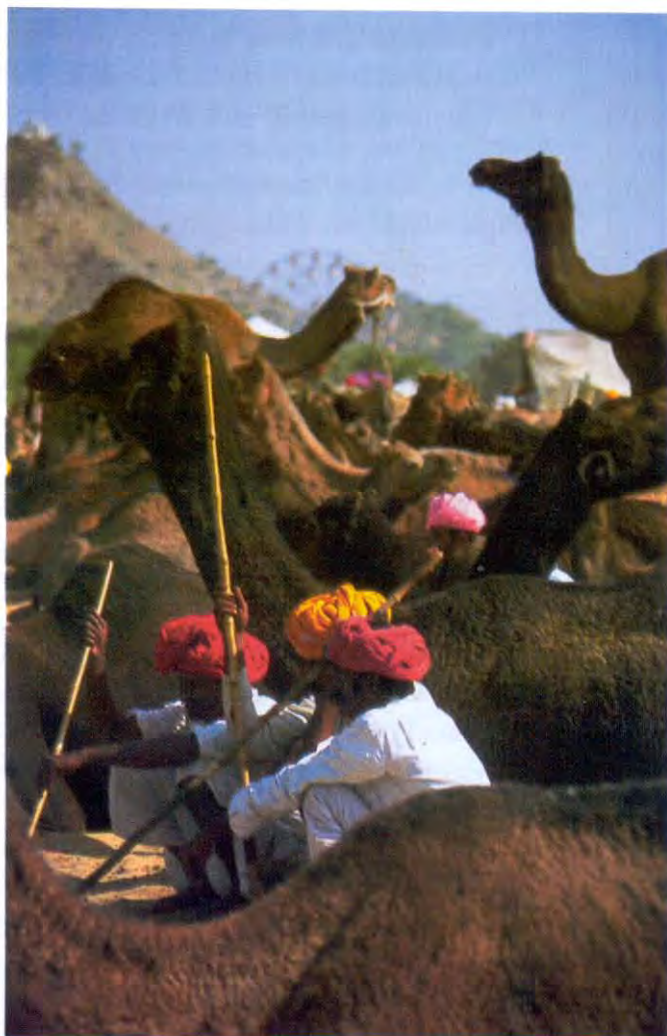
in the Himalayas, creating the 'Himalayas' as the brand and icon of Indian adventure tourism, should be developed and promoted. White water and more sedate great river rafting offer a unique tourism product, while regulations and certification for adventure tourism operators should be introduced so they meet minimum safety and conservation standards;

- That the domestic tourism market is mostly local or regional in nature and prefers recreational pursuits and that recreation and leisure is a vital component of the quality of life, particularly in urban areas, and needs to be recognized.
- India, despite its size, significance and attributes with world cities such as New Delhi and Mumbai, receives a minuscule proportion of the global *meetings, incentives, convention and exhibition* market with only 97 international conventions bringing approximately 25,000 people in the previous year. It is imperative not just for India's tourism development, but also for the development of international and domestic trade and commerce, that India

construct a world class international convention centre in Mumbai.

- India is a region of the world's greatest bio-diversity, with a variety of unique natural locales, and is therefore, a perfect candidate for eco-tourism. In this context, eco-tourism should be made a priority tourism product for India with the focal points located in the Himalayas, North-Eastern states, Western Ghats, Jharkhand, Andaman & Nicobar Islands, and the Lakshadweep Islands. Tour operators need to be encouraged to promote eco-tourism, which should also be made a grassroots, community based movement, though awareness, education and training of the local community as guides and interpreters;
- India is today being 're-discovered' by the world at large for the depth of its understanding of physical, mental, emotional and spiritual manifestations of the world and humankind. In particular, India has traditions that focus on the holistic healing of individuals and on elevating the individual to a higher plane of consciousness and awareness. This can be India's most unique tourism product – *holistic healing and rejuvenation* of the individual from every dimension – physical, mental, emotional and spiritual, and in doing so, it will capture the essence of the best of Indian philosophy and culture for international and Indian visitors alike;

- India has come to have a series of unique lodging products that can become one of India's immediate Unique Selling Propositions (USPs). In this context, steps should be taken to establish a scheme for providing seed capital to entrepreneurs for the development of such unique accommodation products to be funded and administered at the State level, with adequate controls;
- India is a veritable *shopper's paradise* and the retail trade provides enormous forward and backward linkages throughout the economy. In this context, shopping should be recognized as an integral part of the tourism experience and a most valuable contributor to revenues. The development of dedicated shopping centres for traditional crafts, designed along the lines of ethnic village *haats* such as Dilli Haat and Shilpgram needs to be encouraged, the availability of information on where to procure specific crafts and produce reliable, unbiased shopping guides enhanced, funding support to reputed NGOs promoting the handicrafts sector



Pushkar Camel Fair, Rajasthan

should be provided, a directory of traditional crafts persons should be produced and promoted, touting should be controlled through regulation and legislation, and the "Made in India" brand should be promoted;

- India has unique events, fairs and festivals, some of which are well established, such as Pushkar, Desert Festival at Jaisalmer, Kumbh Mela, etc. In this context, this sector should be promoted as a unique product of India, the "Festivals of India" programme should be reintroduced in the top 12 future markets for India. Initially, there should be an annual event in UK and USA, followed by triennial events in each of the other markets;
- Business travel is also a form of tourism and typically occurs in urban environments and should be recognized accordingly. Urban quality along the lines specified for regional and site master plans, including tourism interests and requirements in the urban planning process should be improved, and New Delhi and Mumbai should be positioned as "World Cities" and the level of physical infrastructure, urban ambience, and public services developed befitting such a status; and
- A series of themed cultural attractions should be developed based on outstanding site planning

and design, a National Register of key cultural sites for tourism should be prepared and published, and Delhi should be positioned as the cultural capital of India, supported by an ongoing and vibrant calendar of cultural events.

The development of this recommended niche based special interest product mix will position India as a unique world-class destination.

3.4.1 CREATION OF WORLD-CLASS INFRASTRUCTURE

India's physical infrastructure is the very foundation on which tourism is to be built, and this ranges from ports of entry, to modes of transport to destinations, be they airways, roads, railways, or waterways, to urban infrastructure supporting tourism facilities such as access roads, power and electricity, water supply, sewage, and telecommunications amongst others. In this context, the strategic actions in relation to road, railways, waterways, and airport facilities are identified below:-

a. Development of Integrated Circuits

Ministry of Tourism's financing assistance to the states has not been able to create an impact in terms of creation of international standard tourism infrastructure. The emphasis, therefore, has to be on identifying travel circuits and converging all resources and expertise for development of these circuits as International Standard destinations.

b. Roads

The road network is particularly vital to tourism, for almost 70 per cent of passenger travel in India is by roads. Many tourist circuits too, are entirely dependent on roads. The current government plan for the road system in the country, covering both inter-state highways and improvements to rural roads directly supports tourism development. There is an urgent need to construct and improve highways linking the World Heritage Sites and places of tourism significance. Ministry of Road Transport and National Highways will collaborate with Ministry of Tourism in this effort.

c. Railways

The Indian Railway system can be an enormous asset in the development of the tourism and hospitality industry in the country. India has 7,000 railway stations and 11,000 trains. The railways have a special fascination for foreign tourists who wish to experience the country both at leisure and close personal contact with the indigenous people. The unqualified success of the "Palace-on-Wheels" substantiates the contention. For the vast majority of domestic tourists it is the railways, which is the main affordable means of travel linking the length and breadth of the vast and often enhancing sub-continent. Railway services are equipped not only to meet the travel needs of domestic and foreign tourists, but also have the infrastructure and land resource to contribute significantly to the growth of hotel accommodation in the country. The following measures are necessary:-

- Introduction of **Special Tourist Trains** with a preset itinerary and with private sector participation.

- **Tourist Trains** – Experienced private sector organizations need to be encouraged to introduce special tourist services between important destinations. In concept these special coaches may be privately owned by organizations who will design, build manage and market the product. To improve the financial viability and promote investment, accelerated depreciation should be allowed on such investments.
- **Railway Hotels** – The Indian Railways have a plan for establishing 100 hotels at railway stations serving specific tourist centres. The private sector should be incentivised to operate these hotels on long-term leases. These hotels could provide clean inexpensive accommodation for the budget tourists. The proposal to construct 100 hotels of 100 rooms in three years will add 10,000 rooms and help significantly to reduce the gap between supply and demand for hotel rooms.
- **Heritage Railway Buildings** – The Indian Railways owns a number of heritage structures. Effectively maintained and marketed, these would not only serve as railway stations but also as places of tourist attractions. Some of these structures are Mumbai CST and Churugate and Lucknow railway station.
- **Hill Railways** – India is the proud possessor of five hill railways, which can compare with the best hill railway system in the world. These railways (Darjeeling, Nilgiri, Matheran, Kangra and Shimla) are slated to be encrypted by UNESCO as world heritage. It is essential to tap the enormous tourist potential of these products by developing these special tourist trains.
- **Railway Heritage Tourism** – Special tourism trains like Royal Orient, Budh Parikrama, Palace-on-Wheels and Fairy Queen are extremely popular with tourists, as they are steam hauled tourist trains. Steam traction is still operative in India and for special tourist segment it should be continued in perpetuity, otherwise skills to operate this kind technology could die.
- **Other Trains** – More trains like Shatabdi and Rajdhani with a special tourism and hospitality focus should be planned both for the foreign and domestic tourists.

d. Waterways

India's 7,000 kms coastline remains untapped for the promotion of cruises. There is immense potential for this activity in the East, South and West of India. Apart from Ocean-going Cruise Lines (a circuit being contemplated by potential Indian operators in Mumbai – Goa – Lakshadweep – Kochi – Colombo – Maldives), the potential for river cruises in India needed to be developed for the North-Eastern States, (Brahmaputra and Ganges) and Kerala. India is blessed with a vast coastline as well as several navigable rivers that have extreme tourism significance. To capitalize on this, the strategic actions are to:-

- liberalise after due study the regime governing operation of passenger services



Snake-boat Race, Kerala

along India's coastline, as this can form both a means of transport as well as a tourist attraction; and

- harness the potential of India's mighty rivers, especially the Ganges and the Brahmaputra as a means of transport as well as unique tourism products.

3.5 STRATEGIES FOR EFFECTIVE MARKETING

The competition for travellers from the source markets, identified for India, is fierce, and to effectively compete in these markets, India will have to shift its current traditional marketing approach to one that is more aggressive and competitive. In this context, India will have to use an array of marketing tools and strategies to:-

- differentiate itself from the competing destinations, including developing a unique market position, image, and brand that cannot be held by a competitor;
- undertake an extensive qualitative and quantitative market research programme in the target source markets;
- identify and assemble a highly attractive product offering tailored to the interests of each source market, and develop and implement on-going cost-effective promotion programmes in each source market in partnership with the States and the private sector of the tourism industry in India and the source markets. Of special importance is the formulation and implementation of a village tourism programme that would be primarily targeted at the domestic urban market in India but which could also attract the international market;
- establish an effective and on-going market representation presence with the travel trade in each source market; and
- establish an Internet portal in various languages to service the information, product description, and product sales requirements of the target market segments in each source market, and to connect these directly with the preferred suppliers.

3.5.1 CREATING AN INDIA TOURISM BRAND POSITION

In the international market, India requires a positioning statement that captures the essence of its tourism product to convey an "image" of the product to a potential consumer and which will become the India "brand". A good example of this positioning approach is Thailand's "Amazing Thailand" brand, Malaysia's "Malaysia, Truly Asia" brand, The Philippine's "Festival Islands" brand, and Egypt's "The Land of the Pharos" brand. These more or less powerful positioning statements serve to effectively differentiate each of these destination countries from their competitors, and provide an effective umbrella under which the whole marketing effort may be organized and implemented on a partnership basis. The India's positioning statement and branding should focus on what makes India unique and unmatched in the tourism world. This is almost certainly related to its great competitive strength, i.e. its ancient Vedic civilization with a cultural heritage that continues to live in a largely unchanging and vibrant manner even today, especially in its rural areas. In the domestic market, where the focus of interest is rural or village tourism, a different positioning statement is

required. This has to be related to the concept of “returning to or rediscovering ones roots” in order to escape the complexities and pressures of India’s cities for the calm green of the rural countryside and the simplicity of the traditional village. The development of a powerful positioning image and brand position for India in its international and domestic markets require an adequate research by a professional agency, and industry “buy in” if it is to be successful. This research is being undertaken.

3.5.2 MARKET RESEARCH

An extensive programme of market research in India’s primary source markets is an essential first step to:-

- establish the present image of India as a destination in relation to its competitors;
- the ensemble of products likely to be of interest to the markets in each primary source country;
- issues such as pricing, concerns about security, health, safety, and quality, basic information on how to arrange a trip to India, including visa issuances, currency, and telecommunications, transportation services; and
- the influence of media, Internet portals, and the buying behaviour of the customer.

The results of this market research will help to guide the formulation and implementation of the overall marketing strategy, the formulation and implementation of product development and promotion strategies, and the indicators that should be used to measure the success of the strategies.

3.5.3 DIGITAL TECHNOLOGY FOR MARKETING

The Internet is having a greater impact on the marketing of travel and tourism than any technology since the invention of television. It has already established itself as a crucial channel via which tourism organizations can promote their destinations and products offered by their service providers. The implications of the Internet and other growing interactive multi-media platforms are far reaching. India Tourism would be utilising both the Internet and the other emerging interactive technologies and capitalising on these new channels. The benefits to be gained include cost-effective global distribution and new opportunities for closer and eventually self-financing partnerships between public entities and private operators.

3.5.4 SUMMARY

India’s tourism industry through the capacity of its tourism resource, facilities and services and as yet relatively untapped market potential has considerable scope for expansion and development. The Tourism Policy elucidated above aims at setting-up a framework that will allow the various stakeholders to fully develop the potential of tourism and to harness this to the national development priorities.

ANNEXURE – I-A

Travel and Tourism (T&T) - the world’s largest industry

(Table A)

Share of World	% of Total (2000)
GDP	11.0
Employment	8.0
Exports	7.9
Capital Investment	9.4

Source : Ministry of Tourism

International/National Tourist Arrivals

(Table B)

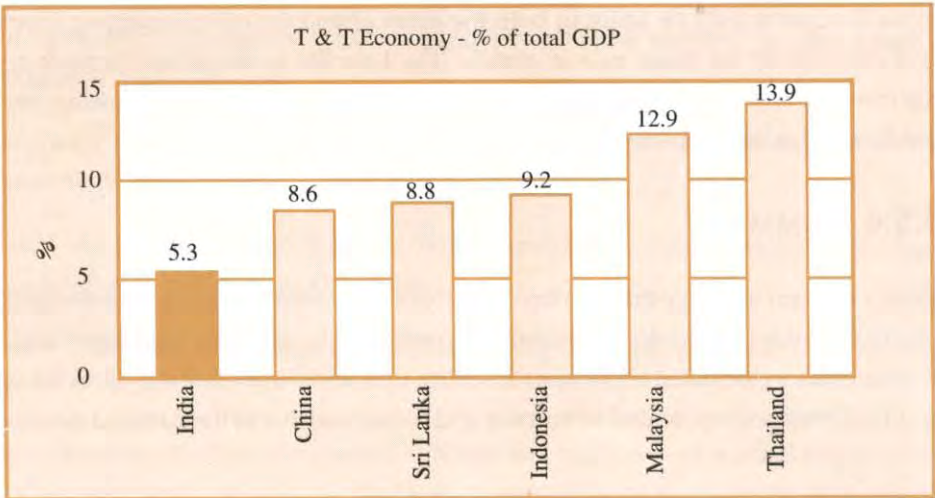
Year	Tourist Arrivals (India)	Tourist Arrivals (World) in Millions	Percentage Share of India
1995	21,23,683	565.4	0.38
1997	23,74,094	618.2	0.38
1999	24,81,928	650.0	0.38
2000	26,41,157	698.3	0.38

Source : Ministry of Tourism

ANNEXURE – I-B

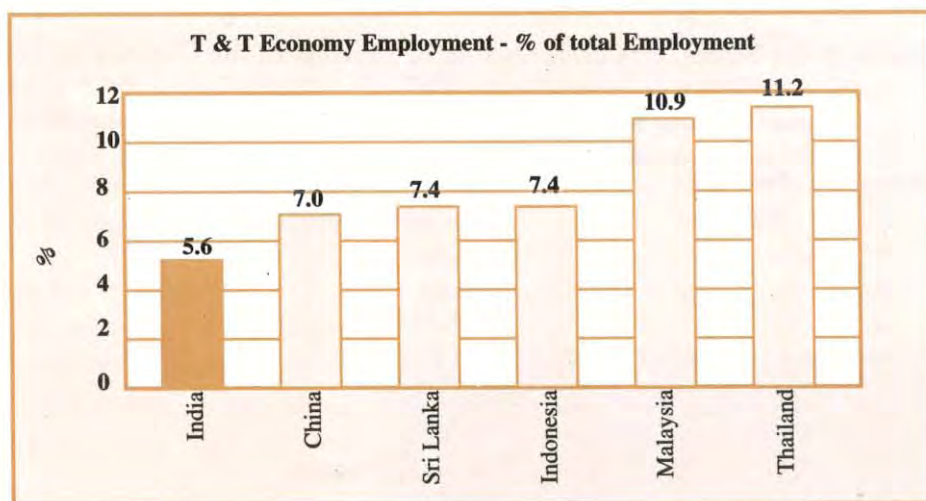
Tourism - A Tremendous Opportunity For India

(Table C)



Source : WTTC

(Table D)

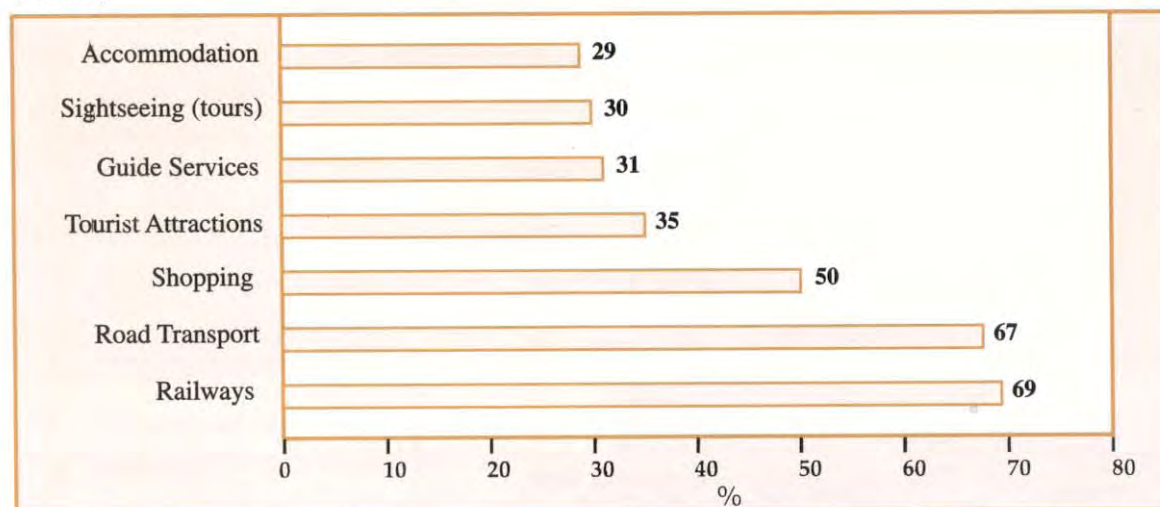


Source : WTTC

ANNEXURE – I-C

Percentage of Tourist Rating Facilities as 'Average' or 'Poor'

(Table E)



Source: International Passenger Survey, 1996-97, JPS Associates

ANNEXURE –I-D

Phenomenal Explosion of Domestic Tourism

(Table F)

Year	Domestic
1990	63 mln
1996	140 mln
1997	160 mln
1998	174 mln
1999	191 mln
2000	210 mln

Source: Ministry of Tourism

ANNEXURE-1-E

Status of the States/UTs on inclusion of Tourism in the Concurrent List

1. States/UTs who have supported the proposal in writing

S.No.	State/UT	Name of the State/UT
1.	States	Arunachal Pradesh
2.		Assam
3.		Bihar
4.		Chhattisgarh
5.		Delhi
6.		Goa
7.		Gujarat
8.		Himachal Pradesh
9.		Manipur
10.		Meghalaya
11.		Mizoram
12.		Nagaland
13.		Orissa
14.		Sikkim
15.		Tripura
16.		Uttar Pradesh
17.		Uttaranchal
18.		West Bengal
19.	Union Territories	Andaman & Nicobar
20.		Chandigarh
21.		Dadra & Nagar Haveli
22.		Daman & Diu
23.		Lakshadweep
24.		Pondicherry

2. States who have opposed the proposal in writing

S.No.	Name of the State
1.	Andhra Pradesh
2.	Madhya Pradesh
3.	Tamil Nadu
4.	Kerala
5.	Punjab
6.	Karnataka
7.	Jammu & Kashmir

3. States who have not sent their confirmation so far

S.No.	Name of the State
1.	Haryana
2.	Jharkhand
3.	Maharashtra
4.	Rajasthan

THE MODEL

HOTEL ROOMS REQUIRED FOR ADDITIONAL 1 MILLION TOURISTS		
	Note	
Bed Nights		
Additional tourists		10,00,000 Visitors
Average length of stay	1	10 Nights
Bed nights per annum		1,00,00,000 Bed Nights
Room Capacity		
Average annual occupancy		65%
Guests per room	2	1.4
Annual bed nights available per room		332
Additional Rooms Required		30,107
Average cost per room	3	Rs. 0.15 Crores
Investment Required		Rs. 4,516 Crores
EMPLOYMENT GENERATED BY THESE HOTEL ROOMS		
Director employment (2 persons per room)	4	60,214 Persons
Indirect employment (3 persons per room)	4	90,321 Persons
Total Employment Generated		1,50,534 Persons

1. The average length of stay has been assumed at 10 nights. There are no detailed studies that have been conducted in this regard, however based on our experience in this industry sector, average length of stay for Resort locations, like Goa are 12 nights per annum, for the Golden Triangle - 8 nights per annum and for the Southern circuits - 7 nights per annum. Government statistics put the average length of stay at 21 days. However, with the pre-ponderance of business visitors and visitors from neighbouring countries who do not form part of the target market an average length of stay of 10 nights has been assumed.
2. The number of guests per room at resort locations, is, as expected, as high as 1.9 persons per room, however for city locations and business visitors, the average is in the region of 1.1 per room. Erring on the side of caution we have made an assumption of 1.4 guests per room.
3. The average cost per room has been assumed at Rs.15 lakhs. This takes into account land, construction, fit out and pre-opening expenses. Actual averages range from Rs.70 lakhs for a 5 Star deluxe property in Mumbai, to as little as Rs.12 lakhs per room for smaller budget hotels in secondary locations. Since budget hotels are now a primary focus, an average of Rs.15 lakhs per room is considered appropriate.
4. In this model we have assumed that direct employment will be provided in the ratio of 2 persons per room and indirect employment to the tourism industry will be further 3 persons per room. The direct employment ratio is in line with present industry norms within the country. However, based on studies carried out in the past, estimates of indirect employment by the tourism industry range from 3 to 5 persons per room.

AIRCRAFT REQUIRED FOR ADDITIONAL 1 MILLION TOURISTS		
Note		
Visitors Spending		
Number of additional visitors		1,000.00
Annual round trips per aircraft		
Average distance from markets		8,000 km
Average round trip time		17 Hours
Annual aircraft utilization		4,500 Hours
Annual round trips per aircraft		265 Round
Aircraft Carrying Capacity		
Seats per aircraft	5	400 Seats
Average load factor	6	65% Load
Passengers per aircraft		260 Pax
Proportion of Foreign Visitors	7	50% Proportion
Aircraft Required		29.06 Say 29 Aircraft
Investment per aircraft	5	Rs. 752.5 Crores
Total investment or lease capital value		Rs. 21,823 Crores
Assuming Air India retains just under 50% of Capacity		Rs. 10,535 Crores 14747's
EMPLOYMENT GENERATED BY THESE AIRCRAFT		
Air India average per aircraft		720 Persons
World average per aircraft (including outsourcing)		250 Persons
Average assumed for the purpose of this model		450 Persons
Total Employment Generated		6,300 Persons

- 5. We have assumed acquisition by lease or purchase of 747 aircraft with an average seat capacity of approx. 400 passengers. Such aircraft are presently said to be valued in the region of US\$ 150 million (Rs.751 Crores).
- 6. Average load factors for popular traffic routes range from 75% to 95%, however with a substantial airline capacity, as assumed by this model, it is reasonable to assume that load factors will drop averages which are in the region of 65%.
- 7. At present, based on total international traffic handled at all Indian airports, the ratio of foreign visitors with 63% of arrivals and departures being made up of Indian passengers. With this, increase in capacity been assumed that this ratio will alter to 50% foreign visitors and 50% Indian travellers for the in capacity. If the present ratio were to be retained, the model would lean even more favorably towards the cost of airlines expansion.

EARNINGS FROM TOURISM & AVIATION FROM ADDITIONAL 1 MILLION VISITORS

	Note	
Visitors Spending		
Number of additional visitors		1,000.00
Visitors		
Spend per visit (Presently \$ 1,300)	8	US\$ 1,100
Import leakage	9	10% Proportion
FX earnings		US\$990 Millions
FX Earnings		Rs. 4,356 Crores
Air India Revenue		
Number of additional visitors	3	5,00,000 Visitors
Average km per pax		16,000 Km per pax
Average rate per km	10	US\$ 0.10
Import leakage	9	45% Proportion
FX earnings		US\$ 440 Millions
FX Earnings		Rs. 1,936 Crores
Ratio of Tourism FX Revenue Vs. Airline FX Revenue		2.25
Summarised Costs & Benefits	Tourism Industry	Air India
Capital expenditure	4,516	Rs. 10,535 Crores
FX revenue net of imports per annum	4,356	Rs. 1,936 Crores
Ratio of annual net FX revenue to capital	0.96	0.18 Ratio
Employment	1,50,534	6,300 Persons

8. The present expenditure per visitor is in the region of US\$ 1,300 per visit. Here again assuming higher volumes, lower expenditures per visit of \$ 1,100 have been assumed.
9. **Import Leakage** - In measuring the benefit to the economy, it is necessary to deduct the cost of imports. Based on studies conducted worldwide and taking into account that India is a large relatively developed country and not an island economy like the Maldives, Mauritius or Seychelles, it is estimated that no more than 10% of visitors spending is in relation to imported items. In the case of airlines the proportion of import leakage is considerably higher by way of loan repayments, purchase of spare parts and foreign exchange expenditure that needs to be incurred. Estimates range from 40% to 50% on a worldwide basis we have assumed an import leakage factor of 45%.
10. The average rate per passenger kilometer has been assumed at \$ 0.10 per passenger kilometer. The fares between Mumbai and some of the major source markets have been compiled and this average comes to 11.28 per passenger kilometer for the lowest excursion fares. The average including business and first class fares (even though smaller volumes) would be higher. However, the passenger kilometer rates compiled which would lower the average considerably. The international norm of 10 per passenger kilometer is therefore appropriate.



" If we were to look over the whole world to find out the country most richly endowed with all the wealth, power and beauty which nature can bestow – in some parts a veritable paradise on Earth – I should point to India.

If I were asked under what sky the human mind has most fully developed some of its choicest gifts – I should point to India."

– Max Muller



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Appendix 2.1: Revised new Tourism Policy w.e.f. 1.6.97

1.1 Reclassification of the tourist places of Karnataka under category A, B, C, D & E

1.1.1 Classification of places

1.A Category A

Corporation limits of Mangalore, Belgaum and Hubli-Dharwad excluding Bangalore rural and urban districts and Mysore Corporation areas.

1.B Category B

All other places in Karnataka excluding those listed out in category A, C, D & E. It would not cover areas excluded in category 'A'.

1.C Category C

Identified places of tourist interest

Sl. No.	District	Taluk	Place
1.	Bellary	Bellary	Bellary
		Sandur	Thorangal, Ramghad
2.	Belgaum	Bailahongal	Sri Sogala Kshetra, Kittur Degavi
		Soundatti	Deagan or Dam Soundatti, Malaprabha
		Gokak	Gokak falls, Doopdal
		Khanapur	Halasi
		Belgaum	Rajahansaghad, Ramthirtha Belgaum
		Ramadurga	Shabari Valley
		Hukkery	Ghataprabha
		Athani	Ramthirtha, Khalegao, Kokkatnur
3.	Bidar	Humnabad	Humnabad, Jalasanghi
		Bhalki	Karanja Project
4.	Bijapur	Basavana Bagewadi	Basavana Bagewadi, Almatti
5.	Chitradurga	Hosadurga	Hal Rameswara
		Challakere	Nayakanahatti, Doddagudda
		Hiriyur	Vanivilas Sagar, Marikanive
		Harihara	Harihara

Sl. No.	District	Taluk	Place
6.	Chikmagalur	Molakalmur	Rampura, Jothinga Rameswara, Brahmagiri (Ashokan inscriptions are there)
		Holalkere	Holalkere – Ganesh temple
		Chikmagalur	Mullayyanagiri, Bababudangiri, Hiremagalur, Muthodi Game Sanctuary, Belvadi
		Tarikere	Kemmannugundi, Amruthapura, Bhadra Project
		Mudigere	Kalasa, Horanadu, Kudremukh, Angadi, Ballarayanadurga
		Sringeri	Sringeri, Kigga
		Kadur	Ayyanakere
		Koppa	Hirekodgi
7.	Dakshina Kannada	Karkala	Karkala, Moodabidri, Varanga
		Udupi	Udupi, Malpe, St. Mary's Island, Kaup, Manipal
		Coondapur	Coondapur, Maravanthe, Kollur, Baindur, Arasin Gundi Falls
		Mangalore	Surathkal, Panambur, Ullal, Someswara, Kateel, Pilikula, Nisarga Dhama
		Belthangadi	Dharmasthala, Venoor, Jamalabad, Sisila
		Sulya	Subramanya
		Puttur	Bendretheertha, Shiradi, Uppinangadi
		Bantwal	Amtoor
8.	Dharwad	Gadag	Gadag, Lakkundi
		Shiggaon	Shiggaon, Bada
		Hangal	Hangal
		Mundragi	Singatalur
		Hirekerur	Abalur
		Byadagi	Kaginelli
9.	Gulbarga	Gulbarga	Gulbarga
		Aland	Aland
		Afzalpur	Ganagapur
		Shorapur	Shorapur, Kembhavi, Malgatti
		Sedam	Sedam, Malkhed
		Chincholi	Chincholi, Chandrampalli
		Jevargi	Jevargi
		Chittapur	Kalgi, Sonathi
		Shahpur	Shahpur
		Arasikere	Harnahalli
10.	Hassan	Sakaleshpur	Maragund
		Holenarasipura	Sri Ramdevara Dam, Hardanahalli
		Gowribidanur	Vidhuraswatha, Minakanagurki
11.	Kolar	Chikkaballapur	Nandi Hills, Muddenahally

Sl. No.	District	Taluk	Place
12.	Mysore	Malur	Bangara Thirupathy
		Chintamani	Kaivara, Kurudumale
		Mulbagal	Mulbagal
		Bangarapet	Kammasandra, Bethamangala, K.G.F.
		Bagepally	Bagepally
		Nanjangud	Nanjangud
		H.D. Kote	Kharapura
		Chamarajanagar	Chikhole project
13.	Mandya	Hunsur	Gommatagiri
		Mandya	Ganadalu, Hosabudanur, Basaralu
		K.R. Pet	Hosaholalu, Kikkeri
		Pandavapura	Melkote
		Maddur	Kokkare Bellur
		Malavalli	Shivanasamudra
14.	Raichur	Raichur	Raichur, Naradagudda, Mallabad
		Manvi	Manvi, Kallur
		Gangavathi	Kanakagiri
		Koppal	Koppal
		Lingasugur	Hatti, Mudagal, Jaladurga, Maski
		Yelburga	Itagi, Kuknur
		Devadurga	Gabbur
15.	Shimoga	Shimoga	Gajanur, Kudli, Tyavarekoppa (Forest Reserve area is also there)
		Thirthahally	Thirthally, Kavaledurga, Ambutheertha, Agumbe, Manda Gadde Bird Sanctuary, Kundadri, Maricha Mrugavade Kuppalli
		Hosanagara	Nagara, Humcha, Kodachadri
		Bhadravathi	Bhadravathi (Forest ranges)
		Shikaripura	Thogarsi, Balligavi, Uduthadi
		Channagiri	Shanthisagara, Channagiri, Santebennur
		Soraba	Soraba, Chandragutti
		Honnali	Thirtharameswara
		Tumkur	Siddaganga, Kaidal, Devarayana Durga
		Koratagere	Koratagere, Siddarabetta, Theeta Jalasaya
16.	Tumkur	Sira	Sira
		Kunigal	Yediyur, Markonahally
		Pavagada	Pavagada
		Madhugiri	Madhugiri
		Tiptur	Aralaguppa
		Gubbi	Gubbi
		Turuvekere	Turuvekere
		Chikkanayakanahally	Theertha Ramalingeswara Swamy Vajra, Handanakere
		Karwar	Karwar, Kurmagod, Anjadev Island, Devgad, Devabag
		Supa	Ulavi, Ramanagar, Castle Rock

Sl. No.	District	Taluk	Place
		Yellapur	Yellapur, Magod Falls, Lalguli Falls
		Haliyal	Haliyal, Dandeli
		Siddapura	Siddapura, Unchalli Falls
		Sirsi	Sirsi, Sonda, Banavasi
		Kumta	Gokarna, Yana, Dharieswara, Kootle, Om Beaches
		Ankola	Ankola, Doodsagar Falls
		Bhatkal	Bhatkal, Murudeswara
		Honnavar	Basavaraj Durga, Idugunji
18.	Tourist projects for development of wayside facilities on approved locations on the National and State Highways shall also be eligible for incentives under the category.		

1.D Category D

For Karnataka it is a matter of pride to have two world heritage centers. It is necessary to give special status to these.

Sr. No.	World Heritage Centres	Area
i.	Hampi	Hospet taluk and Anegundi Gram Panchayat Area
ii.	Pattadakal	Badami taluk and Aihole Gram Pachayat

1.E Category E

Special Tourism Areas

Sl. No.	District	Area
1.	Bijapur	Bijapur taluk, Hungund taluk
2.	Bidar	Bidar taluk, Basavakalyan taluk
3.	Chitradurga	Chitradurga taluk
4.	Hassan	Hassan taluk, Belur taluk, Channarayapatna taluk, Arakalgud taluk
5.	Kodagu	Madikeri taluk, Somawarpet taluk, Virajpet taluk
6.	Mandya	Srirangapatna taluk
7.	Mysore	Mysore taluk except Mysore Corporation Limits, Gundlupet taluk, T. Narasipur taluk, Kollegal taluk, Yelandur taluk
8.	North Kanara	One km. width of entire coast line from the hightide line
9.	Shimoga	Sagar taluk
10.	South Kanara	One km. width of entire coast line from the hightide line except the area covered by Mangalore City Corporation limits

Appendix 2.2: Investment Subsidy

Category A:	10% of the fixed assets subject to a maximum of Rs. 10.00 lakhs
Category B:	15% of the value of fixed assets subject to a maximum of Rs. 15.00 lakhs
Category C:	25% of the value of fixed assets subject to a maximum of Rs. 25.00 lakhs
Category D:	35% of the value of fixed assets subject to a maximum of Rs. 35.00 lakhs
Category E:	30% of the value of fixed assets subject to a maximum of Rs. 30.00 lakhs

Appendix 2.3: Exemption from Sales Tax

New tourism units shall be exempted from Sales Tax wherever applicable, in the following manner:

Category of location	Exemption limit	Period of Exemption
A	Nil	Nil
B	100%	3 years from the date of commencement of tourism services
C	100%	7 years from the date of commencement of tourism services
D	100%	7 years from the date of commencement of tourism services
E	100%	7 years from the date of commencement of tourism services

Note:

- It shall be applicable only on eatables served in the Hotel and Restaurant attached to the Hotel or project
- In case of C, D and E, total exemption should not exceed 50% of original investment made in fixed assets like land and building of project as on day of completion and commencement of the project

Appendix 2.4: Exemption from Luxury Tax

All new hotels in the State shall be entitled to exemption from Luxury Tax in the manner detailed below:

Category of location	Exemption limit	Period of Exemption
A	Nil	Nil
B	100%	3 years from the date of commencement of tourism services
C	100%	7 years from the date of commencement of tourism services
D	100%	7 years from the date of commencement of tourism services
E	100%	7 years from the date of commencement of tourism services

Note:

Exemption given under this also shall be calculated for working out ceiling of 50% as envisaged under Note 'B' under clause 2 exemption from Sales Tax.

Appendix 2.5: Exemption from Stamp Duty and Concession in Registration Charges

All tourism related undertakings in category B, C, D and E areas shall be eligible for exemption of Stamp Duty and for the concessional registration charge of one rupee per thousand rupees for loan and credit documents to be executed for availing financial assistance from State Government or recognized financial institutions and for also lease / sale deeds executed for land taken on lease – cum – sale basis from any Government Agency.

Appendix 2.6: Waiver of Fee for Converting Agricultural land into Industrial/Commercial Lands

Payment of fee for converting land from agricultural use to industrial / commercial use shall be waived for all tourism units barring 5 & 4 Star hotels in category B location and for all tourism units without exception in category C, D and E locations. Entrepreneurs of any tourism project in any location will have full access to the services of the Karnataka Industrial Areas Development Board in the matter of acquisition of land and to the lands already acquired by the Board for locating their projects.

Appendix 2.7: Additional Concessions to Special Categories of Entrepreneurs

7.1 An additional subsidy of 5% of the value of fixed assets subject to a ceiling of Rupees One lakh shall be extended to entrepreneurs in the categories specified below:

- (a) Minority Communities as specified by the State Minorities Commission
- (b) Women
- (c) Physically handicapped and
- (d) Ex-Servicemen

This additional subsidy will be applicable to all tourism units other than 5,4 and 3 Star hotels in category B, C, D and E locations and will be over and above the normal investment subsidy as specified policy. Entrepreneurs who are covered under more than one special category as defined in this paragraph shall, however, be eligible for additional investment subsidy under one special category only.

7.2 Benefits to SC / ST Entrepreneurs

An additional subsidy of 10% of investment subject to a maximum ceiling limit of Rs. 2.00 lakhs would be given and would be applicable in all categories of hotels in all locations.

For SC/ST Entrepreneur acquiring the land for this purpose 20% of registered value of the land upto a maximum of Rs, 2.00 lakhs over and above the investment subsidy will be given. This will be in addition to the normal subsidy and would be given along with investment subsidy. Only for land purchases for project, it is not applicable. If the land is of their own, then also it is not applicable.

Appendix 2.8: Tourism Units / Infrastructure Facilities

8.1 Choultries

Investment subsidy of 20% of the value of the fixed assets subject to a maximum of Rs. 10 lakhs for Choultries constructed by Muzarai Institution or any trust of the pilgrim center could be given.

8.2 Dormitory Accommodation:

Investment subsidy of 20% of the value of the fixed assets subject to a maximum of Rs. 10 lakhs would be given. Dormitory type of accommodation is restricted to category C, D and E areas only. The minimum bed capacity is for 20 persons for each category of male and female with floor area of 500 sq.ft.

8.3 Investment subsidy of 20% would also be available for House Boats subject to a maximum ceiling of Rs. 20.00 lakhs.

Appendix 2.9: Awards:

The awards would be given to the private persons for the best photographs, documentaries and publicity materials brought out by them on tourist places of Karnataka by constituting a committee comprising of Director of Tourism, Director of Information and Publicity, the Managing Director, Karnataka Film Industries Development Corporation and Director, Tourist Office, Government of India.

- (a) Best Photographs: Awards subject to a maximum limit of Rs. 5,000.00 per competition.
- (b) Award for publicity materials on purely tourism related aspects at 10% of the cost upto a limit of Rs. 5,000.00
- (c) Award for best documentaries specially on tourism related aspects which are telecast on D.D. and T.V. networks of repute. 40% of the sponsorship cost may be given by the Department.
- (d) Best Hotels and Travel Agents Awards: Committee comprising of Director of Tourism, Hotel Association representatives, Travel Agents and their representatives, Director, Government of India, Department of Tourism to be constituted, and suitable guidelines to be framed for this purpose.

Appendix 2.10: Name and addresses of some of the well known institutes in Karnataka

1. Acharya Institute of Hotel Management & Catering Technology, Bangalore, (Karnataka), Acharya Institute of Hotel Management & Catering Technology, Ist stage, Peenya Industrial Area, Bangalore, Approved by AICTE
2. Administrative Management College, Bangalore, (Karnataka), Administrative Management College, 30th Cross Road, 4th Block, Jaya Nagar, Bangalore 560011, Approved by AICTE Ph: 6638991-92
3. Al-Ameen Institute of Management Studies, Bangalore, (Karnataka), Al-Ameen Institute of Management Studies, Hosur Road, Opp. Lalbagh Main Gate, Bangalore 560027, Ph: 2279235, 2235626, Fax 2278464, E-mail : directorecampus@usa.net Website: <http://www.al-ameen.com> Affiliated to Bangalore University & recognised by AICTE
4. Army Institute of Hotel Management and Catering Technology, Bangalore, (Karnataka), Army Institute of Hotel Management and Catering Technology, C/o ASC Centre (South), PO Agram, Bangalore 560007,
5. College of Hotel Management, Mangalore, (Karnataka), College of Hotel Management, A B Shetty Circle, Mangalore 575001, Ph: 0824- 421953, 427897 Fax: 0824- 427897 Affiliated to Mangalore University
6. College of Hotel Management, Mangalore, (Karnataka), College of Hotel Management, A.B Shetty Circle, Mangalore 575001, Ph: 0824-421953, 427897 Fax: 0824-427897 Affiliated to Mangalore University
7. Indian Institute of HMCT, Bangalore, (Karnataka), Indian Institute of HMCT, ASC Centre, Bangalore 560007
8. Institute of Hotel Management, Catering Technology and Applied Nutrition, Bangalore, (Karnataka), Institute of Hotel Management, Catering Technology and Applied Nutrition, S.J Polytechnic Campus, Seshadri Road, Bangalore 560001.
9. Kadandale Krishna Rao Memorial (Woodlands) College of Hotel Management, Bangalore, (Karnataka), Kadandale Krishna Rao Memorial (Woodlands) College of Hotel Management, Wood lands Hotel Complex, 5, Raja Ram Mohan Roy Road, Bangalore 560025, PH: 080-2225111, Fax: 080-2236963 Email: KKRMColege@Excit.com Affiliated to Bangalore University.
10. M.S Ramaiah College of Hotel Management, Bangalore, (Karnataka), M.S Ramaiah College of Hotel Management, M.S Ramaiah Nagar, M.S. R.I.T. Post, Bangalore 560054, Ph: 3442829, Fax: 080- 3461815 Affiliated to Bangalore University
11. [Maurya Institute of Hotel Management, Bangalore](#), (Karnataka), Maurya Institute of Hotel Management, No. 9, Wheeler Road, Frazer Town, Bangalore 560005, Ph: 5543827, 2254111 Affiliated to Bangalore University
12. [Moti Mahal College of Hotel Management, Mangalore](#), (Karnataka), Moti Mahal College of Hotel Management, A.J Towers, Balmatta, Mangalore 575002, Ph: 0824- 436208, 429073 Fax: 0824- 439969, 441011 Telex: 0832- 314 MOTI IN Affiliated to Mangalore University
13. [N.R.I Institutes, Bangalore](#), (Karnataka), N.R.I Institutes, No.6, Papareddyalya, Nagarbhavi, IInd Stage, Bangalore 560072, Ph: 3355023, 3304591 Affiliated to Bangalore University and Approved by AICTE
14. [Presidency College of Hotel Management, Bangalore](#), (Karnataka), Presidency College of Hotel Management, No. 28, 7th Cross, KrishnaReddy Colony, Domlur, Bangalore 560071, Ph: 91-80- 5308576/77, Fax: 5308578 Email: presidencycollege@hotmail.com

15. [R.N. Shetty College of Hotel Management & Catering Technology, Hubli](#), (Karnataka), R.N. Shetty College of Hotel Management & Catering Technology, No.4, Kaviraja marg, Bailappanavar Nagar, Hubli 580029, Approved by AICTE & Affiliated to Karnataka University
16. [Saptagiri College of Hotel Management, Mangalore](#), (Karnataka), Saptagiri College of Hotel Management, Kavoor, Mangalore 575015, Ph: 0824- 481672 Fax: 0824- 481686 Email: somayaji@saptagiri.com, Website: www.saptagiri.com Affiliated to Mangalore University.
17. [Sarosh Institute of Administration, Mangalore](#), (Karnataka), Sarosh Institute of Administration, Pentagon Complex, Kankanady P.O, Mangalore 575002, Ph: 435140 Fax: 0824- 436700 Email: sihainst@blr.vsnl.net.in Website: www//nittetrust/saroshindex.html Affiliated to Mangalore University and recognised by AICTE New Delhi.
18. [Shree Devi College of Hotel Management, Mangalore](#), (Karnataka), Shree Devi College of Hotel Management, (Shree Devi Education Trust), Punjab Building, Lal Bagh, Maina Towers, Ballalbagh Mangalore 575003, Ph: 0824 - 457937, 456501 Website : www.shreedevicollege.com Affiliated to Mangalore University.
19. [Srinivas College of Hotel Management, Mangalore](#), (Karnataka), Srinivas College of Hotel Management, Srinivas Building, G.H.S Road, Mangalore 575001, Ph: 0824-425966, 421566 Fax: 0824-423302 Email: a.s.rao@bgl.vsnl.net.in Affiliated to Mangalore University and AICTE, New Delhi.
20. [St. John's College of Hotel Management, Bangalore](#), (Karnataka), St. John's College of Hotel Management, Second Main Road, Vijayanagar Second Stage, Bangalore 560040, Ph: 3300958, 3300668 Affiliated to Bangalore University.
21. [T. John College, Bangalore](#), (Karnataka), T. John College, SG-4, Manipal centre, Dickenson Road, Bangalore 560042, Ph: 080- 5597817 Affiliated to T. John Institute of Hotel Management.
22. [The Oxford College of Hotel Management , Bangalore](#), (Karnataka), The Oxford College of Hotel Management , 1 Phase, J.P Nagar, Bangalore 560078, Ph: 6630855.
23. [Vidya Vikas Institute of Hotel Management & Catering Technology, Mysore](#), (Karnataka), Vidya Vikas Institute of Hotel Management & Catering Technology, 345, Mansara Road, Indira Nagar, Mysore 570010, Ph : 0821 - 449479 Fax: 0824- 473586 Affiliated to Mysore University and recognised by AICTE, New Delhi.
24. [Welcomegroup Graduate School of Hotel Administration, Manipal](#), (Karnataka), Welcomegroup Graduate School of Hotel Administration, Valley View, Manipal 576119, Ph: 08252- 71101 (10 lines) Fax: 08252- 71327, Telex: 833-209.

Appendix 2.11: State Tourist Arrivals – Domestic

1999			2000		
Sl. No.	State / UT	Arrivals	Sl. No.	State / UT	Arrivals
1	U.P	45723700	1	U.P	50296070
2	A.P	42316882	2	A.P	48038204
3	Tamil Nadu	21079141	3	Tamil Nadu	22981882
4	Karnataka	15902666	4	Karnataka	18000000
5	Gujarat	11533087	5	Gujarat	11408281
6	Bihar	8932921	6	Bihar	9826213
7	Maharashtra	7542871	7	Maharashtra	8297158
8	Rajasthan	6675528	8	Rajasthan	7374391
9	J&K	4984773	9	J&K	5393463
10	Kerala	4888287	10	Kerala	5013221
11	West Bengal	4699187	11	West Bengal	4737112
12	Himachal	4352863	12	M.P	4684995
13	M.P	4259086	13	Himachal	4571129
14	Orissa	2691841	14	Orissa	2888383
15	Delhi	1571726	15	Delhi	1728899
16	Goa	960114	16	Goa	976804
17	Dadra & Nagar Haveli	445464	17	Assam	891433
18	Chandigarh	436350	18	Dadra & Nagar Haveli	490010
19	Pondicherry	346178	19	Chandigarh	486355
20	Tripura	246507	20	Pondicherry	482189
21	Haryana	243052	21	Punjab	385682
22	Punjab	232424	22	Tripura	271158
23	Meghalaya	159730	23	Haryana	260442
24	Sikkim	138785	24	Meghalaya	169929
25	Manipur	97523	25	Sikkim	143093
26	Andaman	77448	26	Manipur	105167
27	Daman & Diu	67429	27	Andaman	85193
28	Mizoram	27139	28	Daman & Diu	74172
29	Nagaland	21041	29	Mizoram	28221
30	Assam	14336	30	Nagaland	13272
31	Lakshadweep	1927	31	Arunachal	9932
32	Arunachal	1008	32	Lakshadweep	1087

State Tourist Arrivals – Foreigners

1999			2000		
Sl. No.	State / UT	Arrivals	Sl. No.	State / UT	Arrivals
1	Delhi	1225170	1	Delhi	1274177
2	Maharashtra	1033816	2	Maharashtra	1075169
3	U.P	822150	3	U.P	855036
4	Tamil Nadu	722442	4	Tamil Nadu	786165
5	Rajasthan	562685	5	Rajasthan	623100
6	Goa	284298	6	Goa	291709
7	Karnataka	229720	7	Kerala	209933
8	Kerala	202173	8	Karnataka	208000
9	West Bengal	198711	9	West Bengal	197061
10	M.P	118391	10	M.P	123127
11	Himachal	91445	11	Himachal	111191
12	A.P	86310	12	Bihar	79445
13	Bihar	76389	13	A.P	78713
14	Gujarat	56337	14	Gujarat	31748
15	J&K	26799	15	Pondicherry	23878
16	Orissa	25758	16	Orissa	23723
17	Pondicherry	22700	17	J&K	19400
18	Chandigarh	11478	18	Chandigarh	14612
19	Sikkim	8554	19	Sikkim	10409
20	Daman & Diu	8010	20	Daman & Diu	8330
21	Punjab	6387	21	Andaman	6276
22	Andaman	6035	22	Assam	5954
23	Meghalaya	1971	23	Punjab	3854
24	Haryana	1608	24	Meghalaya	2327
25	Lakshadweep	924	25	Arunachal	2044
26	Assam	604	26	Haryana	1113
27	Tripura	335	27	Lakshadweep	597
28	Manipur	277	28	Nagaland	451
29	Dadra & Nagar Haveli	245	29	Manipur	429
30	Mizoram	216	30	Tripura	348
31	Nagaland	119	31	Dadra & Nagar Haveli	255
32	Arunachal	48	32	Mizoram	235

Appendix 2.12: Tourist Arrivals (Fig in Lakhs)

Places	93-94	93-94	94-95	94-95	95-96	95-96	98-99	98-99
	Domestic 93	Foreigners 93	Domestic 94	Foreigners 94	Domestic 95	Foreigners 95	Domestic 98	Foreigners 99
Mysore	21.61	0.09	21.48	0.14	22.52	0.15	23.99	0.16
Mangalore	2.68	0.02	2.73	0.01	2.89	0.02	3.22	0.02
Belur	12.61	0.04	14.98	0.10	15.87	0.10	19.76	0.11
Halebid	6.00	0.07	6.67	0.20	6.71	0.21	6.04	0.18
Shravanabelagola	2.78	0.13	1.90	0.13	1.91	0.12	2.12	0.12
Bijapur	3.79	0.01	3.40	0.08	3.47	0.09	2.51	0.07
Badami	0.11	0.01	0.13	0.02	0.15	0.02	0.13	0.02
Aihole	1.30	0.05	0.99	0.06	0.91	0.06	0.92	0.04
Pattadakal	0.19	0.03	0.25	0.04	0.25	0.06	0.26	0.06
Jog Falls	0.49	0.04	4.12	0.02	6.01	0.01	6.21	0.01
Nandi Hills	2.69	0.01	2.77	0.01	2.81	0.02	2.49	0.01
Chitradurga	0.82	0.00	0.84	0.00	0.95	0.00	0.88	0.00
Raichur	0.67	0.00	0.71	0.00	0.76	0.00	0.79	0.00
Hampi	1.42	0.01	1.52	0.02	1.81	0.03	1.76	0.02
Hospet	0.63	0.04	0.74	0.05	0.90	0.03	0.75	0.02

Appendix 2.13: The list of National Parks and Sanctuaries are as follows:

National Park

1. Bandipur National Park
2. Bannerghatta National Park
3. Nagarhole National Park
4. Anshi National Park
5. Kudremukh National Park

Sanctuaries

1. Adichunchanagiri Peacock Sanctuary
2. Arbitittu Wildlife Sanctuary
3. Bhadra Wildlife Sanctuary
4. B.R.T. Wildlife Sanctuary
5. Brahmagiri Wildlife Sanctuary
6. Mookambika Wildlife Sanctuary
7. Nugu Wildlife Sanctuary
8. Sharavathi Wildlife Sanctuary
9. Someshwara Wildlife Sanctuary
10. Shettihalli Wildlife Sanctuary
11. Ranebennur Black Buck Sanctuary
12. Pushpagiri Wildlife Sanctuary
13. Cauvery Wildlife Sanctuary
14. Talakaveri Wildlife Sanctuary
15. Melkote Wildlife Sanctuary
16. Ghataprabha Bird Sanctuary
17. Dandeli Wildlife Sanctuary
18. Ranganathittu Bird Sanctuary
19. Gudavi Bird Sanctuary
20. Attiveri Bird Sanctuary
21. Daroji Bear Sanctuary
22. Kokkare Bellur Bird Centre

Other places of wildlife interest

1. Bheemeshwari Fishing Camp
2. Kabini River Lodge, Kharapur
3. Tyavarakoppa (Shimoga) Lion Safari

Appendix 2.14: List of KSTDC Hotels/Lodges

KSTDC / DOT Properties Karnataka

	Hotels	
Sr. No	Name	Place
1	Hotel Mayura Adil Shashi	Bijapur
2	Hotel Mayura Meghadootha	Tumkur District
3	Hotel Mayura Bahamani	Gulbarga
4	Hotel Mayura Bhuvaneshwari	Belleary District
5	Hotel Mayura Cauvery	Mandya District
6	Hotel Mayura Valley View	Madekeri
7	Hotel Mayura Apoorva	Kolar District
8	Hotel Mayura Pine Top	Kolar Distict
9	Hotel Mayura Vijayanagar	Bellary District
10	Hotel Mayura Pavithra	Yediyur
11	Hotel Mayura Sudarshan	Fern Hill Ooty
12	Hotel Mayura Sapthagiri	Tirumala, Andhrapradesh
13	Hotel Mayura Yatri Niwas	J.L.B. Road, Mysore
14	Hotel Mayura Reiver-View	Mandya Distrcet
15	Hotel Mayura Hoysala	J.L.B. Road Mysore
16	Hotel Mayura Velapuri	Belur
17	Hotel Mayura Shantala	Halebid
18	Hotel Mayura Baridshahi	Udgir Road Bidar
19	Hotel Mayura Gerusoppa	Shimoga District
20	Hotel Mayura Chalukya	Badami
21	Hotel Mayura Malaprabha	Belgaum
22	Hotel Mayura Samudra	Uttara Kannada District
23	Hotel Mayura Netravathi	Mangalore
24	Hotel Mayra	Bangalore
25	Mayura Lodge	Shimoga District
26	Hotel Mayura	Bellary

Jungle Lodges and Resorts

Sr. no.	Name	Place
1	Jungle Lodges & Resorts LTD	M.G.Road Bangalore
2	Kabini River Lodge	Karapur
3	K.Gudi Camp	B.R. Hills
4	Devbagh Beach Resort	Devbagh
5	Kali River Camp	Dandeli
6	Cavery Fishing Camp	Bheemeshwari and Doddamakali

Appendix 2.12: Tourist Arrivals in major desinations & the Projection

	93-94	93-94	94-95	94-95	95-96	95-96	98-99	98-99	Projection (Domestic+Foreigner)			
Places	Domestic93	Foreigners93	Domestic94	Foreigners94	Domestic95	Foreigners95	Domestic	Foreigners99	2002-03	2003-04	2004-05	2005-06
Mysore	21.61	0.09	21.48	0.14	22.52	0.15	23.99	0.16	26.56	29.21	32.13	35.35
Mangalore	2.68	0.02	2.73	0.01	2.89	0.01	3.22	0.02	3.57	3.92	4.31	4.75
Belur	12.61	0.04	14.98	0.10	15.87	0.10	19.76	0.11	21.86	24.05	26.45	29.10
Halebid	6.00	0.07	6.67	0.20	6.71	0.21	6.04	0.18	6.85	7.54	8.29	9.12
Shrvanabelagola	2.78	0.13	1.90	0.13	1.91	0.12	2.12	0.12	2.46	2.71	2.98	3.27
Bijapur	3.79	0.01	3.40	0.08	3.47	0.09	2.51	0.07	2.84	3.12	3.43	3.78
Badami	0.11	0.01	0.13	0.02	0.15	0.02	0.13	0.02	0.16	0.17	0.19	0.21
Aihole	1.30	0.05	0.99	0.06	0.91	0.06	0.92	0.04	1.06	1.16	1.28	1.41
Pattadakal	0.19	0.03	0.25	0.04	0.25	0.06	0.26	0.06	0.35	0.38	0.42	0.46
Jog Falls	0.49	0.04	4.12	0.02	6.01	0.01	6.21	0.01	6.84	7.53	8.28	9.11
Nandi Hills	2.69	0.01	2.77	0.01	2.81	0.02	2.49	0.01	2.75	3.03	3.33	3.66
Chitradurga	0.82	0.00	0.84	0.00	0.95	0.00	0.88	0.00	0.97	1.06	1.17	1.29
Raichur	0.67	0.00	0.71	0.00	0.76	0.00	0.79	0.00	0.87	0.96	1.05	1.16
Hampi	1.42	0.01	1.52	0.02	1.81	0.03	1.76	0.02	1.96	2.16	2.37	2.61
Hospet	0.63	0.04	0.74	0.05	0.90	0.03	0.75	0.02	0.84	0.92	1.02	1.12

Tourist Arrivals (Fig in Lakhs)

2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
38.88	42.77	47.05	51.75	56.93	62.62	68.88	75.77	83.35	91.68	100.85	110.94	122.03	134.23	147.66	162.42
5.22	5.74	6.32	6.95	7.64	8.41	9.25	10.17	11.19	12.31	13.54	14.90	16.39	18.02	19.83	21.81
32.01	35.21	38.73	42.60	46.86	51.55	56.71	62.38	68.61	75.48	83.02	91.33	100.46	110.50	121.55	133.71
10.03	11.03	12.14	13.35	14.68	16.15	17.77	19.55	21.50	23.65	26.02	28.62	31.48	34.63	38.09	41.90
3.60	3.96	4.36	4.79	5.27	5.80	6.38	7.02	7.72	8.49	9.34	10.28	11.30	12.43	13.68	15.04
4.16	4.57	5.03	5.53	6.09	6.69	7.36	8.10	8.91	9.80	10.78	11.86	13.04	14.35	15.78	17.36
0.23	0.25	0.28	0.31	0.34	0.37	0.41	0.45	0.49	0.54	0.59	0.65	0.72	0.79	0.87	0.96
1.55	1.70	1.87	2.06	2.27	2.49	2.74	3.02	3.32	3.65	4.01	4.41	4.86	5.34	5.88	6.46
0.51	0.56	0.62	0.68	0.75	0.82	0.90	0.99	1.09	1.20	1.32	1.46	1.60	1.76	1.94	2.13
10.02	11.02	12.12	13.33	14.67	16.13	17.75	19.52	21.47	23.62	25.98	28.58	31.44	34.58	38.04	41.85
4.03	4.43	4.88	5.37	5.90	6.49	7.14	7.86	8.64	9.51	10.46	11.50	12.65	13.92	15.31	16.84
1.42	1.56	1.71	1.89	2.07	2.28	2.51	2.76	3.04	3.34	3.68	4.04	4.45	4.89	5.38	5.92
1.27	1.40	1.54	1.69	1.86	2.05	2.25	2.48	2.73	3.00	3.30	3.63	3.99	4.39	4.83	5.31
2.87	3.16	3.47	3.82	4.20	4.62	5.08	5.59	6.15	6.76	7.44	8.19	9.00	9.90	10.89	11.98
1.23	1.35	1.49	1.64	1.80	1.98	2.18	2.40	2.63	2.90	3.19	3.51	3.86	4.24	4.67	5.13

Appendix 3.1: Summary of the Locations and Destinations Visited

Sl. No.	Destination visited	Attractions visited
1	Bangalore	Jawahar Bal Bhavan, Cubbon Park
		Visvesvaraya Industrial & Technological Museum
		Govt Museum
		Lalbagh Garden
		Bull Temple/ Shiv Mandir
		Sankey Tank
		Nandi Hills
		Tippu's Palace
		ISKON Temple
		Bannerghata National Park
2	Mysore	Mysore Palace/Jayachamrajena Art Gallery
		Srirangapatana Palace
		Chamundi Temple
		Indus Valley Ayurvedic Centre
		St. Philomena's Church (Cathedral/Basilica)
		Cauvery Fising Camp
		Bandipur National Park
		Kabini Jungle Lodge
		Nagarhole National Park
3	Mandya	Ranganthittu Bird Sanctuary
		Brindavan Garden (KRS)
		Sivasamudram Falls
4	Madikeri	Raja Seat
		Fort/Museum
		Abbey Falls
		Tala Cauvery
		Bagamandala
		Kushalnagar Tibetan Golden Temple & Settlement
		Cauvery Nisargadhama
5	Hassan	Belur
		Shravanabelagola
		Halebeedu
6	Dharmasthala	Manjunatha Temple
		Bahubali
7	Bagalkot	Badami Caves
		Patadakal Virupaksha Temple
		Aihole Temples
8	Bijapur	Gol Gombuz
		Jumma Masjid
		Malik-e-Maidan
		Ibrahim Roza
9	Gulbarga	Gulbarga Fort
		Jumma Masjid

Sl. No.	Destination visited	Attractions visited
10	Hampi	Jevargi
		Bsaveshwara Temple
		Virupaksha Temple
		Vittala Temple
		Ugra Narasimha
		Queen's Bath
11	Chitradurga	King's Balance
		Chandravalli Caves
12	Chickmagalur	Harihara Temple
		Baba Bhudan Hills
		Kemmannugundi
		Muthodi Wildlife Sanctuary
		Kudremukh
13	Shringeri	Kalhatti Falls
		Shringeri Mutt
14	Shimoga	Agumbe
		Jog Falls
		Gajanur Dam
		Koodali Tungabadra Sangamam/Mutt
		Sakrebylu Forest Spot
		Mandagadde Bird Sanctuary
15	Mangalore	Humcha Jain Temple
		Pilikula Nisarga Dhama
		Mangala Devi Temple
		Panambur Beach
		Tippu's Battery
		Ullal Beach
16	Karwar	Kukke Subramanya
		Devbagh Beach Resort
		Baithkola Beach
		Gokarna Siva Temple
		Om Beach
		Kudle Beach
		Yana Rock Formation
		Apsara Konda Falls, Honnavar
17	Udupi	Murudeshwar Siva Temple/Beach
		Manipal- Heritage Village
		Manipal-Yakshagana Mueseum/ Institute
		Kollur Mookambika Temple
		Malpe Beach
		ST.Mary's Island
		Maravanthe Beach
		Moodabidri Jain Temple
		Karkale Gomateshwar Statue
		Udupi Krishna Temple

Appendix 3.2: Chief Planner / Planning Department / Tourism Department

- Details of the current Master Plan in force and its salient features w.r.t. to tourism development
- What is the focus area – NRI's/Foreign tourists or the domestic or both .
- The plan of the department to diffuse the effect the of seasonality in the arrivals – if any .
- What are the major bottlenecks in the growth of tourism in the State
- What is the base of budgeting & allocation of the promotional budget among the different areas .
- What is the method of information collection & dissipation system & what is the reliability of the same.
- What is the level of commitment in the government to promote tourism in state.
- With which tourist circuits / states do you benchmark & what are the parameters that you consider .
- How do you handle customer complaints & is there any method to record it .
- Any track of repeat tourist .
- What are the potential sites in the State that can be effectively promoted .
- Majority of foreign tourist visit Rajasthan , is there any concrete plan to attract them apart from the 'Royal Orient Train'.
- What is the performance of 'Royal Orient Train'.
- Details of Plans implementation historical (Planned v/s Actual)
- Where do you get inputs to make the planning document and what is there reliability?
- What is the system for monitoring the progress of projects?
- Tourism as part of GDP
- Vision 2020 projection of tourism as % of GDP
- Any plan in place to achieve the growth
- If yes details of the same.

Appendix 3.3: List of Contacts made during the Karnataka Tour

Sl. No.	Contact	Organisation	Location
	Govt. Dept		
1	Mr. I M Vittalumurthy IAS Commissioner & Managing Director	Karnataka State Tourism Development Corporation (KSTDC)	Bangalore
2	Mr. K Sreedhar Commercial Manager	KSTDC	Bangalore
3	Mr. R S Rameshan Marketing Manager	KSTDC	Bangalore
4	Mr. Y T Naik Joint Director	Department of Tourism	Bangalore
5	Mr. Y R Kantharajendra Joint Director	Department of Youth Services & Sports	Bangalore
6	Mr. R L Patil Joint Director	Department of Youth Services & Sports	Bangalore
7	Mr. K Ramesh Chief Engineer	Bangalore Water Supply & Sewerage Board (BWSSB)	Bangalore
8	Ms. T C Kathyayini Public Relation Officer	Bangalore Water Supply & Sewerage Board (BWSSB)	Bangalore
9	Mr. AN Prahlada Rao	PRO- Bangalore Mahanagar Palike	Bangalore
10	Mr. Suresh-Office of DC	Bangalore Mahanagar Palike	Bangalore
11	Mr. LR Sudhendra Rao, Chief Tech. Exec	Archelological Survey of India, Kendrya Sadan	Bangalore
12	Mr. KM Joyappa	Chief Commercial Manaher (T)-KSTDC	Bangalore
13	Mr. HT Ratnakar	Manager (PR & hotels)- KSTDC	Bangalore
14	Mr Bhaskar	Tourist Officer-DOT	Bangalore
15	Mr. S Vikram Assistant Director	Regional Tourism Office	Mysore
16	Mr Sridhar Manager	Regional Tourism Office	Mysore
17	Mr. P H Naik Tourist Officer	Regional Tourism Office	Mysore
18	Mr. K N Devaraju Deputy Commissioner	Mysore City Corporation	Mysore
19	Mr. Ramesh	Public Works Department	Mysore
20	Mr M.Subramanium Commercial Manager (S)	KSTDC	Mysore
21	Mr. Nagraj Tourist Officer	Regional Tourism Office	Mercara
22	Mr. Shanubhog Incharge Manager	KSTDC	Mercara
23	Mr. Subramanyam Deputy Commissioner	Commissioner Office	Mercara
24	In-Charge	Local ASI office at Cave Temples	Badami
25	Mr. Majumder, Chief Officer	Town Panchayet Office	Badami
26	Mr. PS Sabannar- In-Charge	Local DOT office	Bijapur
27	Mr. MA Golewala - Tech Assistant	PWD	Bijapur
28	Mr Joshi - Census	Deputy Commissioner Office	Bijapur
29	Municipal Commissioner	Bijapur Municipal Office	Bijapur
30	Mr Ramesh Nadgir	Regional Manager-KSTDC	Bijapur
31	Mr SS Irfan	Manager - KSTDC	Kamalapur/ Hampi
32	Mr Narayan/ Murugan	Local ASI office , Museum	Kamalapur/H ampi
33	Mr. Vjaykumara, KAS	Dy. Commissioner office	Chitradurga

Sl. No.	Contact	Organisation	Location
34	Mr. Venugopal Special Officer	Horticulture Department/Rajabhavana/Rock Garden	Kemmannugundi
35	Mr. D M Siddappa Asst. Horticulture Officer	Horticulture Department/Rajabhavana/Rock Garden	Kemmannugundi
36	Mr. Siddaraju Director	Horticulture Department	Shringeri
37	Mr. Basavaraju Executive Engineer	PWD-Sagar (Jog Falls)	Jog Falls
38	Mr. B V Hanumanthappa Manager, Accts & Revenue	Revenue Department, Sagar	Jog Falls
39	Mr. Verma Managing Director	Jungle Lodges & Resorts, Bangalore	Jog Falls
40	Mr. B N Shetty District Forest Officer	Dept. of Forest, Shimoga	Jog Falls
41	Mr. Ramesh Additional Director	Dept of Tourism, Shimoga	Jog Falls
42	Mr. Jayaraman Admin Manager	Dept of Tourism, Shimoga	Jog Falls
43	Mrs. Jayammal Additional Director	Dept of Tourism, Mangalore	Mangalore
44	Mr. J R Lobo Corporation Commissioner	District Collectorate Office, Mangalore	Mangalore
45	Mr. Sankaranarayanan Executive Engineer	PWD, Mangalore	Mangalore
46	Mr. Poovaiyya Additional Director	Dept of Tourism, Karwar	Karwar
47	Mr. John Vaickor Executive Engineer	PWD, Karwar	Karwar
48	Mr. Yuvaraj Station Manager	Devbagh Beach Resort	Karwar
49	Mr. H P Pompapathy Supervisor	Devbagh Beach Resort	Karwar
50	Mr. Chandrasekara Additional Director	Dept of Tourism, Udupi	Udupi
51	Mr. Venkatramana Setty, Chief Eng.	Karnataka Urban Water Supply & Drainage Board (KSTDC)	Bangalore
52	Mr. K Jayakishan, Sr. Associate	Infrastructure Development Corporation (Karnataka) Ltd	Bangalore
Tour/Travel Operator			
1	Mr. P A Raju	New Car Links	Bangalore
2	Mr. Sekhar	Deccan Tourism Corporation	Bangalore
3	Mr. Murugan	Deccan Tourism Corporation	Bangalore
4	Mr. Sampath Babu Chief	Sri Sathya Sai Tourists	Bangalore
5	Mr. Uday Commercial Manager	Sri Sathya Sai Tourists	Bangalore
6	Mr. D K Prasanth	Heritage International Travels	Mysore
7	Mr M Uday Singh	Rahul Tours & Travels	Hampi
8	Manager	SRE Travels	Chitradurga
9	Mr. William D'Souza Managing Director	Globe International Travels	Mangalore
10	Mr. Shivappa Manager, Inbound Tours	Belinda Travels	Mangalore
11	Mr. K Bettaiah, MD	Triway Travels Pvt. Ltd	Bangalore
12	Mr. Rashid Minocher, Chairman	Imperial Travels	Bangalore
13	Mr. BP Bhagat, Airport Director	Airport Authority of India	Bangalore

Sl. No.	Contact	Organisation	Location
14	Mr. Suman Chalam, MD	The Travel Company	Bangalore
15	Mr. T Radhakrishna, ED	P&O Travel	Bangalore
16	Mr. MR Ramadas, CEO	Interserve	Bangalore
17	Mr. K Srinivas	Travel Corporation of India Ltd (TCI)	Bangalore
18	Mr. Suresh Godfrey	Cox & Kings	Bangalore
Eminent Personalities			
1	Retd. Gen Cariappa, (Family of Late Field Marshal Cariappa)	Retd. General	Mercara
2	Shri Virendra Heggade	Dharmadhikari	Dharmasthal a
3	Mr NK Kulkarni	Retd.Program Exec. AIR & Writer	Dharwad
4	Mr. K Venkannachar	Retd. Asstt Dir- Kannada & Culture	Chitradurga
5	Mr. Girish Environmentalist	President, World Wildlife Federation, Local Chapter	Chickmagalur
6	Mr. P Ramesh	Environmentalist	Chickmagalur
7	Mr. Gowrishankar Administrator	Sri Sankarachariyar Sharada Peetah	Shringeri
8	Mr. Mayya Deputy Administrator	Sri Sankarachariyar Sharada Peetah	Shringeri
9	Shri Majjagadguru	Sri Kudali Sringeri Mahasamasthanam	Kudali
10	Mr. Vishnumurthy Manager	Sri Kudali Sringeri Mahasamasthanam	Kudali
11	Mr. N S Shivaswamy Secretary	Lions Club, Local Chapter	Chickmagalur
12	Mr. Shanavas PN, Director	Stark Communication Pvt. Ltd	Bangalore
Journalist/Chamber of Comm.			
1	Mr. R Vishwanathan Secretary General	The Greater Mysore Chamber of Industry	Bangalore
2	Mr. B S Shantaram Special Correspondent	United News of India	Bangalore
3	Mr. P R Ramaiah Ex MLC, Sr. Journalist, Member	Public Undertaking Committee	Mercara
4	Mr Jeevan Chinnappa Senior Journalist	The Hindu	Mercara
5	Mr. T P Ramesh President	Local Press Club	Mercara
6	Mr. S Girija Shankar Editor	Janmitra	Chickmagalur
7	Dr S Gurumadhva Rao Registrar, Professor of Pharmacology	Manipal Academy of Higher Education	Manipal
8	Dr K S Sastry Director	Manipal Institute of Management	Manipal
9	Dr. N Thirumaleshwara Bhat Director	Regional Resources Centre for Folk-Performing Arts	Udupi
10	Mr. TS Sampath Kumar, Dy. Sec	The Greater Mysore Chamber of Industry	Bangalore
Hotel/ Hotel Owners Assoc.			
1	Mr. N R Narayana Rao President	Karnataka Prasesh Hotel & Restaurant Association	Bangalore
2	Manager	Taj Mahal Hotel	Bangalore
3	Manager	Hotel Krishma	Hassan
4	Mr. Ramesh LK	M.D. Mookambika Deluxe Hotel	Badami
5	Mr Ramesh Nadgir	Hotel Mayura Adil Shahi	Bijapur
6	Manager	Santosh Hotel	Bijapur
7	Mr SS Irfan	Hotel Mayura Bhubaneshwari	Kamalapur/ Hampi

Sl. No.	Contact	Organisation	Location
8	Manager	Hotel Malligi	Hospet
9	CG Veda Murthy-Director	Hotel Veda Comfort	Chitradurga
10	Mr. Ravi Khandige General Manager	Taj Garden Retreat	Chickmagalur
11	Mr A P Nanaiah Accommodations Manager	Taj Manjarun Hotel	Mangalore
12	Mr. Mohan Naik House Keeping Manager	Mayura Gerusoppa (KSTDC)	Jog Falls
13	Mr. B G Mohan Owner	Hotel Bhadra/Hotel Association President	Karwar
14	Ln G N Nayak Managing Partner	Hotel Gokarna International	Gokarna
15	Mr. Kumar Front Office	Karavali Hotels Pvt Ltd	Udupi
16	Mr. Premnath Front office Manager	Hotel Navarathna International	Shimoga
17	Mr. John	Ashraya International Hotel	Bangalore
18	Mr. Ram Pattah, Comm. Sales Mgr	Taj Hotels Resorts and Palace	Bangalore
19	Mr. Sudhakar Shetty, President, Mysore Hotel Owners Asson	Phalahara Darshini	Mysore
20	Mr. M Prabhu	Hotel Rajmahal	Bangalore
Airlines			
1	Ms. Valerian Fernandes Officer-Reservations	Jet Airways (India) Ltd.	Mangalore
2	Mr. Melwin D'Silva Station Manager	Indian Airlines Ltd	Mangalore
3	Ms. Audrey M Saldanha Senior Executive - Reservations	Gulf Air	Mangalore
4	C. Balasanmugam-Dy. Manager, Sales	Indian Airlines Ltd	Bangalore
5	Mr. BP Bhagat, Airport Director	Airport Authority of India	Bangalore
6	Mr. Lalit Kapur, Manager	Air-India	Bangalore
7	Mr. Raveen Pinto, Manager, Passenger Div.	Lufthansa	Bangalore

Appendix 3.2

Qualitative Summary of major destinations visited

		Bijapur		Hospet	
		Existing Status	Requirement	Existing Status	Requirement
Basic Infrastructure	Air strips/Helipad	nil	required	nil	required at either Hospet or Hampi
	Public facilities	less than adequate	required	less than adequate	required
	Accessibility (Road/Rail etc)	satisfactory	better rail connectivity required	satisfactory	
	Water and Electricity	satisfactory	regular supply in summer required	satisfactory	regular supply in summer required
	Banking/money exchanger	satisfactory		less than adequate	more ATMs and Foreign banking required
	Emergency Health care facility	satisfactory		less than adequate	required
Tourism Infrastructure	Hotel/Accommodation	satisfactory	improvement required	satisfactory	improvement required
	Information Centres	less than adequate	improvement required	less than adequate	required
	Wayside amenities	less than adequate	required	less than adequate	required
	Transportation	satisfactory	required	satisfactory	required

Appendix 3.2

Qualitative Summary of major destinations visited

		Hampi		Mysore	
		Existing Status	Requirement	Existing Status	Requirement
Basic Infrastructure	Air strips/Helipad	There is a small helipad, now not in use	required at either Hospet or Hampi	yes	required to be revamped/activated
	Public facilities	less than adequate	required	satisfactory	improvement required
	Accessibility (Road/Rail etc)	satisfactory	internal conveyence at Hampi complex required	satisfactory	
	Water and Electricity	satisfactory	regular drinking water supply required	satisfactory	regular supply in summer required
	Banking/money exchanger	less than adequate	improvement required	satisfactory	more ATMs and forex exchanger required
	Emergency Health care facility	less than adequate	improvement required	satisfactory	
Tourism Infrastructure	Hotel/Accommodation	less than adequate	improvement required	satisfactory	required
	Information Centres	less than adequate	improvement required	satisfactory	required
	Wayside amenities	nil	required	less than adequate	required
	Transportation	satisfactory from Hospet	internal conveyence at Hampi complex required	satisfactory	required to reach the surrounding places of interest

Appendix 3.2

Qualitative Summary of major destinations visited

		Bangalore		Madikeri	
		Existing Status	Requirement	Existing Status	Requirement
Basic Infrastructure	Air strips/Helipad	yes	require one international airport	nil	required
	Public facilities	satisfactory		less than adequate	required
	Accessibility (Road/Rail etc)	satisfactory		Only accessible through Roads	Rail connection upto Kushalnagar
	Water and Electricity	satisfactory	regular supply in summer requied	less than adequate	required
	Banking/money exchanger	satisfactory		less than adequate	required
	Emergency Health care facility	satisfactory		less than adequate	required
Tourism Infrastructure	Hotel/Accommodation	satisfactory	improvement required	less than adequate	required
	Information Centres	satisfactory	required at strategic points	less than adequate	required
	Wayside amenities	satisfactory		less than adequate	required
	Transportation	satisfactory	improvement required	less than adequate	required for surrounding places of interest with good frequency

Appendix 3.2

Qualitative Summary of major destinations visited

		Hassan		Belur-Halebid-S'gola	
		Existing Status	Requirement	Existing Status	Requirement
Basic Infrastructure	Air strips/Helipad	yes	reactivation/upgradation	nil	not required
	Public facilities	satisfactory		less than adequate	required
	Accessibility (Road/Rail etc)	satisfactory		satisfactory from Hassan	required more connectivity among the places
	Water and Electricity	satisfactory		satisfactory	
	Banking/money exchanger	satisfactory		less than adequate	improvement required
	Emergency Health care facility	satisfactory		less than adequate	improvement required
Tourism Infrastructure	Hotel/Accommodation	satisfactory		less than adequate	improvement required
	Information Centres	satisfactory	improvement required	less than adequate	improvement required
	Wayside amenities	satisfactory	can be improved	less than adequate	improvement required
	Transportation	satisfactory		less than adequate	improvement required

Appendix 3.2

Qualitative Summary of major destinations visited

		Aihole-Badami-Patadakal		Chitradurga	
		Existing Status	Requirement	Existing Status	Requirement
Basic Infrastructure	Air strips/Helipad	nil	not required	nil	not required
	Public facilities	less than adequate	required	satisfactory	
	Accessibility (Road/Rail etc)	less than adequate specially Aihole, Patadakal	required more connectivity among the places	satisfactory, closer to Bangalore, many National Highways	
	Water and Electricity	satisfactory	improvement required	satisfactory	regular supply in summer required
	Banking/money exchanger	less than adequate	improvement required	less than adequate	improvement required
	Emergency Health care facility	less than adequate	improvement required	less than adequate	improvement required
Tourism Infrastructure	Hotel/Accommodation	less than adequate except Badami	improvement required	satisfactory	
	Information Centres	less than adequate	improvement required	less than adequate	improvement required
	Wayside amenities	less than adequate	improvement required	satisfactory	
	Transportation	less than adequate	improvement required	satisfactory	

Appendix 3.2

Qualitative Summary of major destinations visited

		Chickmagalur		Shimoga	
		Existing Status	Requirement	Existing Status	Requirement
Basic Infrastructure	Air strips/Helipad	nil	required	nil	required
	Public facilities	satisfactory	required	satisfactory	required
	Accessibility (Road/Rail etc)	less than adequate	rail link with Mangalore & Bangalore	satisfactory	improvements required
	Water and Electricity	less than adequate	required	satisfactory	improvements required
	Banking/money exchanger	nil	required	nil	required
	Emergency Health care facility	less than adequate	required	less than adequate	required
Tourism Infrastructure	Hotel/Accommodation	less than adequate	required	satisfactory	required
	Information Centres	less than adequate	required	less than adequate	required
	Wayside amenities	less than adequate	required	less than adequate	required
	Transportation	less than adequate	required	less than adequate	required

Appendix 3.2

Qualitative Summary of major destinations visited

		Jog falls		Mangalore	
		Existing Status	Requirement	Existing Status	Requirement
Basic Infrastructure	Air strips/Helipad	nil	not essential	airport with only domestic flights	upgradation to Intl. Stds
	Public facilities	nil	required	satisfactory	required
	Accessibility (Road/Rail etc)	less than adequate	required	satisfactory	needs to be improved
	Water and Electricity	less than adequate	required	satisfactory	satisfactory
	Banking/money exchanger	nil	required	satisfactory	satisfactory
	Emergency Health care facility	nil	required	satisfactory	needs to be improved
Tourism Infrastructure	Hotel/Accommodation	nil	required	satisfactory	needs to be improved
	Information Centres	nil	required	less than adequate	required
	Wayside amenities	nil	required	satisfactory	needs to be improved
	Transportation	less than adequate	required	satisfactory	needs to be improved

Appendix 3.2

Qualitative Summary of major destinations visited

		Udupi		Karwar	
		Existing Status	Requirement	Existing Status	Requirement
Basic Infrastructure	Air strips/Helipad	nil	not essential	nil	required
	Public facilities	satisfactory	needs to be improved	nil	required
	Accessibility (Road/Rail etc)	satisfactory	needs to be improved	less than adequate	needs to be improved
	Water and Electricity	satisfactory	needs to be improved	less than adequate	needs to be improved
	Banking/money exchanger	nil	Requirement	nil	required
	Emergency Health care facility	nil	Requirement	nil	required
Tourism Infrastructure	Hotel/Accommodation	satisfactory	needs to be improved	nil	required
	Information Centres	satisfactory	needs to be improved	nil	required
	Wayside amenities	satisfactory	needs to be improved	nil	required
	Transportation	satisfactory	needs to be improved	less than adequate	needs to be improved

Appendix 3.2

Qualitative Summary of major destinations visited

		Gokarn	
		Existing Status	Requirement
Basic Infrastructure	Air strips/Helipad	nil	required
	Public facilities	nil	required
	Accessibility (Road/Rail etc)	less than adequate	needs to be improved
	Water and Electricity	less than adequate	needs to be improved
	Banking/money exchanger	nil	required
	Emergency Health care facility	nil	required
Tourism Infrastructure	Hotel/Accommodation	nil	required
	Information Centres	nil	required
	Wayside amenities	nil	required
	Transportation	less than adequate	required

Appendix 4.1: Identified Tourist Circuits

1.1 Proposed Regional Circuits

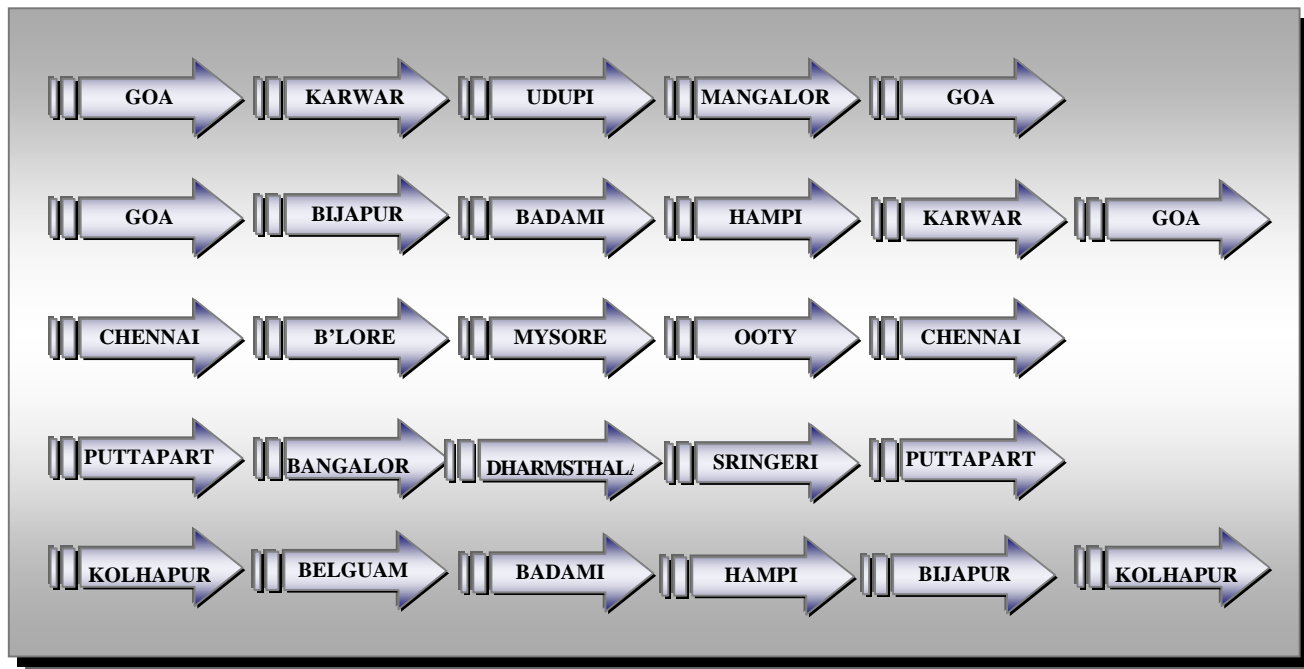
Circuit Name	Hubs / Entry	Spokes	Duration
Dakshina Kannada Sojourn	Mangalore	Moodabidri, Udupi, Agumbe, Humcha, Jog Falls, Murudeshwar, Kollur, Sringeri, Kudremukh, Dharmasthala	2 Night/3 Days
Pilgrimage Tour	Mangalore	Moodabidri, Karkala, Udupi, Yana, Gokarn, Kumta, Murudeshwar, Kollur Mookambiga, Kumta Kumbeshwara Temple, Humcha, Sringeri Mutt, Dharmasthala, Kukke Subramanya	2 Night/3 Days
Leisure Sojourn	Mangalore	Udupi, Idagunji, Devbagh Beach Resort – Karwar, Kudremukh, Kodachadri, Jog Falls, Yana, Gokarna	2 Night/ 3 Days
Temple Tour	Udupi	Udupi Krishna Temple, Kollur Mookambigai Temple, Murudeshwar, Gokarn, Yana, Kukke Subramanya, Dharmasthala, Sringeri, Humcha, Sahasra Linga, Mangalore, Vennur Moodabadri, Karkala	3 Night/4 Days
Coast Sojourn	Karwar	Gokarn-Om Beach/Kudle Beach, Murudeshwar Beach, Udupi, Sirsi, Yana, Jog Falls, Idagunji Magod Falls, Maudgod, Skyes Point, Dandeli Forest Resort, Syntheri Rocks	3 Night/4 Days
Pilgrimage Tour	Karwar	Gokarna, Yana, Sahasralinga, Sirsi, Kollur, Moodabidri Jain Temple, Karkala Gomateswar, Sringeri, Agumbe Sunset Point, Koodali Sangama, Murudeshwar	3 Night/4 Days
Leisure Sojourn	Mysore	Bandipur Sanctuary, Kabini Jungle Park, Nagarhole National Park, Talacauvery, Mercara, Ranganathittu Wildlife Sanctuary, Shravanabelagola, Belur/Halebid, Chickmagalur, Kudremukh, Dharmasthala	3 Night/4 Days
Pilgrimage Tour	Mysore	Talacauvery, Kukke Subramanya, Mangalore Dharmasthala, Moodabidri, Belur/Halebid, Shravanabelagola, Sringeri, Udupi	2 Night/3 Days
Heritage Tour	Bijapur	Basavanabagevadi, Pattadakal, Badami/ Aihole, Bidar, Gulbarga, Hampi	4 Night/ 5 Days
Heritage Tour	Hampi	Hampi, Basavanabagevadi, Bijapur, Badami/ Aihole, Pattadakal, Belgaum	2 Night/3 Days
Pilgrimage Tour	Chickmagalur	Belur, Halebidu, Shravanabelagola, Dharmasthala, Kukke Subramanya, Sringeri, Koodali, Kollur, Udupi, Mangalore	2 Night/3 Days

1.2 Proposed Theme Circuits

Circuit Name	Hubs / Entry	Locations Covered	Duration
Wild Life Circuit	Bangalore	Bannerghata National Park, Bhimeshwari Fishing Camp, Bandipur wild life Sanctuary Kabini Jungle Lodge, Ranganathittu Bird Sanctuary, Badra Wild life Sanctuary, Mandagadde Bird Sanctuary, Dandeli Jungle Lodges, Nagar hole National Park	4 Night/5 Days
Temple Circuit	Bangalore	Srirangapatna, Mysore, Chamraj Nagar, Tala Cauvery, Sringeri, Udipi, Dharmasthala, Mangalore, Kukke Subramanya, Kollur, Murudeshwar, Gokarna, Sahasralinga Sirsi, Saravanabelogola, Chickmagalur, Belur / Halebid, Bhadravathi, Harihar	5 Night/6 Days
Jain Pilgrimage Circuit	Bijapur	Bijapur, Jevargi, Malkhed, Mudde bihal, Gulburga Badami, Pattadakal, Aihole	2 Night/3 Days
Jain Pilgrimage Circuit	Bangalore	Madhugiri, Shravanabelagola, Dharmasthala, Vennur, Talacauvery/Mercara, Moodabidri, Karkala	2 Night/3 Days
Hill Circuit	Mysore	B R Hills, Madikere, B B Hills, Kemmannugundi Kudremukh, Agumbe, Kodachadri, Jog Falls	2 Days/3 Nights
Eco-Tourism Circuit	Dandeli Resort	Bison River Resort, Kudremukh, Kemmannugundi Devbagh Beach Resort, Koodachadri, Jog Falls, Karwar	3 Days / 3 Nights
Plantation Circuit	Mangalore	Kudremukh, Chickmagalur, Kemmannugundi Tala Cauvery, Madikeri, Hassan	2 Days/3 Nights
Coastal Circuit	Mangalore	Dharmasthala, Kukke Subramanya, Belur/Halebid Chickmagalur, Udipi, Kollur, Agumbe, Sringeri, Kudremukh, St. Mary's Island, Jog Falls, Banavasi Sahasra Linge, Dandeli Resorts, Yana, Gokarna Devbagh Resort, Syntheri Rocks, Idagunji Murudeshwar	4 Nights/3Days

1.3 Inter State Circuit for Karnataka Tourism

The five possible Inter State Circuits which could be developed are as follows:



Appendix 4.2: Project Ranking/Prioritisation

2.1 Development of Mysore & Mandya (KRS)

Sl. No.	Projects	Transportation	Public Facilities	Upgradation of Information Centre	Cultural Heritage Centre	Light & Sound Program	Adventure & Sports	Amusement Park	Zoo & Children Park	Total
1	State Govt Priority	3	3	3	3	3	3	3	3	24
2	Prima facie Potential (judgment/survey)	3	3	3	4	4	4	4	3	28
3	Land Use regulations & other govt regulations	4	4	4	4	4	4	4	4	32
4	Availability of relevant natural resources (river/ ocean for water based activities, mountain for trekking/gliding local raw material)	4	4	4	4	4	4	4	4	32
5	Current infrastructural availability & Cost (Land, Water, Power, Local manpower, Communication)	3	3	4	2	3	2	3	3	23
6	Planned Investment in Infrastructure	3	4	3	1	3	2	3	2	21
7	Sustainability(Environmental constraints/issues) (protected area/eco sensitive zone etc)	3	3	3	3	3	3	3	4	25
8	Local entrepreneurship/promoters (availability and willingness)	4	4	3	4	5	3	4	4	31
9	Potential for socio economic benefit (employment/income generation to local people, encouragement to local crafts/women entrepreneurship)	4	4	4	4	2	4	4	4	30
10	Others (Risk and amenability to financing by financial institutions)	2	2	2	3	2	2	3	3	19
	Total	33	34	33	32	33	31	35	34	265

Rating Scale: 1- 5 (Where 1 is low and 5 is High)

2.2 Development of Ranganthittu Bird Sanctuary

Sl. No.	Cottages/Accommodation	Rating
1	State Govt Priority	3
2	Prima facie Potential (judgment/survey)	3
3	Land Use regulations & other govt regulations	4
4	Availability of relevant natural resources (river/ ocean for water based activities, mountain for trekking/gliding local raw material)	4
5	Current infrastructural availability & Cost (Land, Water, Power, Local manpower, Communication)	3
6	Planned Investment in Infrastructure	3
7	Sustainability(Environmental constraints/issues) (protected area/eco sensitive zone etc)	3
8	Local entrepreneurship/promoters (availability and willingness)	3
9	Potential for socio economic benefit (employment/income generation to local people, encouragement to local crafts/women entrepreneurship)	3
10	Others (Risk and amenability to financing by financial institutions)	3
	Total	32

2.3 Development of Mercara

Sl. No.	Projects	Hotel / Accommodation	Transport	Public Facilities	Cultural Heritage Centre	Light & Sound Program	Adventure & Sports	Amusement Park	Zoo & Children Park	Rope-ways	Total
1	State Govt Priority	3	3	3	3	3	3	3	3	3	27
2	Prima facie Potential (judgment/survey)	3	3	3	4	4	4	4	3	4	32
3	Land Use regulations & other govt regulations	4	4	4	4	4	4	4	4	4	36
4	Availability of relevant natural resources (river/ ocean for water based activities, mountain for trekking/gliding local raw material)	3	4	4	4	4	4	4	4	4	35
5	Current infrastructural availability & Cost (Land, Water, Power, Local manpower, Communication)	3	3	4	4	4	2	3	3	3	29
6	Planned Investment in Infrastructure	3	3	3	2	3	2	2	2	2	22
7	Sustainability(Environmental constraints/issues) (protected area/eco sensitive zone etc)	3	3	3	3	4	4	3	3	4	30
8	Local entrepreneurship/promoters (availability and willingness)	4	3	3	4	4	4	4	3	3	32

Sl. No.	Projects	Hotel / Accommodation	Transport	Public Facilities	Cultural Heritage Centre	Light & Sound Program	Adventure & Sports	Amusement Park	Zoo & Children Park	Rope-ways	Total
9	Potential for socio economic benefit (employment/income generation to local people, encouragement to local crafts/women entrepreneurship)	4	4	3	4	3	4	4	4	4	34
10	Others (Risk and amenability to financing by financial institutions)	2	2	2	3	2	1	3	3	3	21
	Total	32	32	32	35	35	32	34	32	34	298

Rating Scale: 1- 5 (Where 1 is low and 5 is High)

2.4 Development of Badami, Aihole & Patadakal

Sl. No.	Projects	Transportation	Public Facilities	Upgradation of Info. Centre	Wayside Amenities	Light & Sound Program	Adventure & Sports	Amusement Park	Zoo & Children Park	Hotel/ Accommodation	Total
1	State Govt Priority	3	3	3	3	3	3	3	3	3	27
2	Prima facie Potential (judgment/survey)	4	4	4	4	4	4	4	3	3	34
3	Land Use regulations & other govt regulations	4	4	4	4	4	4	4	4	4	36
4	Availability of relevant natural resources (river/ ocean for water based activities, mountain for trekking/gliding local raw material)	4	4	4	4	4	4	3	4	3	34
5	Current infrastructural availability & Cost (Land, Water, Power, Local manpower, Communication)	3	3	3	2	3	3	3	3	3	26
6	Planned Investment in Infrastructure	3	3	3	1	2	2	3	2	3	22
7	Sustainability(Environmental constraints/issues) (protected area/eco sensitive zone etc)	4	4	3	3	4	3	3	4	3	31
8	Local entrepreneurship/promoters (availability and	4	4	3	4	4	4	4	4	4	35

Sl. No.	Projects	Transportation	Public Facilities	Upgradation of Info. Centre	Wayside Amenities	Light & Sound Program	Adventure & Sports	Amusement Park	Zoo & Children Park	Hotel/ Accommodation	Total
	willingness)										
9	Potential for socio economic benefit (employment/income generation to local people, encouragement to local crafts/women entrepreneurship)	4	4	3	4	3	4	4	4	4	34
10	Others (Risk and amenability to financing by financial institutions)	2	2	2	3	2	2	3	3	2	21
	Total	35	35	32	32	33	33	34	34	32	300

Rating Scale: 1- 5 (Where 1 is low and 5 is High)

2.5 Development of Bijapur

Sl. No.	Project	Transportation	Public Facilities	Upgradation of Info. Centre	Airstrips	Light & Sound Program	Hotel/ Accommodation	Total
1	State Govt Priority	3	3	3	4	3	3	19
2	Prima facie Potential (judgment/survey)	4	4	4	4	4	3	23
3	Land Use regulations & other govt regulations	4	4	4	4	4	4	24
4	Availability of relevant natural resources (river/ ocean for water based activities, mountain for trekking/gliding local raw material)	4	4	4	4	4	4	24
5	Current infrastructural availability & Cost (Land, Water, Power, Local manpower, Communication)	4	4	4	3	3	4	22
6	Planned Investment in Infrastructure	3	3	3	2	2	3	16
7	Sustainability(Environmental constraints/issues) (protected area/eco sensitive zone etc)	4	4	3	4	4	4	23
8	Local entrepreneurship/promoters (availability and willingness)	4	3	3	3	3	4	20
9	Potential for socio economic benefit (employment/income generation to local people, encouragement to local crafts/women entrepreneurship)	3	3	3	4	3	4	20
10	Others (Risk and amenability to financing by financial institutions)	2	2	2	3	2	2	13
	Total	35	34	33	35	32	35	204

2.6 Development of Hampi/Hospet

Sl. No.	Projects	Transportation	Public Facilities	Upgradation of Information Centre	Hotel/ Accommodation	Light & Sound Program	Adventure & Sports	Wayside Amenities	Total
1	State Govt Priority	3	3	3	3	3	3	3	21
2	Prima facie Potential (judgment/survey)	3	3	3	3	3	3	3	21
3	Land Use regulations & other govt regulations	4	4	4	4	4	4	4	28
4	Availability of relevant natural resources (river/ ocean for water based activities, mountain for trekking/gliding local raw material)	4	4	4	4	4	4	4	28
5	Current infrastructural availability & Cost (Land, Water, Power, Local manpower, Communication)	3	3	4	3	3	2	2	20
6	Planned Investment in Infrastructure	3	3	3	3	3	2	2	19
7	Sustainability(Environmental constraints/issues) (protected area/eco sensitive zone etc)	4	3	4	4	3	4	4	26
8	Local entrepreneurship/promoters (availability and willingness)	3	4	3	3	3	3	3	22
9	Potential for socio economic benefit (employment/income generation to local people, encouragement to local crafts/women entrepreneurship)	4	4	4	4	3	4	4	27
10	Others (Risk and amenability to financing by financial institutions)	2	2	2	2	2	2	3	15
	Total	33	33	34	33	31	31	32	227

2.7 Development of Chitradurga

Sl. No.	Project	Transportation	Hotel/ Accommodation	Upgradation of Information Centre	Adventure & Sports	Fort Development	Cultural Heritage Centre	Total
1	State Govt Priority	3	3	3	3		3	15
2	Prima facie Potential (judgment/survey)	3	3	3	3		4	16
3	Land Use regulations & other govt regulations	4	4	4	4		4	20
4	Availability of relevant natural resources (river/ ocean for water based activities, mountain for trekking/gliding local raw material)	4	4	4	4		4	20
5	Current infrastructural availability & Cost (Land, Water, Power, Local manpower, Communication	3	3	3	3		2	14
6	Planned Investment in Infrastructure	2	3	3	2		1	11
7	Sustainability(Environmenta l constraints/issues) (protected area/eco sensitive zone etc)	3	3	3	4		3	16
8	Local entrepreneurship/promoters (availability and willingness)	3	3	3	3		4	16
9	Potential for socio economic benefit (employment/income generation to local people, encouragement to local crafts/women entrepreneurship	3	4	3	4		4	18
10	Others (Risk and amenability to financing by financial institutions)	2	2	2	2		3	11
	Total	30	32	31	32	0	32	157

2.8 Development of Belur-Halebid-Shravanobelagola

Sl. No.	Projects	Hotel/ Accommodation	Public Facilities	Rope-ways	Wayside Amenities	Total
1	State Govt Priority	3	3	3	3	12
2	Prima facie Potential (judgment/survey)	3	3	4	4	14
3	Land Use regulations & other govt regulations	4	4	4	4	16
4	Availability of relevant natural resources (river/ ocean for water based activities, mountain for trekking/gliding local raw material)	3	3	4	3	13
5	Current infrastructural availability & Cost (Land, Water, Power, Local manpower, Communication)	3	3	3	2	11
6	Planned Investment in Infrastructure	3	3	2	1	9
7	Sustainability(Environmental constraints/issues) (protected area/eco sensitive zone etc)	4	3	4	3	14
8	Local entrepreneurship/promoters (availability and willingness)	3	3	3	3	12
9	Potential for socio economic benefit (employment/income generation to local people, encouragement to local crafts/women entrepreneurship)	4	3	4	4	15
10	Others (Risk and amenability to financing by financial institutions)	2	2	3	3	10
	Total	32	30	34	30	126

2.9 Development of Bangalore

Sl. No.	Project	Airstrips	Cultural Heritage Centre	Amusement Park	Total
1	State Govt Priority	4	3	3	10
2	Prima facie Potential (judgment/survey)	4	4	4	12
3	Land Use regulations & other govt regulations	4	4	4	12
4	Availability of relevant natural resources (river/ ocean for water based activities, mountain for trekking/gliding local raw material)	3	3	3	9
5	Current infrastructural availability & Cost (Land, Water, Power, Local manpower, Communication)	4	4	4	12

Sl. No.	Project	Airstrips	Cultural Heritage Centre	Amusement Park	Total
6	Planned Investment in Infrastructure	4	3	3	10
7	Sustainability(Environmental constraints/issues) (protected area/eco sensitive zone etc)	4	4	4	12
8	Local entrepreneurship/promoters (availability and willingness)	3	4	4	11
9	Potential for socio economic benefit (employment/income generation to local people, encouragement to local crafts/women entrepreneurship)	4	4	4	12
10	Others (Risk and amenability to financing by financial institutions)	3	3	3	9
	Total	37	36	36	109

2.10 Development of Mangalore

Sl. No.	Projects	Airstrips	Hotel & Accommodation	Beaches	Transportation/ Connectivity	Total
1	State Govt Priority	3	3	3	3	12
2	Prima facie Potential (judgment/survey)	4	4	4	3	15
3	Land Use regulations & other govt regulations	4	4	3	4	15
4	Availability of relevant natural resources (river/ ocean for water based activities, mountain for trekking/gliding local raw material)	4	4	4	4	16
5	Current infrastructural availability & Cost (Land, Water, Power, Local manpower, Communication)	4	4	4	3	15
6	Planned Investment in Infrastructure	4	3	3	3	13
7	Sustainability(Environmental constraints/issues) (protected area/eco sensitive zone etc)	4	3	4	4	15
8	Local entrepreneurship/promoters (availability and willingness)	4	4	4	4	16
9	Potential for socio economic benefit (employment/income generation to local people, encouragement to local crafts/women entrepreneurship)	4	3	4	4	15
10	Others (Risk and amenability to financing by financial institutions)	3	4	3	3	13
	Total	38	36	36	35	145

2.11 Development of Karwar

Sl. No.	Projects	Beaches	Transportation/ Connectivity	Hotel & Accommodation	Water Sports	Total
1	State Govt Priority	4	3	3	4	14
2	Prima facie Potential (judgment/survey)	4	4	4	4	16
3	Land Use regulations & other govt regulations	3	4	3	3	13
4	Availability of relevant natural resources (river/ ocean for water based activities, mountain for trekking/gliding local raw material)	4	4	4	3	15
5	Current infrastructural availability & Cost (Land, Water, Power, Local manpower, Communication)	4	4	4	3	15
6	Planned Investment in Infrastructure	4	3	4	3	14
7	Sustainability(Environmental constraints/issues) (protected area/eco sensitive zone etc)	4	4	4	3	15
8	Local entrepreneurship/promoters (availability and willingness)	4	4	3	3	14
9	Potential for socio economic benefit (employment/income generation to local people, encouragement to local crafts/women entrepreneurship)	4	4	4	3	15
10	Others (Risk and amenability to financing by financial institutions)	4	3	3	3	13
	Total	39	37	36	32	144

2.12 Development of Chickmagalur

Sl. No.	Projects	Hills/ Trekking	Transportation/ Connectivity	Hotel & Accommodation	Cultural/ Heritage	Total
1	State Govt Priority	4	3	3	3	13
2	Prima facie Potential (judgment/survey)	4	4	4	4	16
3	Land Use regulations & other govt regulations	3	4	4	4	15
4	Availability of relevant natural resources (river/ ocean for water based activities, mountain for trekking/gliding local raw material)	4	4	4	4	16
5	Current infrastructural availability & Cost (Land, Water, Power, Local manpower, Communication)	4	4	4	3	15
6	Planned Investment in Infrastructure	3	3	3	3	12
7	Sustainability(Environmental constraints/issues) (protected area/eco sensitive zone etc)	3	3	3	3	12
8	Local entrepreneurship/promoters (availability and willingness)	3	3	3	3	12
9	Potential for socio economic benefit (employment/income generation to local people, encouragement to local crafts/women entrepreneurship)	4	4	4	3	15
10	Others (Risk and amenability to financing by financial institutions)	3	3	3	3	12
	Total	35	35	35	33	138

2.13 Development of Shimoga/Jog Falls

Sl. No.	Projects	Cultural / Heritage	Transportation/ Connectivity	Hotel & Accommodation	Water Sports	Total
1	State Govt Priority	4	4	4	5	17
2	Prima facie Potential (judgment/survey)	4	4	4	5	17
3	Land Use regulations & other govt regulations	3	4	3	4	14
4	Availability of relevant natural resources (river/ ocean for water based activities, mountain for trekking/gliding local raw material)	4	4	4	5	17
5	Current infrastructural availability & Cost (Land, Water, Power, Local manpower, Communication	4	4	4	5	17
6	Planned Investment in Infrastructure	4	4	4	4	16
7	Sustainability(Environmental constraints/issues) (protected area/eco sensitive zone etc)	4	4	4	4	16
8	Local entrepreneurship/ promoters (availability and willingness)	4	4	4	4	20
9	Potential for socio economic benefit (employment/income generation to local people, encouragement to local crafts/women entrepreneurship	4	4	4	4	16
10	Others (Risk and amenability to financing by financial institutions)	4	4	4	4	16
	Total	39	40	39	44	162

Appendix 4.3 Destination Ranking/Prioritization

Sl. No.	Parameter	Destination				
		MYSORE	MANDYA(KRS)	BANDIPUR	KHARAPUR(KABINI)	MERCARA(MADIKERI)
		Rating	Rating	Rating	Rating	Rating
1	State Govt Priority	4	3	3	3	3
2	Volume of current/potential traffic flow	4	4	3	3	4
3	Number of tourist attractions	4	3	3	3	4
4	Significance of tourist destination (historical/religious/cultural)	4	3	4	4	4
5	Tourist infrastructure availability (Tourist accommodation, internal transport, wayside amenities, entertainment avenues, souvenir/gift/shopping centre, tourism info centres, travel agent/tourist taxi operators, coolies, civic amenities like clean drinking water & toilets, facilities for elderly /disabled/families with young children)	3	3	3	3	3
6	Tourism related basic infrastructure availability (Airport, rail, road, water, electricity, sewerage, communication, banking, emergency medical)	3	3	2	2	2
7	Sustainability for tourism development (environment related issues)	4	4	4	4	4
8	Potential for socio economic development (income generation, encouragement to local crafts/women entrepreneurship)	4	4	3	3	4
9	Institutional/support mechanisms-availability (Fin. Institutions, entrepreneurs, NGOs, human resources)	3	3	3	3	3
10	Others (part of tourist circuit, climate/tourist season, etc)	4	4	4	4	4
	Total	37	34	32	32	35

Rating Scale : 1- 5 (Where 1 is low and 5 is High)

Appendix 4.3 Destination Ranking/

Sl. No.	Parameter	HASSAN	BELUR	HALEBID	SHRAVANOBELAGOLA	DHARWAD
		Rating	Rating	Rating	Rating	Rating
1	State Govt Priority	3	3	3	3	2
2	Volume of current/potential traffic flow	3	4	4	4	2
3	Number of tourist attractions	3	4	4	4	2
4	Significance of tourist destination (historical/religious/cultural)	3	4	4	4	2
5	Tourist infrastructure availability (Tourist accommodation, internal transport, wayside amenities, entertainment avenues, souvenir/gift/shopping centre, tourism info centres, travel agent/tourist taxi operators, coolies, civic amenities like clean drinking water & toilets, facilities for elderly /disabled/families with young children)	3	2	2	2	2
6	Tourism related basic infrastructure availability (Airport, rail, road, water, electricity, sewerage, communication, banking, emergency medical)	3	2	2	3	3
7	Sustainability for tourism development (environment related issues)	4	4	4	4	2
8	Potential for socio economic development (income generation, encouragement to local crafts/women entrepreneurship)	4	4	4	4	3
9	Institutional/support mechanisms-availability (Fin. Institutions, entrepreneurs, NGOs, human resources)	3	3	3	3	2
10	Others (part of tourist circuit, climate/tourist season, etc)	4	4	4	4	2
	Total	33	34	34	35	22

Rating Scale : 1- 5 (Where 1 is low and 5 is High)

Appendix 4.3 Destination Ranking/

Sl. No.	Parameter	BADAMI	PATADAKAL	AIHOLE	BIJAPUR	HOSPET
		Rating	Rating	Rating	Rating	Rating
1	State Govt Priority	3	4	3	3	3
2	Volume of current/potential traffic flow	4	4	4	3	4
3	Number of tourist attractions	3	4	4	4	3
4	Significance of tourist destination (historical/religious/cultural)	4	4	4	4	3
5	Tourist infrastructure availability (Tourist accommodation, internal transport, wayside amenities, entertainment avenues, souvenir/gift/shopping centre, tourism info centres, travel agent/tourist taxi operators, coolies, civic amenities like clean drinking water & toilets, facilities for elderly /disabled/families with young children)	3	2	2	3	3
6	Tourism related basic infrastructure availability (Airport, rail, road, water, electricity, sewerage, communication, banking, emergency medical)	3	2	2	3	3
7	Sustainability for tourism development (environment related issues)	4	4	4	4	4
8	Potential for socio economic development (income generation, encouragement to local crafts/women entrepreneurship)	4	3	3	3	3
9	Institutional/support mechanisms-availability (Fin. Institutions, entrepreneurs, NGOs, human resources)	3	3	3	3	3
10	Others (part of tourist circuit, climate/tourist season, etc)	4	4	4	4	3
	Total	35	34	33	34	32

Rating Scale : 1- 5 (Where 1 is low and 5 is High)

Appendix 4.3 Destination Ranking/

Sl. No.	Parameter	HAMPI	CHITRADURGA	CHICKMAGALORE		SHIMOGA
		Rating	Rating	Rating	Score	Rating
1	State Govt Priority	4	2	3	#REF!	2
2	Volume of current/potential traffic flow	4	2	3	#REF!	3
3	Number of tourist attractions	4	3	4	#REF!	3
4	Significance of tourist destination (historical/religious/cultural)	4	3	4	#REF!	2
5	Tourist infrastructure availability (Tourist accommodation, internal transport, wayside amenities, entertainment avenues, souvenir/gift/shopping centre, tourism info centres, travel agent/tourist taxi operators, coolies, civic amenities like clean drinking water & toilets, facilities for elderly /disabled/families with young children)	2	2	2	#REF!	3
6	Tourism related basic infrastructure availability (Airport, rail, road, water, electricity, sewerage, communication, banking, emergency medical)	2	3	3	#REF!	4
7	Sustainability for tourism development (environment related issues)	4	3	3	#REF!	3
8	Potential for socio economic development (income generation, encouragement to local crafts/women entrepreneurship)	4	4	4	#REF!	4
9	Institutional/support mechanisms-availability (Fin. Institutions, entrepreneurs, NGOs, human resources)	4	3	3	#REF!	3
10	Others (part of tourist circuit, climate/tourist season, etc)	4	3	5	#REF!	3
	Total	36	28	34	#REF!	30

Rating Scale : 1- 5 (Where 1 is low and 5 is High)

Appendix 4.3 Destination Ranking/

Sl. No.	Parameter	JOG FALLS	MANGALORE	KARWAR	GOKARN	UDIPPI
		Rating	Rating	Rating	Rating	Rating
1	State Govt Priority	5	2	2	3	3
2	Volume of current/potential traffic flow	4	2	2	3	3
3	Number of tourist attractions	4	4	4	3	4
4	Significance of tourist destination (historical/religious/cultural)	4	3	3	4	4
5	Tourist infrastructure availability (Tourist accommodation, internal transport, wayside amenities, entertainment avenues, souvenir/gift/shopping centre, tourism info centres, travel agent/tourist taxi operators, coolies, civic amenities like clean drinking water & toilets, facilities for elderly /disabled/families with young children)	2	4	3	3	4
6	Tourism related basic infrastructure availability (Airport, rail, road, water, electricity, sewerage, communication, banking, emergency medical)	3	4	3	3	3
7	Sustainability for tourism development (environment related issues)	4	3	3	3	3
8	Potential for socio economic development (income generation, encouragement to local crafts/women entrepreneurship)	4	4	4	4	4
9	Institutional/support mechanisms-availability (Fin. Institutions, entrepreneurs, NGOs, human resources)	3	4	3	2	3
10	Others (part of tourist circuit, climate/tourist season, etc)	4	4	4	4	4
	Total	37	34	31	32	35

Rating Scale : 1- 5 (Where 1 is low and 5 is High)

Appendix 4.3 Destination Ranking/

Sl. No.	Parameter		
		SHRINGERI	BANGALORE
		Rating	Rating
1	State Govt Priority	3	4
2	Volume of current/potential traffic flow	4	4
3	Number of tourist attractions	3	4
4	Significance of tourist destination (historical/religious/cultural)	4	4
5	Tourist infrastructure availability (Tourist accommodation, internal transport, wayside amenities, entertainment avenues, souvenir/gift/shopping centre, tourism info centres, travel agent/tourist taxi operators, coolies, civic amenities like clean drinking water & toilets, facilities for elderly /disabled/families with young children)	4	4
6	Tourism related basic infrastructure availability (Airport, rail, road, water, electricity, sewerage, communication, banking, emergency medical)	3	4
7	Sustainability for tourism development (environment related issues)	3	4
8	Potential for socio economic development (income generation, encouragement to local crafts/women entrepreneurship)	4	4
9	Institutional/support mechanisms-availability (Fin. Institutions, entrepreneurs, NGOs, human resources)	3	4
10	Others (part of tourist circuit, climate/tourist season, etc)	4	4
	Total	35	40

Rating Scale : 1- 5 (Where 1 is low and 5 is High)

Appendix 5.1:

Investments/ Head wise	Total Investments Rs in lakh
Basic Infrastructure Projects	138070
Tourism Projects	44470
Tourism Infrastructure Projects	58045
Projects In Pipeline(DOT)	36252
Marketing and Publicity	22500
Human Resources Management	11000
Tourism management / Administration	7000
Others (Incentives / subsidies)	13000
Total Investments for the state	330337

Appendix 5.2:

Appendix 5.3: Tourism Projects for Karnataka

Tourism Projects(Rev.Gen/ Self Sustaining)	Investment in lakh Rs per project	No of locations	Total Investment
Tourism Projects			
Ropeway	455.80	8.00	3646.40
Galatta Camp	115.83	6.00	694.98
Children's Park with restaurant	78.09	15.00	1171.35
Coorgi Restaurant	7.94	154.00	1222.76
Ethnic Village	27.19	11.00	299.09
Adventurous Lake Camps	26.38	9.00	237.42
Karna-trekking Camp	7.79	16.00	124.64
Kannada shikara	24.37	6.00	146.22
Doordarshini (Aqua Towers)	24.95	10.00	249.50
Coffee Resorts	36.63	6.00	219.78
Water Sports Complex	84.67	6.00	508.02
Aero Gliding Sports	31.57	9.00	284.13
Beach Cottage	22.85	10.00	228.50
Five Star Hotel	3891.00	7.00	27237.00
Tourism Projects(no revenue/ general interest)			
Museums/ Heritage Centres	600.00	13.00	7800.00
Light & Sound Program			400.00
Total Investment in Tourism Projects			44469.79
Tourism Infrastructure Projects for Karnataka			
Type of Hotels	Investment/hotel in Rs lakh *as per est		
III Star Hotel-60 rooms	540		
II Star Hotel-60 rooms	420		
Budget Hotel -30 rooms	150		
Dormitory-100/200 beds	100		
Cottages-10	20		49440
Information Centre			
Construction of Inf.Centre	12.5	187.5	
Renovation/Upgradation	2.5	25	
Information Kiosk	0.75	7.5	220
Transportation			
1 A/C Coach Bus	20		
1 mini A/C Coach Bus	10		
1 A/C Coach car	3		
1 Taxi car	1.5		
1 Jeep	5		
1 Tempo	6		6070
Signages			
Directional -1	1000		
Identifying -1	1500		
Informative -1	2000		
Restrictive/Prohibitive -1	2000		1040

Tourism Projects(Rev.Gen/ Self Sustaining)	Investment in lakh Rs per project	No of locations	Total Investment
Landscaping			1275
Total Investment in tourism infrastructure			58045
Public Facilities			
Sulabh Sauchalya	10	100	1000
Public Facilities	5	214	1070
Total Investment for Public Facilities			2070
Airstrips			
Construction of new Airport	10000	2	20000
Construction of New Airstrip	2500	4	10000
Upgradation of existing Airstrip	500	2	1000
Upgradation of existing Airport	3000	1	3000
Total Investment for Airstrips			34000
Roads			
Approach roads to be relaid	75	750	56250
National Highway-to be widened	150	100	15000
National Highway-to be overlaid	75	250	18750
State Roads- to be overlaid	40	300	12000
Total Investment for Roads			102000
Total Basic Infrastructure-Investment			138070
Total Proposed Investments for Karnataka			276836.79

Appendix-5.2A : Total Investment Phasing of Different Projects Over the Next 20 Years

Destinations/ Financial Year	02-03	03-04	04-05	05-06	06-07	07-08	08-09	09-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	Total Invs. (Lakhs)
Badami																					
Basic Infrastr. Inv	10.00			10.00		500.00	5.00	10.00		500.00		10.00			500.00	10.00		375.00	10.00		1940.00
Investment for Tourism Infrastr.	0.75	25.00		150.00	5.00	130.00	150.00	540.00		420.00	100.00		150.00	420.00			420.00		540.00	150.00	3200.75
Tourism Projects Invstmt			7.94		78.09			7.94		10.00	31.57		7.94	115.83				7.94			267.25
Total Investments- Badami	10.75	25.00	7.94	160.00	83.09	630.00	155.00	557.94	0.00	930.00	131.57	10.00	157.94	535.83	500.00	10.00	420.00	382.94	550.00	150.00	
Aihole																					
Basic Infrastr. Inv	10.00	10.00		500.00	10.00			500.00	10.00		5.00	500.00	10.00				10.00		375.00	10.00	1950.00
Investment for Tourism Infrastr.	2.50	25.00					12.50				130.00	150.00						540.00			860.00
Tourism Projects Invstmt		7.94			10.00	7.94				7.94				7.94					7.94		49.70
Total Investments- Aihole	12.50	42.94	0.00	500.00	20.00	7.94	12.50	500.00	10.00	7.94	135.00	650.00	10.00	7.94	0.00	0.00	10.00	540.00	382.94	10.00	
Pattadakal																					
Basic Infrastr. Inv		10.00			500.00		10.00			500.00		10.00		500.00	5.00	10.00		375.00		10.00	1930.00
Investment for Tourism Infrastr.	2.50	25.75							150.00				130.00		150.00						458.25
Tourism Projects Invstmt						7.94					7.94		7.79			7.94					31.61
Total Investments- Pattadakal	2.50	35.75	0.00	0.00	500.00	7.94	10.00	0.00	150.00	500.00	7.94	10.00	137.79	500.00	155.00	17.94	0.00	375.00	0.00	10.00	
Bijapur																					
Basic Infrastr. Inv	10.00	500.00	2500.00	2000.00	1750.00	10.00	500.00		1000.00			10.00	500.00	1000.00			375.00	10.00			10165.00
Investment for Tourism Infrastr.	152.50	175.00	150.00	420.00		300.00	25.00		150.00	540.00	125.00	25.00	300.00	420.00		540.00		150.00	420.00		3892.50
Tourism Projects Invstmt	7.94	78.09			7.94	10.00	300.00	300.00	7.94		27.19		7.94	3891.00			7.94			7.94	4653.92
Total Investments- Bijapur	170.44	753.09	2650.00	2420.00	1757.94	320.00	825.00	300.00	1157.94	540.00	152.19	35.00	807.94	5311.00	0.00	540.00	382.94	160.00	420.00	7.94	
Belgaum																					
Basic Infrastr. Inv	10.00					10.00			1875.00		10.00				1875.00	500.00			10.00	1875.00	6165.00
Investment for Tourism Infrastr.		25.00		25.00	2.50	150.00	420.00			25.00	125.00	540.00			150.00	125.00	540.00				2127.50
Tourism Projects Invstmt						7.94		7.94			7.94		7.79	7.94	300.00	300.00	10.00	78.09	7.94		735.58
Total Investments- Belgaum	10.00	25.00	0.00	25.00	2.50	167.94	420.00	7.94	1875.00	25.00	142.94	540.00	7.79	7.94	2325.00	925.00	550.00	78.09	17.94	1875.00	
Hospet																					
Basic Infrastr. Inv	10.00				10.00	600.00			10.00		5000.00	5000.00			10.00		600.00		10.00		11250.00
Investment for Tourism Infrastr.	150.00	27.50		25.00		540.00	25.00	125.00			420.00		125.00			150.00					1587.50
Tourism Projects Invstmt	7.94			10.00	7.94		7.79		78.09	7.79	7.94	455.80	3891.00	300.00	307.94		31.57			7.94	5121.74
Total Investments- Hospet	167.94	27.50	0.00	35.00	17.94	1140.00	32.79	125.00	88.09	7.79	5427.94	5455.80	4016.00	300.00	317.94	150.00	631.57	0.00	10.00	7.94	
Gulbarga																					
Basic Infrastr. Inv	10.00			10.00	400.00	400.00		10.00	2500.00		1875.00	10.00					10.00	1875.00		10.00	7110.00
Investment for Tourism Infrastr.		150.00	25.00	25.00		12.50	25.00				540.00	25.00			150.00			420.00			1372.50
Tourism Projects Invstmt	7.94			78.09	7.94	10.00			7.94	300.00	300.00	7.94				7.94				7.94	735.73
Total Investments- Gulbarga	17.94	150.00	25.00	113.09	407.94	422.50	25.00	10.00	2507.94	300.00	2715.00	42.94	0.00	0.00	150.00	7.94	10.00	2295.00	0.00	17.94	
Hampi																					
Basic Infrastr. Inv	10.00		750.00	10.00	1500.00	1500.00	750.00				10.00	750.00			375.00			10.00			5665.00
Investment for Tourism Infrastr.	2.50	25.00	25.00			150.00		25.00	25.00		130.00			150.00							532.50
Tourism Projects Invstmt	7.94		7.79	7.94	20.00			7.94					7.94					7.94			67.49
Total Investments- Hampi	20.44	25.00	782.79	17.94	1520.00	1650.00	750.00	32.94	25.00	0.00	140.00	750.00	7.94	150.00	375.00	0.00	0.00	17.94	0.00	0.00	

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Kannur																					
Bidar																					
Basic Infrastr. Inv		10.00			10.00				10.00	400.00	400.00		500.00	750.00	10.00				750.00	10.00	2850.00
Investment for Tourism Infrastr.		25.00		25.00	2.50	25.00		150.00					420.00				130.00		150.00		927.50
Tourism Projects Invstmt		7.94		10.00	7.94	300.00	300.00			7.94		27.19	78.09	7.94			7.94				754.98
Total Investments- Bidar	0.00	42.94	0.00	35.00	20.44	325.00	300.00	150.00	10.00	407.94	400.00	27.19	998.09	757.94	10.00	0.00	137.94	0.00	900.00	10.00	
Chitradurga																					
Basic Infrastr. Inv	10.00			5.00		10.00		1875.00			10.00			1000.00	1000.00	1010.00	750.00		1875.00	10.00	7555.00
Investment for Tourism Infrastr.			5.00		25.00	100.00		2.50		150.00				55.00		100.00			150.00		587.50
Tourism Projects Invstmt	7.94				7.79	7.94		20.00	7.79			7.94		300.00	300.00		7.94				667.34
Total Investments- Chitradurga	17.94	0.00	5.00	5.00	32.79	117.94	0.00	1897.50	7.79	150.00	10.00	7.94	0.00	1355.00	1300.00	1110.00	757.94	0.00	2025.00	10.00	
Harihar																					
Basic Infrastr. Inv		10.00		5.00	750.00	10.00			5.00		10.00					10.00					800.00
Investment for Tourism Infrastr.	0.75			2.50	55.00	25.00	150.00								150.00						383.25
Tourism Projects Invstmt		7.94				7.94					7.94								7.94		31.76
Total Investments- Harihar	0.75	17.94	0.00	7.50	805.00	42.94	150.00	0.00	5.00	0.00	17.94	0.00	0.00	0.00	150.00	10.00	0.00	0.00	7.94	0.00	
Madikeri																					
Basic Infrastr. Inv	10.00				10.00			1875.00	10.00	400.00			10.00	1875.00			10.00			10.00	4210.00
Investment for Tourism Infrastr.	25.00	25.00	125.00	2.50	25.00	200.00		150.00				125.00		150.00		540.00					1367.50
Tourism Projects Invstmt			7.94				36.63	7.94		27.19	7.94	26.38	78.09	324.95	415.83	36.63	7.94	10.00		7.94	995.40
Total Investments- Madikeri	35.00	25.00	132.94	2.50	35.00	200.00	36.63	2032.94	10.00	427.19	7.94	151.38	88.09	2349.95	415.83	576.63	17.94	10.00	0.00	17.94	
Shravanabelagola																					
Basic Infrastr. Inv		10.00			10.00				5.00			10.00					5.00	10.00		10.00	60.00
Investment for Tourism Infrastr.	0.75	25.00	5.00			100.00			55.00					150.00			100.00				435.75
Tourism Projects Invstmt	7.94		20.00		7.94					7.94					7.94			455.80	7.94		515.50
Total Investments- Shravanabelagola	8.69	35.00	25.00	0.00	17.94	100.00	0.00	0.00	60.00	7.94	0.00	10.00	0.00	150.00	7.94	5.00	110.00	455.80	7.94	10.00	
Kushalnagar																					
Basic Infrastr. Inv				10.00				10.00							1875.00		400.00		10.00		2305.00
Investment for Tourism Infrastr.			0.75	25.00	2.50	100.00						55.00	150.00			100.00					433.25
Tourism Projects Invstmt								7.94			26.38		7.94		36.63		10.00				88.89
Total Investments- Kushalnagar	0.00	0.00	0.75	35.00	2.50	100.00	0.00	17.94	0.00	0.00	26.38	55.00	157.94	0.00	1911.63	100.00	410.00	0.00	10.00	0.00	
Ranganathittu																					
Basic Infrastr. Inv			10.00			5.00			750.00			10.00									775.00
Investment for Tourism Infrastr.			0.75	25.00			2.50			55.00					20.00						103.25
Tourism Projects Invstmt								7.94							7.94						15.88
Total Investments- Ranganathittu	0.00	0.00	10.75	25.00	0.00	5.00	2.50	7.94	750.00	55.00	0.00	10.00	0.00	0.00	27.94	0.00	0.00	0.00	0.00	0.00	
Mysore																					
Basic Infrastr. Inv	10.00		10.00	2500.00	5000.00	5000.00	2510.00				10.00			10.00			10.00		10.00	10.00	15080.00
Investment for Tourism Infrastr.	600.00	170.00	445.00	130.00	37.50	540.00	50.00	600.00	430.00	420.00	150.00	150.00	420.00	150.00	420.00	270.00	600.00		720.00		6302.50
Tourism Projects Invstmt	78.09	455.80	78.14	307.79	415.83	27.19	49.32	455.80	3922.76	44.95	31.57	26.38		31.76			31.57	24.37			5981.32
Total Investments- Mysore	688.09	625.80	533.14	2937.79	5453.33	5567.19	2609.32	1055.80	4352.76	464.95	191.57	176.38	420.00	191.76	420.00	270.00	641.57	24.37	730.00	10.00	
Bangalore																					

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Kemmanagundi																					
Basic Infrastr. Inv	5000.00	5000.00	50.00				10.00				10.00		10.00			10.00			10.00		10100.00
Investment for Tourism Infrastr.	600.00	50.00	175.00	540.00	612.50	225.00	175.00	565.00	600.00	350.00	175.00	600.00	37.50	540.00	600.00	150.00	100.00	600.00		150.00	6845.00
Tourism Projects Invstmt	455.80	115.83	78.09	78.14	63.33	3917.38	78.09	20.00	31.76	300.00	300.00			31.76	31.57				31.76		5533.51
Total Investments- Bangalore	6055.80	5165.83	303.09	618.14	675.83	4142.38	263.09	585.00	631.76	650.00	485.00	600.00	47.50	571.76	631.57	160.00	100.00	600.00	41.76	150.00	
Belur																					
Basic Infrastr. Inv		10.00		1875.00		10.00					10.00				10.00				10.00		1925.00
Investment for Tourism Infrastr.	12.50	25.00	130.00	25.00			100.00	25.00					540.00								857.50
Tourism Projects Invstmt		7.94		20.00		7.94				7.94											43.82
Total Investments- Belur	12.50	42.94	130.00	1920.00	0.00	17.94	100.00	25.00	0.00	7.94	10.00	0.00	540.00	0.00	10.00	0.00	0.00	0.00	10.00	0.00	
Halebid																					
Basic Infrastr. Inv	10.00			10.00			10.00		1875.00	10.00					10.00					10.00	1935.00
Investment for Tourism Infrastr.		25.00	25.00	12.50		100.00		150.00	25.00				150.00	130.00	150.00		150.00				917.50
Tourism Projects Invstmt			7.94							7.94											15.88
Total Investments- Halebid	10.00	25.00	32.94	22.50	0.00	100.00	10.00	150.00	1900.00	17.94	0.00	0.00	150.00	130.00	160.00	0.00	150.00	0.00	0.00	10.00	
Hassan																					
Basic Infrastr. Inv		10.00			10.00				10.00			10.00				10.00	2500.00			10.00	2560.00
Investment for Tourism Infrastr.	25.00	175.00	125.00	540.00	420.00	152.50	25.00	420.00		150.00	25.00	540.00	125.00	150.00			150.00				3022.50
Tourism Projects Invstmt	7.94	78.09		10.00	3891.00			7.94							300.00	300.00					4594.97
Total Investments- Hassan	32.94	263.09	125.00	550.00	4321.00	152.50	25.00	427.94	10.00	150.00	25.00	550.00	125.00	150.00	300.00	310.00	2650.00	0.00	0.00	10.00	
Chickmagalur																					
Basic Infrastr. Inv	10.00	1875.00	600.00	1500.00	10.00				10.00	1875.00	600.00		10.00				10.00			10.00	6510.00
Investment for Tourism Infrastr.	160.00	125.00	42.50	420.00	150.00	25.00		125.00	150.00			150.00	540.00	25.00	150.00			150.00			2212.50
Tourism Projects Invstmt	36.63	7.94		7.79		78.09			10.00	7.94						31.57					179.96
Total Investments- Chickmagalur	206.63	2007.94	642.50	1927.79	160.00	103.09	0.00	125.00	170.00	1882.94	600.00	150.00	550.00	25.00	150.00	31.57	10.00	150.00	0.00	10.00	
Kemmanagundi																					
Basic Infrastr. Inv	10.00		750.00			5.00	750.00		10.00			375.00		5.00			10.00				1915.00
Investment for Tourism Infrastr.				25.00	55.00	20.00		2.50				150.00									252.50
Tourism Projects Invstmt		7.94					7.94						7.94	455.80	36.63		115.83				632.08
Total Investments- Kemmanagundi	10.00	7.94	750.00	25.00	55.00	25.00	757.94	2.50	10.00	0.00	0.00	525.00	7.94	460.80	36.63	0.00	125.83	0.00	0.00	0.00	
Kudremukh																					
Basic Infrastr. Inv		10.00		5.00			10.00		1875.00			5.00	10.00						10.00		1925.00
Investment for Tourism Infrastr.		55.00		2.50		25.00	150.00				20.00			150.00							402.50
Tourism Projects Invstmt		7.94						7.94	36.63			7.94	115.83		31.57						207.85
Total Investments- Kudremukh	0.00	72.94	0.00	7.50	0.00	25.00	160.00	7.94	1911.63	0.00	25.00	7.94	125.83	150.00	31.57	0.00	0.00	0.00	10.00	0.00	
Shringeri																					
Basic Infrastr. Inv	10.00				5.00		10.00						5.00			10.00					40.00
Investment for Tourism Infrastr.			12.50		27.50	130.00	150.00				420.00				150.00						890.00
Tourism Projects Invstmt			7.94			24.37			27.19		20.00	7.94		24.95		7.79					120.18
Total Investments- Sringeri	10.00	0.00	20.44	0.00	32.50	154.37	160.00	0.00	27.19	0.00	440.00	7.94	5.00	24.95	150.00	17.79	0.00	0.00	0.00	0.00	
Shimoga																					
Basic Infrastr. Inv	10.00			10.00			2500.00	10.00					10.00		1000.00	1500.00	1250.00	10.00		10.00	6310.00

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Kannur																					
Investment for Tourism Infrastr.	25.00	150.00	25.00		125.00	540.00	27.50	300.00		420.00	150.00	25.00		300.00		125.00	150.00			150.00	2512.50
Tourism Projects Invstmt	7.94		78.09		27.19	7.94	10.00	3891.00		7.94		24.95		27.19	300.00	300.00	24.37				4706.61
Total Investments- Shimoga	42.94	150.00	103.09	10.00	152.19	547.94	2537.50	4201.00	0.00	427.94	150.00	49.95	10.00	327.19	1300.00	1925.00	1424.37	10.00	0.00	160.00	
Jogfalls																					
Basic Infrastr. Inv	10.00			375.00	10.00						10.00					10.00				10.00	425.00
Investment for Tourism Infrastr.			12.50	150.00	25.00	100.00	150.00	55.00	420.00			150.00		420.00	100.00		150.00				1732.50
Tourism Projects Invstmt		7.94	455.80	24.37	26.38		7.94	20.00		27.19			7.94			7.79		24.95			610.30
Total Investments- Jogfalls	10.00	7.94	468.30	549.37	61.38	100.00	157.94	75.00	420.00	27.19	10.00	150.00	7.94	420.00	100.00	17.79	150.00	24.95	0.00	10.00	
Mangalore																					
Basic Infrastr. Inv	1500.00	1500.00	50.00	1000.00	500.00	375.00	10.00			10.00				10.00				10.00			4965.00
Investment for Tourism Infrastr.	12.50	150.00	25.00	25.00	125.00	25.00	150.00	25.00	300.00	420.00	150.00	125.00	150.00	420.00	540.00	25.00	150.00		150.00		2967.50
Tourism Projects Invstmt	7.94	22.85		10.00	7.94		24.95	78.09	22.85	26.38	300.00	307.94	3891.00	455.80		84.67	22.85	27.19			5290.45
Total Investments- Mangalore	1520.44	1672.85	75.00	1035.00	632.94	400.00	184.95	103.09	322.85	456.38	450.00	432.94	4041.00	885.80	540.00	109.67	172.85	37.19	150.00		
Kukke Subramanya																					
Basic Infrastr. Inv		10.00			5.00		10.00	500.00	1000.00	500.00	10.00							10.00			2045.00
Investment for Tourism Infrastr.				80.00	2.50	150.00						150.00									382.50
Tourism Projects Invstmt		7.79				7.94					7.94										23.67
Total Investments- Kukke Subramanya	0.00	17.79	0.00	80.00	7.50	157.94	10.00	500.00	1000.00	500.00	17.94	150.00	0.00	0.00	0.00	0.00	0.00	10.00	0.00	0.00	
Kollur																					
Basic Infrastr. Inv	10.00			5.00	10.00					750.00		5.00			10.00			5.00			795.00
Investment for Tourism Infrastr.		12.50	2.50	25.00	150.00				130.00		150.00		420.00	150.00							1040.00
Tourism Projects Invstmt		7.94			7.79		7.94			31.57			7.94								63.18
Total Investments- Kollur	10.00	20.44	2.50	30.00	167.79	0.00	7.94	0.00	130.00	781.57	150.00	5.00	427.94	150.00	10.00	0.00	0.00	5.00	0.00	0.00	
Karkala																					
Basic Infrastr. Inv			375.00	10.00					5.00									10.00			400.00
Investment for Tourism Infrastr.		2.50	0.75	25.00	55.00	150.00								150.00				150.00			533.25
Tourism Projects Invstmt			7.94										7.94								15.88
Total Investments- Karkala	0.00	2.50	383.69	35.00	55.00	150.00	0.00	0.00	5.00	0.00	0.00	0.00	7.94	150.00	0.00	0.00	0.00	160.00	0.00	0.00	
Moodabidri																					
Basic Infrastr. Inv		10.00		5.00		750.00				5.00		10.00								10.00	790.00
Investment for Tourism Infrastr.		2.50	25.00	150.75			55.00		150.00								150.00				533.25
Tourism Projects Invstmt		7.94					7.94			10.00				7.94							33.82
Total Investments- Moodabidri	0.00	20.44	25.00	155.75	0.00	750.00	62.94	0.00	150.00	15.00	0.00	10.00	0.00	7.94	0.00	0.00	150.00	0.00	0.00	10.00	
Dharmasthala																					
Basic Infrastr. Inv	10.00			5.00						10.00			5.00					750.00		10.00	790.00
Investment for Tourism Infrastr.			30.00	150.00	12.50							150.00			100.00		55.00	150.00			647.50
Tourism Projects Invstmt		7.94					7.94				10.00						7.94				33.82
Total Investments- Dharmasthala	10.00	7.94	30.00	155.00	12.50	0.00	7.94	0.00	0.00	10.00	10.00	150.00	5.00	0.00	100.00	0.00	62.94	900.00	0.00	10.00	
Udupi																					
Basic Infrastr. Inv	10.00				10.00	800.00			10.00		1875.00		800.00	10.00					10.00	10.00	3535.00
Investment for Tourism Infrastr.		25.00	12.50	125.00	25.00	150.00	25.00	420.00		150.00	125.00	150.00	420.00	150.00		150.00			150.00		2077.50

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																						(Lakhs)
Uduppi		02-03	03-04	04-05	05-06	06-07	07-08	08-09	09-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	
Tourism Projects Invstmt			22.85		7.94			22.85	84.67			27.19	7.94		10.00		7.94			22.85		214.23
Total Investments- Uduppi		10.00	47.85	12.50	132.94	35.00	950.00	47.85	504.67	10.00	150.00	2027.19	157.94	1220.00	170.00	0.00	157.94	0.00	0.00	182.85	10.00	
Karwar																						
Basic Infrastr. Inv		10.00			10.00	800.00	5.00	1875.00		10.00	1000.00	500.00	375.00	10.00	5.00		800.00	10.00			10.00	5420.00
Investment for Tourism																						
Infrastr.		25.00	125.00	150.00	25.00	25.00	420.00	150.00				150.00		125.00	150.00			150.00			150.00	1645.00
Tourism Projects Invstmt		7.94		84.67	7.94			7.79		7.94	84.67	27.19	24.37	7.94	322.85	378.09				7.94		969.33
Total Investments- Karwar		42.94	125.00	234.67	42.94	825.00	425.00	2032.79	0.00	17.94	1084.67	677.19	399.37	142.94	477.85	378.09	800.00	160.00	0.00	7.94	160.00	
Gokarna																						
Basic Infrastr. Inv		10.00		5.00		10.00			5.00		1875.00	10.00		5.00				10.00		5.00		1935.00
Investment for Tourism																						
Infrastr.				12.50	25.00	100.00	10.00	150.00	125.00	150.00	150.00		125.00	420.00	150.00		150.00				150.00	1717.50
Tourism Projects Invstmt				7.94				22.85				7.94				10.00	84.67					133.40
Total Investments- Gokarna		10.00	0.00	25.44	25.00	110.00	10.00	172.85	130.00	150.00	2025.00	17.94	125.00	425.00	150.00	10.00	234.67	10.00	0.00	5.00	150.00	
Yana																						
Basic Infrastr. Inv			10.00		5.00		10.00			1875.00	10.00			5.00	10.00				10.00			1935.00
Investment for Tourism																						
Infrastr.				0.75	25.00	100.00					5.00	100.00			150.00	55.00						435.75
Tourism Projects Invstmt					10.00				7.94				24.95					7.79				50.68
Total Investments- Yana		0.00	10.00	0.75	40.00	100.00	10.00	0.00	7.94	1875.00	15.00	100.00	24.95	5.00	160.00	55.00	0.00	7.79	10.00	0.00	0.00	
Sirsi																						
Basic Infrastr. Inv		10.00		5.00	10.00		10.00				5.00	10.00		1875.00		10.00					10.00	1945.00
Investment for Tourism																						
Infrastr.		25.00		125.00	25.00	150.00		37.50	150.00			100.00		150.00					125.00		150.00	1037.50
Tourism Projects Invstmt		7.94					7.94		10.00		7.94		24.95		7.79				7.94			74.50
Total Investments- Sirsi		42.94	0.00	130.00	35.00	150.00	7.94	47.50	160.00	0.00	12.94	110.00	24.95	2025.00	7.79	10.00	0.00	125.00	7.94	150.00	10.00	
Murdeswar																						
Basic Infrastr. Inv			10.00		5.00		10.00				5.00			10.00					10.00		10.00	60.00
Investment for Tourism																						
Infrastr.			0.75		25.00	150.00		130.00		150.00					150.00		55.00		150.00			810.75
Tourism Projects Invstmt			22.85		26.38		7.94			84.67		7.94			24.95		10.00	22.85				207.58
Total Investments- Murdeswar		0.00	33.60	0.00	56.38	150.00	17.94	130.00	0.00	234.67	5.00	7.94	0.00	10.00	174.95	0.00	65.00	32.85	150.00	0.00	10.00	
Total Proposed Investment for Karnataka		18400.22	23065.98	15336.44	27544.26	36760.08	38102.86	24409.94	27402.04	39971.12	24086.52	29639.22	22905.22	33377.10	32422.78	24078.28	15103.88	18823.06	12808.44	11238.62	5693.52	240584.79
Projects in Pipeline as per DOT, Karnataka																						
Karnatic Saga-Luxury Train		700.00	700.00	700.00	702.00																	2802.00
Integrated Jog Development		2000.00	2000.00	2500.00	3000.00	500.00																10000.00
Development of World Heritage Centre Hampi		500.00	2500.00	2500.00	2500.00	2000.00																10000.00
Night Safari at Bannerghatta		500.00	1000.00	1000.00	2500.00	1000.00	2000.00	2000.00														10000.00
Fort /Palace Devpt		50.00	100.00	1000.00	100.00	150.00	100.00	150.00	200.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	2450.00
Golf Courses			250.00	100.00				75.00				250.00				250.00		75.00				1000.00
Investments for proposed Projects(DOT-Kar)		3750.00	6550.00	7800.00	8802.00	3650.00	2100.00	2225.00	200.00	50.00	50.00	300.00	50.00	50.00	50.00	300.00	50.00	125.00	50.00	50.00	50.00	36252.00
Total Investment planned for the State		22150.22	29615.98	23136.44	36346.26	40410.08	40202.86	26634.94	27602.04	40021.12	24136.52	29939.22	22955.22	33427.10	32472.78	24378.28	15153.88	18948.06	12858.44	11288.62	5743.52	#####

Appendix 6.1: Project Responsibility and Execution/Implementation of the Identified Projects.

1.1 Tourism Projects for Karnataka

	Investmt in Rs lakh per project	Total Investment in Rs lakh	Implementing Agency
Tourism Projects(Rev.Gen/ Self Sustaining)			
Ropeway	456	3646	Private Sector-Entrepreneurs-BOO
Galatta Camp	116	695	Private/Public Partnership-BOT/ Leasing the lakes
Children's Park with restaurant	78	1171	Private Sector-Entrepreneurs-BOT
Coorgi Restaurant	8	1223	Local Entrepreneurs-BOO
Ethnic Village	27	299	Private Sector-Entrepreneurs-BOO
Adventurous Lake Camps	26	237	Private/Public Partnership-BOT/ Leasing the lakes
Karna-trekking Camp	8	125	Private Sector-Entrepreneurs-BOO
Kannada shikara	24	146	Private/Public Partnership-BOT/ Leasing the lakes
Doordarshini (Aqua Towers)	25	250	Private Sector-Entrepreneurs-BOO
Coffee Resorts	37	220	Coffee Estate/ Entrepreneurs-BOO
Water Sports Complex	85	508	Private/Public Partnership-BOT/ Leasing the lakes
Aero Gliding Sports	32	284	Private Sector-Entrepreneurs-BOO
Beach Cottage	23	229	Entrepreneurs-BOO
Five Star Hotel	3891	27237	Corporate Hotel Chains
Tourism Projects(no revenue/ general interest)			50% FROM UNESCO ; 25% by Dept of Kannada & Culture;25% By Dept. of Archaeology. Dept of Tourism should co-ordinate
Museums/ Heritage Centres	600	7800	
Light & Sound Program		400	Dept of Tourism, Karnataka
Total Tourism Projects		44470	

1.2 Tourism Infrastructure Projects for Karnataka

Type of Hotels	Investment per hotel in Rs of lakh *as per estimates	Value	Remarks
III Star Hotel-60 rooms	540		Corporate Hotel Chains
II Star Hotel-60 rooms	420		Corporate Hotel Chains
Budget Hotel -30 rooms	150		Local Private Entrepreneurs
Dormitory-100/200 beds	100		Dept oF Tourism, Karnataka
Cottages-10	20	49440	Local Private Entrepreneurs
Information Centre	Rs in lakh		Dept oF Tourism, Karnataka
Construction of Inf.Centre	13		
Renovation/Upgradation	3		
Information Kiosk	1	220	
Transportation	Rs in lakh		Corporates In Logistics Industry and local entrepreneurs
1 A/C Coach Bus	20		
1 mini A/C Coach Bus	10		
1 A/C Coach car	3		
1 Taxi car	2		
1 Jeep	5		
1 Tempo	6	6070	
Signages	Rs		Dept oF Tourism, Karnataka
Directional -1	1000		
Identifying -1	1500		
Informative -1	2000		
Restrictive/Prohibitive -1	2000	1040	
Landscaping		1275	Dept oF Tourism, Karnataka can be sponsored and maintained by corporate groups
Total Investment in Tourism		58045	

1.3 Basic Infrastructure projects

Public Facilities	Investment per hotel in Rs of lakh *as per estimates	Value	Local Body- Municipality/Corporation
Sulabh Sauchalya	10	1000	
Public Facilities	5	1070	
Total Investment for Public Facilities		2070	
Airstrips			Airport Authority of India Ltd
Construction of new Airport	10000	20000	Privatisation can also be encouraged through BOT
Construction of New Airstrip	2500	10000	
Upgradation of existing Airstrip	500	1000	

Public Facilities	Investment per hotel in Rs of lakh *as per estimates	Value	Local Body- Municipality/Corporation
Upgradation of existing Airport	3000	3000	
Total Investment for Airstrips		34000	
Roads			Dept of PWD,Karnataka
Approach roads to be relaid	75	56250	Dept of PWD,Karnataka
National Highway-to be widened	150	15000	NHAILtd
National Highway-to be overlaid	75	18750	NHAILtd
State Roads- to be overlaid	40	12000	Dept of PWD,Karnataka
Total Investment for Roads		102000	
Total Basic Infrastructure-Investment		138070	
Projects in Pipeline as per DOT, Karnataka			
Karnatic Saga-Luxury Train		2802	60% by Dept Of Tourism & 40% by Indian Railways
Integrated Jog Development		10000	Dept of Tourism, Karnataka
Development of World Heritage Centre Hampi		10000	Dept. of Archaeology,Dept. of Tourism, Karnataka with 50% investment from UNESCO
Night Safari at Bannerghatta		10000	Dept of Tourism, Karnataka
Fort /Palace Devpt		2450	Dept of Archaeology
Golf Courses		1000	Corporate Groups/ Entrepreneurs
Total Investments- Pipeline Projects		36252	
Total Proposed Investments for Karnataka		276837	

List of Contacts

Sl. No.	Person/Place visited/Designation	Department	Place/City	Type of Organisation
1	Ms. Divya Narayana, Admin Officer	Jawahar Bal Bhavan, Cubbon Park	Bangalore	Tourist Destination
2	Mr. N Sashidhara, Education Officer	Visvesvaraya Industrial & Technological Museum/National council of Science Museum	Bangalore	Tourist Destination
3	Mr. Chikmaregowda, Asstt Dir Ms. Kamlabai, Curator	Govt Museum	Bangalore	Tourist destination
4	Security Officer	Lalbagh Garden	Bangalore	Tourist destination
5	Mr. K Mudalappa, Manager (KSTDC)	Ulsoor Lake	Bangalore	Tourist destination
6		Sankey Tank	Bangalore	Tourist destination
7	Mr. IM Vittalamurthy IAS, Commissioner of Tourism, Govt of Karnataka & Managing Director of Karnataka State Tourism Development Corporation	Dept of Tourism KSTDC	Bangalore	Govt
8	Mr. Shridhar Commercial Manager	KSTDC	Bangalore	Govt
9	Mr. RS Rameshan – Marketing Manager	KSTDC	Bangalore	Govt
10	Mr. YT Naik- Jt. Dir, DOT Also Prakash, DD Boregowda	DOT	Bangalore	Govt
11	K Ramesh, Chief Engineer TC Kathyayini – PRO	Bangalore Water Supply & Sewerage Board (BWSSB)	Banagalore	Govt
12	Managing Comm. Member-Temple	ISKON	Bangalore	Tourist destination
13	Mr. P A Raju	New Car Links	Bangalore	Tour Operator
14	Mr. Sekhar & Mr. Murugan	Deccan Tourism Corporation	Bangalore	Govt app. Tour Operator
15	Mr. Sampath Babu-Chief /Uday –Comm. Mgr	Sri Sathya Sai Tourists	Bangalore	Govt app. Tour Operator
16	Mr. NR Narayana Rao, President	Karnataka Prasesh Hotel & Restaurant Association	Bangalore	Hotel Owners Association
17	Manager	Taj Mahal Hotel	Bangalore	Hotel Owner/Manager
18		KSTDC	Bangalore	Govt.
19	Assist. Dir Mr. Naik/Ms Sabina Begaum-Curaor	Mysore Palace	Mysore	Tourist destination
20	Mr. S Vikram-Asstt Dir Mr Sridhar Mr. PH Naik-Tourist Officer	Regional Tourist Office	Mysore	Govt
21		Srirangapatana Ranganthittu Vrindavan Garden (KRS)	Mandya Mysore	Tourist destinations
22		Chamundi Temple	Mysore	Tourist destination

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Sl. No.	Person/Place visited/Designation	Department	Place/City	Type of Organisation
23	David Aitken-VP Operation Vinita Rashinkar-Ex. Mktg Dr. GS Vishwanath-Resi Doctor	Indus Valley Ayurvedic Centre	Mysore	Ayurvedic Centre/ Tourist destination
24	Mr. KN Devaraju-Dy. Commissioner,	Mysore City Corporation	Mysore	Govt
25	Mr M.Subramaniam- Commercial Manager(S)	KSTDC	Mysore	Govt.
26	Sister Rani	St. Philamona's Church (Cahedral/Basilica)	Mysore	Tourist destination
27	Mr. DK Prasanth	Heritage International Travels	Mysore	Tour Operator
28	Mr. Nagraj – Tourist Officer	Regional Tourist Office	Mercara	Govt
29	Mr. Shanubhog – Incharge Manager	KSTDC	Mercara	Govt
30	Mr. Subramanyam – Dy. Commissioner	Commiiissioner Office	Mercara	Govt
31		Raja Seat, Museum, Abbey Falls	Mercara	Tourist destination
32	Retd. Gen Kariappa	Retd. General (Family of Late Air Marshall Kariappa)	Mercara	Prominent Personality
33	Mr. PR Ramaiah-Ex MLC, Sr. Jounalist, Member of Public Undertaking Committee Mr Jeevan Chinnappa-Sr. Journalist of The Hindu Mr. TP Ramesh-President of Local Press Club	Journalist	Mercara	Prominent Personality
34		Tala Cauvery	Madikeri	Tourist destination
35		Tibetian Golden Temple & Settlement	Kushalnagar	Tourist destination
36	Forest Officer –In-Charge	Cauvery Nisargadhama	Kushalnagar	Tourist destination
37	Manager/Owner	Hotel Krishma	Hassan	Hotel Owner/Manager
38		Belur, Halebeedu, Shravanabelagola	Hassan	Tourist destination
39	Shri Virendra Heggade – Dharmadhikari	Dharmasthala	Dharmasthala	Prominent Personality/ Tourist destination
40	Admin Officer/Office Staff	Bandipur National Park	Bandipur	Tourist destination
41	Mr. Murugam – In-charge & Accountant	Kabini Jungle Lodge	Kharapur	Tourist destination

QUESTIONNAIRE FOR TOUR OPERATORS

[illegible]

9. Preferred Tourist Destinations. (Please list them in the order of popularity)

[illegible]

(Please collect brochures)

10. Potential Tourist Destinations (List them in order based on potential)

[illegible]

(collect details about location, accessibility, etc)
--

11. Composition of tourist traffic to the state (2000 – 01)

Sl. No.	Type of tourist	(% of the total traffic)
A	Business / Conference	
B	Adventure	
C	Leisure	
D	Pilgrimage	
E	Culture / Heritage	
F	Others (please specify)	
	Total	

12. Demographic profile of tourist visiting the state								
a) Gender (Estimated % of total)								
Sl. No.	Description	Domestic			Foreign			
I.	Male							
II.	Female							
	Total							
b) Age group (Estimated % of total)								
Sl. No.	Description	Domestic			Foreign			
I.	3 – 14 years							
II.	15 to 24 years							
III.	25 to 34 years							
IV.	35 to 44 years							
V.	45 to 54 years							
VI.	55 to 64 years							
VII.	Above 64 years							
	Total							
13. Average length of stay and spending per person								
Sl. No.	Type	Avg. stay (days)	Avg. Exp./Person (Rs./U.S. \$)	% of average expenditure on				
				Accom.	Food	Transp	Enter.	Shopp
I	Domestic Tourists							
II	Foreign Tourists							
14. Evaluation of tourist facilities (on a scale of 1 to 5 with 1 being poor and 5 being excellent)								
Sr. No.	Tourist Facility	Destinations / Tourist Spot						
		A	B	C	D	E	F	
	Accommodation							
	Food							
	Transportation							
	Entertainment							
	Shopping							
	Tourist Attractions							
	Tour Operators / Guides							
	Communication (STD / ISD)							
	Civic Amenities							
	Safety and Security							
	Health Facilities							
	Banking / Forex Facilities							
	Facility for elderly / disabled / families with young children							
	Any other (please specify)							

15. Linkages with Department of Tourism/Expectations from Government.
16. Problems faced by tourists
17. Any linkages with communities residing/controlling any destinations
18. Important fairs and festivals which attracts tourist/Season
19. Availability of trained manpower
20. Availability of facilities like camping equipments
21. Suggestions for development of tourism (including tourism projects) in the state at various locations.

Date

Name of the interviewer

QUESTIONNAIRE FOR DOMESTIC TOURIST

1.	Name of the Respondent		State of Origin	
2.	Demographic profile			
	a) Sex	Male <input type="checkbox"/>	Female <input type="checkbox"/>	
	b) Age	3-14 years <input type="checkbox"/>	15-24 years <input type="checkbox"/>	
		25-34 years <input type="checkbox"/>	35-44 years <input type="checkbox"/>	
		45-54 years <input type="checkbox"/>	55-64 years <input type="checkbox"/>	
		Above 64 year <input type="checkbox"/>		
	c) Occupation	Professional <input type="checkbox"/>	Executives <input type="checkbox"/>	
		Entrepreneur <input type="checkbox"/>	Others (Students etc.) <input type="checkbox"/>	
3.	Purpose of visit to destination	Business / Conference <input type="checkbox"/>	Culture/Heritage/ Monuments <input type="checkbox"/>	
		Adventure <input type="checkbox"/>	Leisure <input type="checkbox"/>	
		Others please specify		
4.	Travel pattern	Alone <input type="checkbox"/>	With Family <input type="checkbox"/>	
		In a Group <input type="checkbox"/>	Group Size <input type="checkbox"/>	
5.	Are you travelling on a package tour?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
		If yes, exclusively to the destination or to other destination also (please specify other destinations)		
6.	Mode of transport to destination	Air <input type="checkbox"/>	Sea <input type="checkbox"/>	
		Road <input type="checkbox"/>	Train <input type="checkbox"/>	
7.	Average length of stay at the destination	Less than 1 Week <input type="checkbox"/>	1-2 Weeks <input type="checkbox"/>	
		> 2 Weeks <input type="checkbox"/>		
8.	Frequency of visit	First visit <input type="checkbox"/>	Repeat visit <input type="checkbox"/>	
		Indicate no. of previous visits		
9.	Source of information about destination	Television <input type="checkbox"/>	Advt.(newspaper) <input type="checkbox"/>	
		Advt(travel journal) <input type="checkbox"/>	Travel guide <input type="checkbox"/>	
		Friends/Relatives <input type="checkbox"/>	Travel agent/Tour operator <input type="checkbox"/>	
		Govt. tourism office <input type="checkbox"/>	Others <input type="checkbox"/>	
10.	Average spending per day per person	< Rs.500 <input type="checkbox"/>	Rs.501 – Rs.1000 <input type="checkbox"/>	
		Rs.1001 – Rs.2000 <input type="checkbox"/>	Rs.2001 – Rs.3000 <input type="checkbox"/>	
		Rs.3001 –Rs. 4000 <input type="checkbox"/>	> Rs.4000 <input type="checkbox"/>	

11.	% contribution of major items (%) in daily expenses	Accommodation		Food	
		Transportation		Entertainment	
		Shopping			
12.	Type of accommodation	Four & Five star category	<input type="checkbox"/>	Heritage category	<input type="checkbox"/>
		1, 2, 3 star category	<input type="checkbox"/>	Govt. Approved & Budget	<input type="checkbox"/>
		Others (Please specify)			
13.	Rating of destination/tourist facilities (Scale of 1 to 5 with 1 being the poor and 5 being excellent)	Accommodation	<input type="checkbox"/>	Tourist attractions	<input type="checkbox"/>
		Sight seeing	<input type="checkbox"/>	Guide services	<input type="checkbox"/>
		Shopping facilities	<input type="checkbox"/>	Domestic airlines	<input type="checkbox"/>
		Airports	<input type="checkbox"/>	Road transport	<input type="checkbox"/>
		Railways	<input type="checkbox"/>	Cleanliness/Sanitation	<input type="checkbox"/>
		Safety of tourist	<input type="checkbox"/>	Emergency health facilities	<input type="checkbox"/>
		Communication facilities	<input type="checkbox"/>	Banking facilities	<input type="checkbox"/>
		Facilities for elderly/disabled	<input type="checkbox"/>	Any other (Please specify)	<input type="checkbox"/>
14.	Attractions/Major items of interests during your visit				
15.	Problems faced during the stay				
16.	Would you visit the state again	Yes <input type="checkbox"/> No <input type="checkbox"/>			
17.	Overall Experience	Satisfactory <input type="checkbox"/> Un-satisfactory <input type="checkbox"/>			
18.	Suggestions for improvement of the tourist destination				
Date:		Name of interviewer (CAPITALS)			

Name and Signature of the investigator

Date:

QUESTIONNAIRE FOR FOREIGN TOURIST

1.	Name of the Respondent		Nationality	
2.	Port of Entry			
3.	Demographic profile			
	a) Sex	Male <input type="checkbox"/>	Female <input type="checkbox"/>	
	b) Age	3-14 years <input type="checkbox"/>	15-24 years <input type="checkbox"/>	
		25-34 years <input type="checkbox"/>	35-44 years <input type="checkbox"/>	
		45-54 years <input type="checkbox"/>	55-64 years <input type="checkbox"/>	
		Above 64 year <input type="checkbox"/>		
	c) Occupation	Professional <input type="checkbox"/>	Executives <input type="checkbox"/>	
		Entrepreneur <input type="checkbox"/>	Others (Students etc.) <input type="checkbox"/>	
4.	Purpose of visit to destination	Business / Conference <input type="checkbox"/>	Culture/Heritage/ Monuments <input type="checkbox"/>	
		Adventure <input type="checkbox"/>	Leisure <input type="checkbox"/>	
		Others please specify		
5.	Travel pattern	Alone <input type="checkbox"/>	With Family <input type="checkbox"/>	
		In a Group <input type="checkbox"/>	Group Size <input type="checkbox"/>	
6.	Are you travelling on a package tour?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
		If yes, exclusively to the destination or to other destination also (please specify other destinations)		
7.	Mode of transport to destination	Air <input type="checkbox"/>	Sea <input type="checkbox"/>	
		Road <input type="checkbox"/>	Train <input type="checkbox"/>	
8.	Average length of stay at the destination	Less than 1 Week <input type="checkbox"/>	1-2 Weeks <input type="checkbox"/>	
		> 2 Weeks <input type="checkbox"/>		
9.	Frequency of visit	First visit <input type="checkbox"/>	Repeat visit <input type="checkbox"/>	
		Indicate no. of previous visits		
10.	Source of information about destination	Television <input type="checkbox"/>	Advt.(newspaper) <input type="checkbox"/>	
		Advt(travel journal) <input type="checkbox"/>	Travel guide <input type="checkbox"/>	
		Friends/Relatives <input type="checkbox"/>	Travel agent/Tour operator <input type="checkbox"/>	
		Govt. tourism office <input type="checkbox"/>	Others <input type="checkbox"/>	

11.	Average spending per day per person	< U.S. \$ 50	<input type="checkbox"/>	U.S. \$ 51 – U.S. \$ 100	<input type="checkbox"/>
		U.S. \$ 101 – U.S. \$ 150	<input type="checkbox"/>	U.S. \$ 151 – U.S. \$ 200	<input type="checkbox"/>
		> U.S. \$ 200	<input type="checkbox"/>		
12.	% contribution of major items (%) in daily expenses	Accommodation		Food	
		Transportation		Entertainment	
		Shopping			
13.	Type of accommodation	Four & Five star category	<input type="checkbox"/>	Heritage category	<input type="checkbox"/>
		1, 2, 3 star category	<input type="checkbox"/>	Govt. Approved & Budget	<input type="checkbox"/>
		Others (Please specify)			
14.	Rating of destination/tourist facilities (Scale of 1 to 5 with 1 being the poor and 5 being excellent)	Accommodation	<input type="checkbox"/>	Tourist attractions	<input type="checkbox"/>
		Sight seeing	<input type="checkbox"/>	Guide services	<input type="checkbox"/>
		Shopping facilities	<input type="checkbox"/>	Domestic airlines	<input type="checkbox"/>
		Airports	<input type="checkbox"/>	Road transport	<input type="checkbox"/>
		Railways	<input type="checkbox"/>	Cleanliness/Sanitation	<input type="checkbox"/>
		Safety of tourist	<input type="checkbox"/>	Emergency health facilities	<input type="checkbox"/>
		Communication facilities	<input type="checkbox"/>	Banking facilities	<input type="checkbox"/>
		Facilities for elderly/disabled	<input type="checkbox"/>	Any other (Please specify)	<input type="checkbox"/>
15.	Attractions/Major items of interests during your visit				
16.	Problems faced during the stay				
17.	Would you visit the state again	Yes <input type="checkbox"/> No <input type="checkbox"/>			
18.	Overall Experience	Satisfactory <input type="checkbox"/> Un-satisfactory <input type="checkbox"/>			
19.	Suggestions for improvement of the tourist destination				
Date:		Name of interviewer (CAPITALS)			

Name and Signature of the investigator

Date:

Joint Director General (MR), Department of Tourism
Ministry of Tourism & Culture
C-1, Hutments, Dalhousie Road
New Delhi
110001
India

Study Report on Preparation of 20 Years Perspective Plan for Development of Sustainable Tourism in Karnataka

June 2002

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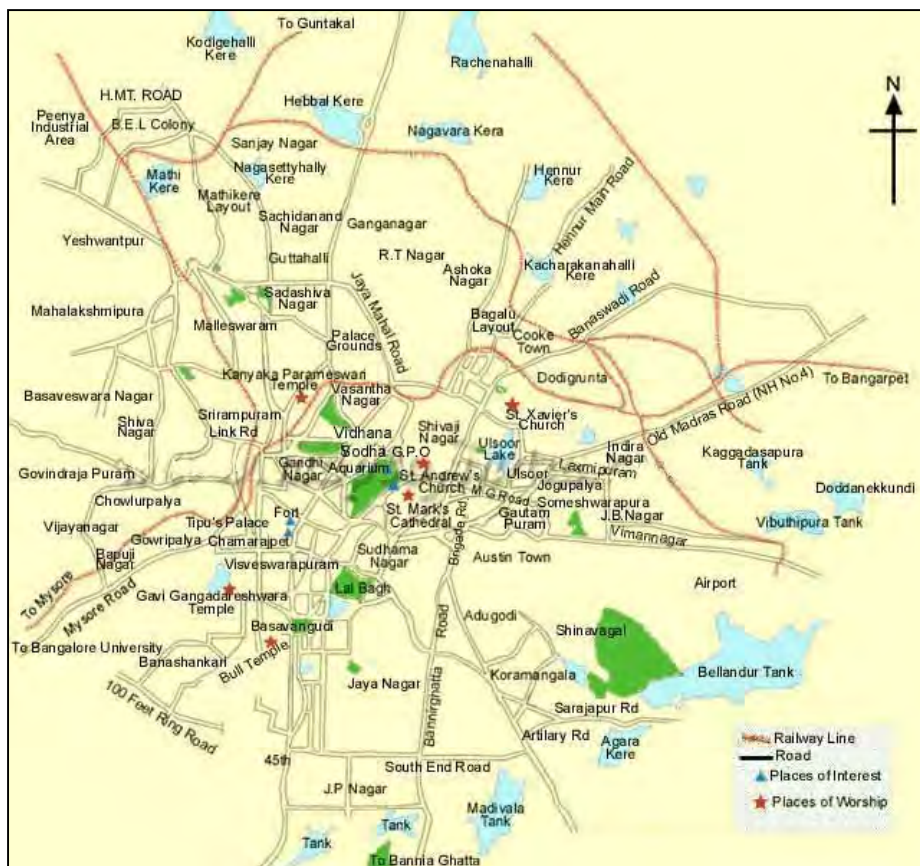
Study Report on Preparation of 20 Years Perspective Plan for Development of Sustainable Tourism in Karnataka

Issue and Revision Record

Rev	Date	Originator	Checker	Approver	Description
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1 Bangalore



Bangalore, the capital of Karnataka ranks as one of the fastest growing cities in Asia is also known as "India's city of the future", "Garden City of India" "IT Hub", "The retired man's paradise" etc. Its is now also called as the Pub City with over 200 Pubs all over the city.

1.1 Accessibility

Bangalore is well connected to various main cities and towns by Air, Rail and Bus services.

1.1.1 Air

Both Domestic and International flights are being operated on a regular basis from Bangalore airport to major metros and cities. Domestic flights: Chennai, Delhi, Calcutta, Mumbai, Goa, Ahmedabad, Calicut, Cochin, Hyderabad, Mangalore, Pune, Trivendrum. International flights : Muscat, Sharajah, Singapore, Dubai, London (via Mumbai), New York (via Mumbai), Chicago (via Mumbai), Toronto (via Mumbai).

1.1.2 Rail

Bangalore is well connected to all major junctions of the country by rail.

Table 1.1: Approximate Distances

Bangalore	334 Kms.	Chennai
Bangalore	3020 Kms	Guwahati
Bangalore	1883 Kms	Howrah
Bangalore	674 Kms	Kanyakumari
Bangalore	1033 Kms	Kurla
Bangalore	1033 Kms	Mumbai
Bangalore	139 Kms	Mysore
Bangalore	347 Kms	Mangalore
Bangalore	2019 Kms	New Delhi
Bangalore	566 Kms	Secundrabad
Bangalore	247 Kms	Tirupati

1.1.3 Road

Bangalore is connected to some of the major cities of India through the National Highways NH4, NH7 & NH48.

Table 1.2: Approximate Distances

Bangalore	To	Trivandrum	761 Kms
Bangalore	To	Chennai	334 Kms
Bangalore	To	Hyderabad	566 Kms
Bangalore	To	Goa (Panaji)	570 Kms
Bangalore	To	Mumbai	1033 Kms

1.2 Major attraction

Vidhana Soudha, Attara Kacheri-the Karnataka High Court, Venkatappa Art Gallery, Visvesvaraya Industrial and Technological Museum, Cubbon Park, Lalbagh Gardens, Bangalore Palace, Tipu's Palace, ISKCON Temple, Fun World, Shiva Statue, Bull Temple, Aquarium, Jawahar Lal Nehru Planetarium, The Musical Fountain at Bangalore (Indira Gandhi Park), Ulsoor Lake, Sankey Tank.



1.2.1 Places of Interest around Bangalore:

Bannerghatta National Park-Located 22 Kms south of Bangalore, The Big Banyan Tree -situated 28 Kms west of Bangalore, Nandi Hills- a small hill station about 60 Kms from Bangalore is a Trekkers delight, Mekadatu- It is a beautiful picnic spot where the river Cauvery squeezes through a narrow gorge, Nrityagram Dance Village-an exclusive dance village built by the renowned architect Gerard da Cunha, Channapatna- located 60 kms from Bangalore, this place is world famous for its wooden toys and carvings and also for its silks, Ramnagaram- located 49 kms from Bangalore, this place is popular for rock climbing. The place is also famous for film suiting of all time popular Hindi Movie "Sholey", Hessarghatta- the place has an artificial lake, located 25 kms from Bangalore. Ghati Subramanya-situated 52 kms from Bangalore, Kanakapura- located 55 kms from Bangalore.



1.3 Festival / special events linked to the destination

Karga, is a tradition started by the Tamil speaking community of gardeners (called as Thigalars) at Dharmaraya Swamy Temple in Bangalore, is a very popular and well known event. This is celebrated during March-April and after the dusk. This festival is seen as symbol of Hindu-Muslim unity. Kadalakayi Parishe or the Groundnut festival at the Bull Temple after the harvest is another amazing event of Bangalore. Karnataka Rajyotsava (November),

1.4 Climate

Climate is comfortable mostly in the range of 19°C to 27°C through out the year and therefore rightly called as Air-conditioned City.

1.5 Tourist inflow

Approximately 27,000 domestic and 2,700 foreigners yearly visits Bangalore. Mostly stay overnight and for a less than a week period. Bangalore acts as an entry points to other destinations.

1.5.1 Origin of tourist

Domestic – Southern states, Maharashtra, Gujarat, Delhi, UP, Rajasthan, WB, Orissa, Punjab, Sikkim etc. Foreign – UK, Germany, Japan, France, Italy, Ireland etc.

1.5.2 Avg. spending per day per person:

Foreign tourist: \$ 51-100, Domestic tourist: Rs. 501-1000.

Table 1.3: Tourist Expenditure Components

Spending pattern (%)	Domestic	Foreign
Accommodation	30	35
Food	25	20
Transportation	25	30
Communication, Entertainment	20	15

1.5.3 Nature of tourist

Approximately 80% constitutes the Heritage and leisure tourists. Business class is also noticed at Bangalore.

1.5.4 Group size

Nearly 50% of the foreigners were found to travel in a group of 2-4 persons where as the 70% of the domestic tourists were found travelling with family.

1.5.5 Seasonal flow (peak/ lean)

Bangalore enjoys a salubrious weather through out the year. However the winter months are the peak seasons for tourist arrivals.

1.6 Environment status

With the growing population and rapid industrialisation, the city is gradually losing its old charm so far as the pollution, noise and cleanliness are concerned. However, more and more numbers of Parks and tanks/ lakes are coming up to maintain the ecological balance.

1.7 Other undeveloped site

Devenhalli, Birth place of Visveshsharya, The basilicas in Bangalore, Janopadaloka.

1.8 Bottlenecks/constraints:

- Lack of adequate tourist information,
- Lack of packaged tours programs,
- Railway connectivity to all the the major tourist destinations in the state from Bangalore,
- Absence of an international airport.

1.9 General condition of attraction

There is scope for improvement as far as up-keeping and maintenance of the tourist attractions are concerned.

1.10 Strength and weaknesses

(i) Strength

One of the fastest growing city, recognised as IT hub all over the world. Well connected to other parts of the country as well as foreign countries, salubrious weather.

(ii) Weakness

Known mostly as IT hub, and no proper effort in showcasing the state as a leading tourist destination so far.

1.11 Current Status and Requirements of Basic & Tourism Infrastructure

Table 1.4: Current Status and Requirements of Basic & Tourism Infrastructure

Current status and requirements		Existing Status	Requirement
Basic Infrastructure	Air strips/Helipad	yes	require one international airport
	Public facilities	satisfactory	
	Accessibility (Road/Rail etc)	Satisfactory	
	Water and Electricity	Satisfactory	regular supply in summer required
	Banking/money exchanger	satisfactory	
	Emergency Health care facility	satisfactory	
Tourism Infrastructure	Hotel/Accommodation	satisfactory	improvement required
	Information Centres	satisfactory	required at strategic points
	Wayside amenities	satisfactory	
	Transportation	satisfactory	improvement required

1.12 Project ideas

Table 1.5: Projects Ideas

PROJECTS	Name of the Projects
Tourism Project	Water Sports/Windsurfing
	Amusement Park
	Zoo & Children Park
	Fort/ Palace/Temple Development
Basic Infrastructure	Air strips/Helipad
	Public facilities
Tourism Infrastructure	Hotel/Accommodation
	Information Centres
	Transportation

2 Mysore



Also known as the City of Palaces, Mysore was the political capital of the Wodeyar dynasty which ruled the state of Karnataka for some 150 years till the independence of the country from the British. These kings were great patrons of art and culture and Mysore was the cultural capital of the south under the rule of the Wodeyars.

2.1 Accessibility

2.1.1 Air

The nearest Airport is Bangalore (139 Kms).

2.1.2 By Train

Mysore is again connected with many trains to Bangalore. Also the prestigious luxury train, Shatabdi Express connects it to Madras.

2.1.3 By Road

Mysore is located 139 Kms. to the south west of Bangalore. The state highway that connects the two cities could provide a pleasant ride through rustic country side. Regular bus services are also available from major towns in South India.

2.2 Major attraction

The Mysore Palace, The Jagannmohan Palace, Chamundi Hill, St. Philomena's Church, The Mysore Zoo, Brindavan Gardens.

2.2.1 Places around Mysore



Srirangapatna: 14
Kms, Nanjangud - 23
Kms, Sangama- 3
Kms away from
Srirangapatna,
Bandipur- 80 Kms
away from Mysore,



the Bandipur national Park is one of the most beautiful wide life centers in the country, Ranganathittu- 4 Kms away from Srirangapatna and 18 Kms from Mysore this bird sanctuary houses exotic birds, Somanathapur-35 Kms, Melkote- 50 Kms, Talakadu, Cauvery Fishing Camp- 82 Kms from Mysore at Bhimeshwari is a paradise for anglers, Shivanasamudra- 85 Kms, Nagarhole, Hogenakal water falls - Kms from Bangalore, B.R. Hills -120 Kms, Mahadeshwara Hills- 142 Kms, Himavad Gopalswamy Hills.

2.3 Festival / special events linked to the destination:

10-day Mysore Dussera during October / November is Mysore's most famous festival.



2.4 Climate

Climate is comfortable and the mean daily temperature is mostly in the range of 19oC to 30oC through out the year and therefore can be visited round the year.

2.5 Tourist inflow

Approximately 24 lakhs domestic and 16,000 foreigners yearly visit Mysore.

2.5.1 Origin of tourist

Domestic – Southern states, Maharasta, Gujarat, Delhi, UP, Rajasthan, WB, Orissa, Punjab, Sikkim etc. Foreign – UK, Germany, Japan, France, Italy, Ireland etc.

2.5.2 Avg. spending per day per person

Foreign tourist:\$ 51-100, Domestic tourist: Rs. 501-1000.

Table 2.1: Tourist Expenditure Components

Spending pattern (%)	Domestic	Foreign
Accommodation	25	30
Food	25	20
Transportation	30	25
Communication, Entertainment	20	25

2.5.3 Nature of tourist

Approximately 80% constitutes the Heritage and leisure tourists followed by pilgrimage and business class.

2.5.4 Group size

Nearly 50% of the foreigners were found to travel in a group of 2-4 persons where as around 70% of the domestic tourists were found travelling with family.

2.5.5 Seasonal flow (peak/ lean)

Mysore enjoys a comfortable weather through out the year. However the winter months of July to January/ Februaru are the peak seasons for tourist arrivals.

2.6 Environment status

Mostly clean and less polluted. Projects are undertaken at local levels to make Mysore cleaner and greener. Noise level is also low.

2.7 Other undeveloped site

Thonnur Tank , Chamarajeshwara (Temple), Chunchuni katle (small falls), Gaddige (pilgrim), Hedatale (14th century temple), Huliganameradi (temple), Mudukutore Betta (Shiva temple), Ballamuri near KRS (water falls), Hoganaka Falls.

2.8 Bottlenecks/constraints

- Lack of adequate tourist information,
- Lack of packaged tours programs and good travel agents,
- Security at lonely and far places of interest like KRS, Chamundi Hills, Ranganthittu Bird Sanctuary etc.
- Lack of signage at the tourist destinations.

2.9 General condition of attraction

There are scope for improvement as far as up-keeping and maintenance of the tourist attractions are concerned.

2.10 Strength and weaknesses

(i) Strength

Large number of attractions in and around the place, growing and developing city, well connected to major towns in the state, comfortable weather recognised.

(ii) Weakness

Power and water supply during the summer months, inaccessibility to all the places of interests due to poor approach roads, known mostly as IT hub, and no proper effort in showcasing the state as a leading tourists destination so far.

2.11 Current Status and Requirements of Basic & Tourism Infrastructure

Table 2.2: Current Status and Requirements of Basic & Tourism Infrastructure

Current status and requirements		Existing Status	Requirement
Basic Infrastructure	Air strips/Helipad	yes	Required to be revamped / activated
	Public facilities	satisfactory	Improvement required
	Accessibility (Road/Rail etc)	satisfactory	
	Water and Electricity	satisfactory	regular supply in summer required
	Banking/money exchanger	satisfactory	more ATMs and forex exchanger required
	Emergency Health care facility	satisfactory	
Tourism Infrastructure	Hotel/Accommodation	satisfactory	Required
	Information Centres	satisfactory	Required
	Wayside amenities	less than adequate	Required
	Transportation	satisfactory	Required to reach the surrounding places of interest

2.12 Project ideas

Projects	Name of the Projects
Tourism Project	Ropeway
	Amusement Park
	Zoo & Children Park
	Museums/ Heritage Centres
	Fort/ Palace/Temple Development
	Light & Sound Program
	Land Scaping
	Rock climbing/Trekking
Basic Infrastructure	Air strips/Helipad
	Public facilities
Tourism Infrastructure	Hotel/Accommodation
	Information Centres
	Wayside amenities
	Transportation

3 Hassan



Hassan popularly known as the “Poorman’s Ooty” is the Headquarters of the Malanad District. Hassan houses Master Control Facility of India’s Space Program.

3.1 Accessibility

3.1.1 By Air

The nearest Airports are at Bangalore (186 Kms) and Mangalore (168 Kms).

3.1.2 By Rail

Hassan is connected by rail with Bangalore, Mysore, Mangalore, Shimoga & Arsikere.

3.1.3 By Road

Private and Government buses ply regularly between Mysore, Mangalore and Bangalore.

3.2 Major attraction

There are no prominent places to visit in Hassan particular. However Hassan is a convenient base for visiting the other temple towns of **Belur**, **Halebid** and **Sharavanabelagola**, which are close by.

(i) Belur:

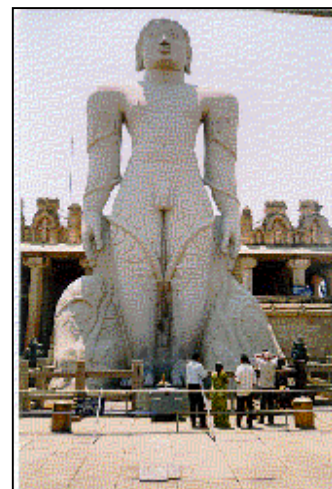
34 Kms from Hassan. The place is famous for its exquisite temples. Belur is known as Dakshina



Varanasi or South Banaras for its temples. The major attractions in Belur is the main temple of star shaped Channakeshava, the 650 charging elephants of Ugranarasimha (Wall Carving), Darpana Sundari (Beauty Mirror).

(ii) Halebid

This great city of Dwarasamudra flourished as a Capital of the Hoysala Empire during the 12th & 13th centuries. The sculptural work of the temples is based on Shastras & importance. The Hoysaleswara temple, the main attraction of the temple here standing on platform like a casket, is a sculptural extravaganza. Among other attractions are Gaja Charmambara, Keddareshwara Temple, one Kilometer further the Halebid temples is the Basti hills where there are Jain Bastis with gleaming black stone pillars.



(iii) Shravanabelagola

Wedged between two star rocky hills Chandragiri and Indragiri, this is a legendary pilgrim center and shrine of the Jains. Said to be the tallest monolithic statue in the world. statue of Lord Gomateshwara, a Jain saint and an object of worship for centuries is located here, standing atop one of the hills (Indragiri). The statue is 18 meter high. The Mahamastakabhisheka festival, an elaborate ritual, held here once every 12 years, attracts devotees from all over the World. The last Mahamastabhishekha took place in February 1993. The other attractions of the place are Mahastambha, the 60 feet high monolithic pillar and Bhadrabahumani Cave.

3.3 Festival / special events linked to the destination

At the temple of Hasanamba once in a year about a week, during the second Ashwayuja (October) a big Jatra(shandi or fair) is held. The Mahamastakabhisheka festival of Shravanabelagola, Hoysala festival (February) is also very popular.

3.4 Climate

Summer : Maximum 35°C, Minimum 25°C , Winter: Maximum 28°C , Minimum 14°C. Over all climate is comfortable.

3.5 Tourist inflow

Approximately 15 lakhs domestic and 42,000 foreigners yearly visits Hassan, where as the surrounding places of Belur, Halebid and Shravanabelagola together receive approximately 28 lakhs of domestic and 40,000 foreigners yearly.

3.5.1 Origin of tourist

Domestic – Mahatrasatra, Gujarat, Mumbai and southern states. Foreign – UK, France, Italy, German, Holland etc.

3.5.2 Avg. spending per day per person

Foreign tourist: \$ 51-100, Domestic tourist: Rs.501-1000.

Table 3.1: Tourist Expenditure Components

Spending pattern (%)	Domestic	Foreign
Accommodation	25	25
Food	25	20
Transportation	25	25
Communication, Entertainment	25	30

3.5.3 Nature of tourist

Approximately 70% constitutes the Heritage and Pilgrimage tourists followed by leisure tourists.

3.5.4 Group size

Nearly 50% of the foreigners were found to travel in a group of 2-4 persons where as around 70% of the domestic tourists were found travelling with family.

3.5.5 Seasonal flow (peak/ lean)

Best Season for visiting Hassan is September to April. However, for surrounding places peak season is April-December. And January to March is lean season.

3.6 Environment status

Mostly clean and less polluted. Projects are upcoming at local levels to make the destinations cleaner and greener. Noise level is also low.

3.7 Bottlenecks/constraints:

- Lack of adequate tourist information
- Lack of packaged tours programs and good travel agents
- Lack of signage at the tourist destinations
- Inadequate direct bus connectivity from Belur/ Halebid to Shravanabelagola

3.8 General condition of attraction

There are scope for improvement as far as up-keeping and maintenance of the tourist attractions are concerned.

3.9 Strength and weaknesses

Strength - Famous pilgrimage centres and presence of attractive architectural monuments/ temples around Hassan, close large number of attractions in and around the place, growing and developing city, well connected to major towns in the state, comfortable weather.

3.10 Current Status and Requirements of Basic & Tourism Infrastructure

Table 3.2: Current Status and Requirements of Basic & Tourism Infrastructure

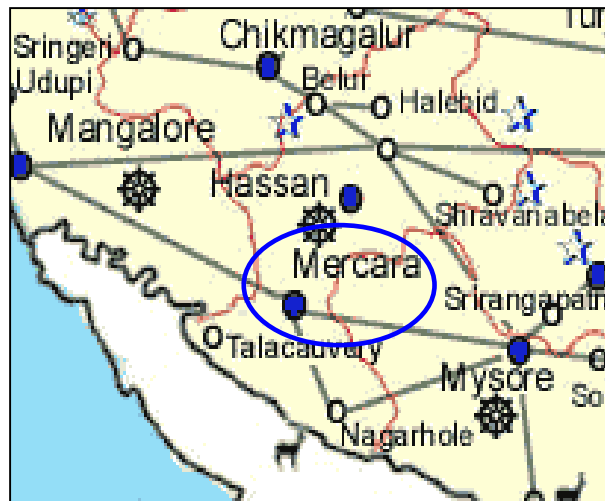
Current status and requirements		Existing Status	Requirement
Basic Infrastructure	Air strips/Helipad	Yes	Reactivation/ upgradation
	Public facilities	Satisfactory	
	Accessibility (Road/Rail etc)	Satisfactory	
	Water and Electricity	Satisfactory	
	Banking/money exchanger	Satisfactory	
	Emergency Health care facility	Satisfactory	
Tourism Infrastructure	Hotel/Accommodation	Satisfactory	
	Information Centres	Satisfactory	improvement required
	Wayside amenities	Satisfactory	can be improved
	Transportation	Satisfactory	

3.11 Project ideas

Table 3.3: Project Idea

Projects	Name of the Projects
Tourism Project	Ropeway
	Museum/Heritage Centres
	Fort/Palace/Temple Devpt
	Light & Sound Program
	Land Scaping
	Rock climbing/Trekking
Basic Infrastructure	Air strips/Helipad
	Public facilities
Tourism Infrastructure	Hotel / Accommodation
	Information Centres
	Wayside amenities
	Transportation

4 Madikeri/Mercara



Madikeri or Mercara the district headquarters of Kodagu (or Coorg) is also known as the Scotland of India. Kodagu is the homeland of colorful, robust, martial race- the Kodavas who are said to be the descendants of the Greeks (Alexander's soldiers). Kodagu is also famous for the generals it has produced for the Indian army. The place is gradually catching as one of the most sought after Hill station of the country.

4.1 Accessibility

Madikeri is well connected to by road to Bangalore, Mysore, Mangalore, Hassan, Arasikere, Belur, Chikmagalur, Cannanore and Tellicherry.

4.2 Major attraction :

Raja's Seat, Omkareshwara Temple, Madikeri Fort, Rajas' Tomb, Coffee Plantation.



4.2.1 Places around Kodagu:

Abbi Falls : Just 5 kilometers outside Madikeri, Abbi falls is located amidst a private coffee estate. This is a beautiful place for picnic. Irpu Falls- Located 48 kms from Virajpet on the way to Nagarhole this is a temple on the banks of river Lakshmana Theertha. Irpu falls can be a good trekker's point, Bhagamandala Temple- located 36 Kms from Madikeri the confluence of three rivers (the Cauvery, the Kannika and the Sujyothi) is a wonderful place to visit. The temple houses a variety of smaller shrines dedicated to various gods, Nisargadhama- this wonderful forest Resort located only 2 Kms away from Kushalnagar an 30 kms from Madikeri, Talacauvery -it is the place of origin of river Cauvery, located 45 Kms from Madikeri.



4.3 Festival / special events linked to the destination:

Tula Sankramana festival, usually in October. This is also known as Teerthabhava. The Huthri or the Harvesting festival of new rice crop during the month of November or December is another popular Coorg festival celebrated. Keli Poldu (September) is also celebrated all over the district.

4.4 Climate

Pleasant all year round. Temperature – summer max 30 deg, min 20 deg, Winter max 28 deg, min 16 deg. Average monsoon rain fall – 2700 mm from June to September. The best time to visit would be October - April.

4.5 Tourist inflow

Approximately 1.50 lakhs domestic and around 1,000 foreigners yearly visits Madikeri.

4.5.1 Origin of tourist

Domestic tourists – Maharastra, WB, Gujarat, UP, TN, AP, Kerala. Foreigners – France, UK, Switzerland, Germany.

4.5.2 Avg. spending per day per person:

Foreign tourist: \$ 51-100, Domestic tourist: Rs. 501-1000.

Table 4.1: Tourist Expenditure Components

Spending pattern (%)	Domestic	Foreign
Accommodation	30	25
Food	30	20
Transportation	20	25
Communication, Entertainment	20	30

4.5.3 Nature of tourist

Pilgrimage and adventure tourists constitutes 80-90% of the total inflow. Rest accounts for 20%.

4.5.4 Group size

Nearly 50% of the foreigners were found to travel in a group of 2-4 persons where as around 70% of the domestic tourists were found travelling with family.

4.5.5 Seasonal flow (peak/ lean):

The peak and the best season is October to April. The monsoon months (June to September) witness very little tourist inflow.

4.6 Environment status

Clean and unpolluted hill station with lush green forest and plantation all around.

4.7 Undeveloped places

Somarpet – 40 km, Puspa Hill (tracking spot), Hannamannakere (lake plus historical place).

4.8 Bottlenecks/constraints:

- Lack of adequate tourist information
- Inaccessibility to surrounding places of interest
- Inadequate civic and public facilities
- Power and water shortage during summer months.
- Lack of good services in the hotels
- Lack of proper bus connectivity to surrounding places of attraction

4.9 General condition of attraction

There is huge scope for improvement as far as up-keeping and maintenance of the tourist attractions are concerned.

4.10 Strength and weaknesses:

(i) Strength

Upcoming Hill station with comfortable weather, the terrain provides ample scope for developing eco and adventure tourism, culturally rich place with famous pilgrimage centres.

(ii) Weaknesses

Inadequate basic and tourism infrastructures, rail connectivity with major towns and cities of the state, long rainy spell in the district.

4.11 Current Status and Requirements of Basic & Tourism Infrastructure

Table 4.2: Current Status and Requirements of Basic & Tourism Infrastructure

Current status and requirements		Existing Status	Requirement
Basic Infrastructure	Air strips/Helipad	Nil	required
	Public facilities	Less than adequate	required
	Accessibility (Road/Rail etc)	Only accessible through Roads	Rail connection upto Kushalnagar
	Water and Electricity	Less than adequate	required
	Banking/money exchanger	Less than adequate	required
	Emergency Health care facility	Less than adequate	required
Tourism Infrastructure	Hotel/Accommodation	Less than adequate	required
	Information Centres	Less than adequate	required
	Wayside amenities	Less than adequate	required
	Transportation	Less than adequate	required for surrounding places of interest with good frequency

4.12 Project ideas

Table 4.3: Project Idea

Projects	Name of the Projects
Tourism Project	Ropeway
	Amusement Park
	Zoo & Children Park
	Museums/ Heritage Centres
	Fort/ Palace / Temple Development
	Light & Sound Program
	Land Scaping
	Rock climbing/Trekking
	Artificial Fountains
Basic Infrastructure	Air strips/Helipad
	Public facilities
Tourism Infrastructure	Hotel/Accommodation
	Information Centres
	Wayside amenities
	Transportation

5 Bijapur



The foundation of this historic city were laid during the reign of the Chalukayan Dynasty of Kalyani between 10th and 11th Centuries. They called it 'Vijayapura' or the city of Victory from hence comes its present name Bijapur.

5.1 Accessibility

5.1.1 Air

The nearest airport is Hyderabad (375 Kms) which is connected to all major cities of India. In Karnataka, Bangalore is the Airport, which we recommend.

5.1.2 Rail

Bijapur is connected by Rail with Bangalore , Mumbai (via Sholapur), Hospet (via Gadag) and Vasco da Gama (via Hubli and Londa).

5.1.3 Road

Bijapur has convenient road connection to several important places around it, some of these are - Aihole (129 Kms), Badami (132 Kms), Bangalore (581 Kms), Belgaum (205 Kms), Hampi (254 Kms), Pattadakal (148 Kms).

5.2 Major attraction

Gol Gumbaz, Mehtar Mahal, Ibrahim Rauza, Malik-I-Maidan, Bara Kaman, Jumma Masjid, Taj Bawdi, Asar Mahal, Gagan Mahal, Museum & Art Gallery, Gardens and Parks (Gol Gumbaz Garden, Jhansi Lakshmi Bai Park, Netaji Park).



5.2.1 Surrounding Places of Interest

Aihole-129 Kms, Gulbarga-159 Kms, Hampi- 254 Km, Pattadakal- 117 Kms, Badami- 132 Kms, Basavana Bagewadi- 43 km, Jamkhandi - 62 Km, Kumtagi -16 Kms, Torvi- 6 Km.

5.3 Festival / special events linked to the destination

Siddeshwara Temple Car Festival is held in January each year. Asar Mahal Urs in September, Bijapur Music and Dance festival in January.

5.4 Climate

Extremely hot in summer. September to February is the best time to visit the place. Summer: Max. 41°C, Min. 28°C, Winter: Max. 30°C, Min. 16°C.

5.5 Tourist inflow

Approximately 2.50 lakhs domestic and around 7,000 foreigners yearly visits Bijapur.

5.6 Origin of tourist

Domestic tourists – Goa, Maharastra, Karnataka and other southern states. Foreigners – UK, USA, Switzerland, France, etc.

5.7 Avg. spending per day per person

Foreign tourist: \$ 51-100, Domestic tourist: Rs. 501-1000.

Table 5.1: Tourist Expenditure Components

Spending pattern (%)	Domestic	Foreign
Accommodation	25	30
Food	25	20
Transportation	30	30
Communication, Entertainment	20	20

5.7.1 Nature of tourist

Business & Leisure tourists –50%, Culture & monuments – 50%.

5.7.2 Group size

More than 60% of the domestic tourists were found travelling with family and the foreigners who are found in less numbers were travelling in a group of 2-4 persons.

5.7.3 Seasonal flow (peak/ lean)

The peak season is September to February. Maximum tourists are seen during December. Very low tourists turn out during the extreme summer months.

5.8 Environment status

Growing industrialisation and population is affecting the cleanliness of the environment.

5.9 Bottlenecks/constraints:

- Lack of adequate tourist information
- Lack of good travel agents and package tour programs
- Inadequate civic and public facilities
- Power and water shortage during summer months.
- The broad gauge conversion to be done from Bijapur to Bombay Bangalore, Gadag.
- Poor approach roads to various surrounding places of attractions.
- Lack of proper drainage system

5.10 General condition of attraction

Although the monuments and other places of attractions are maintained, there is scope for improvement.

5.10.1 Undeveloped places

Babanagar (20 kms away from the city) has large & lots of Grape fields, Kumatagi village – 20 km away, King's (Adil Shah) bath tub, Khwaja Amin Darga & the Jail – 2 km, Afjal Khan's Masjid, Takia village –10 km, Begaum Talab, Alamgir Masjid (Aurangjeb's wife's tomb), Chhota Asar Mosque (tomb), Dabal Yakub Mallick's (the Architect) tomb.

5.11 Strength and weaknesses:

(i) Strength

Gateway to Karnataka from Maharashtra, Goa and other western state, large number of monuments and variety of local handicrafts and specialties, growing city with well connectivity to various major junctions and places.

(ii) Weaknesses

Inadequate basic and tourism infrastructures,

5.12 Current Status and Requirements of Basic & Tourism Infrastructure

Table 5.2: Current Status and Requirements of Basic & Tourism Infrastructure

Current status and requirements		Existing Status	Requirement
Basic Infrastructure	Air strips/Helipad	Nil	required
	Public facilities	less than adequate	required
	Accessibility (Road/Rail etc)	Satisfactory	better rail connectivity required
	Water and Electricity	Satisfactory	regular supply in summer required
	Banking/money exchanger	Satisfactory	
	Emergency Health care facility	Satisfactory	
Tourism Infrastructure	Hotel/Accommodation	Satisfactory	improvement required
	Information Centres	less than adequate	improvement required
	Wayside amenities	less than adequate	required
	Transportation	Satisfactory	improvement required

5.13 Project ideas

Table 5.3: Project Ideas

Projects Groups	Name of the Projects
Tourism Project	Amusement Park
	Zoo & Children Park
	Fort/Palace/Temple Devpt
	Light & Sound Program
	Land Scapping
Basic Infrastructure	Air strips/Helipad
	Public facilities
Tourism Infrastructure	Hotel/Accommodation
	Information Centres
	Wayside amenities
	Transportation

6 Badami



Once the capital of Chalukyas, Badami is known for its rock-cut cave temples and structural temples dating back to the 6th and 7th centuries.

6.1 Accessibility

6.1.1 Air

The nearest airport in Karnataka is Bangalore (502 Kms), Also Badami can be reached from Hyderabad via Raichur.

6.1.2 Rail

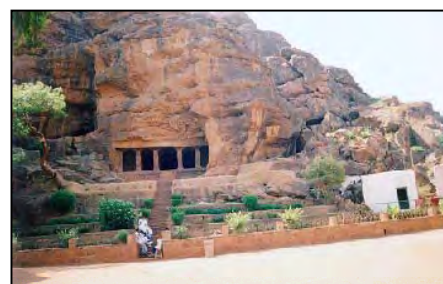
The nearest railhead is Badami (4 Kms from Badami town) on the Hubli-Sholapur line & is connected to Bangalore, Bagalkote and Bijapur.

6.1.3 Road

Badami has convenient road connection to several important places around it. We recommend Hubli (app. 100 Kms), which has a major Railway junction apart from being one of the important cities in Karnataka. some of these are Aihole (46 Kms), Bangalore (502 Kms), Bagalkote (66 Kms), Bijapur (132 Kms), Gadag (70 Kms), Hampi (180 Kms), Hospet (167 Kms), Hubli (97 Kms), Pattadakal (27 Kms), Panaji (284 Kms)

6.2 Major attraction

Cave Temples, Badami Fort, Museum & Art Gallery, A sculpture gallery is maintained by the Archaeological Survey of India on the Bhutanatha Temple Road.



6.2.1 Surrounding places of interest:

Pattadakal –a world Heritage centre, 17 Kms, Aihole Temple complex, Jambulinga Temple, Virupaksha Temple, Jain Temple, Galaganath Temple, Sanghameswara Temple, Koodalasangama, Kada Siddeshwara Temple, Malikarjuna Temple, Papanatha Temple, Sculpture Gallery within the Pattadakal temple complex, Banashankari, Guledgud, Lakkundi, Mahakuta, Naganath Temple.



6.2.2 Festival / special events linked to the destination

The Ramalinga Temple in Aihole, situated along the banks of the Malaprabha river has its annual Car Festival in February-March, Banashankari Temple Festival near Badami during January- February, Virupaksha temple Car Festival in Pattadakal in March, Mallikarjuna Temple Festival in Pattadakal in March-April.

6.3 Climate

Summer: Max. 38°C, Min. 23°C, Winter: Max. 29°C, Min. 15°C. Best Seasons to visit the place is October to March.

6.4 Tourist inflow

Approximately 1.50 lakhs domestic and around 12,000 foreigners yearly visits Badami, Aihole and Patadakal.

6.4.1 Origin of tourist

Domestic tourists – Maharastra, Southern states, Northern states, Goa, etc. Foreigners – Japan, UK, Germany, France, Italy etc.

6.4.2 Avg. spending per day per person

Foreign: less than \$ 50-100, Domestic tourist: Rs. 501-1000.

Table 6.1: Tourist Expenditure Components

Spending pattern (%)	Domestic	Foreign
Accommodation	30	30
Food	30	20
Transportation	20	40
Communication, Entertainment	20	10

6.4.3 Nature of tourist

Culture and heritage tourists form more than 60% followed by pilgrim tourists. The places have lot of Jain temples.

6.4.4 Group size

More than 60% of the domestic tourists were found travelling with family and 50% of the foreigners were travelling in a group of 2-4 persons. Foreign independent tourists also frequent the places.

6.4.5 Seasonal flow (peak/ lean)

The peak season is the Peak September to January /February. Very low tourists turn out during the summer months.

6.5 Environment status

Over all environment is clean and less polluted. However, the drainage and the solid waste management systems in Badami need to be developed further to meet high standard. The local concerned bodied are planning for more greenery in and around the place.

6.6 Bottlenecks/constraints:

- Lack of adequate tourist information
- Lack of good travel agents and package tour programs
- Inadequate civic and public facilities
- Power and water shortage during summer months.
- Approach and the link roads to various places of attractions to be developed.
- Badami railway broad gauge conversion yet to be done.
- Lack of proper drainage system

6.7 General condition of attraction

Although the monuments and other places of attractions are maintained, rehabilitating or relocating of people residing very close to the world heritage centre of Patadakal and even Badami cave temples and Aihole temple complex is required to preserve the beauty of the places. More and more landscaping is also required.

6.8 Strength and weaknesses

(i) Strength

Patadakal world heritage centre with highest level architectural works, has plenty of pilgrim centres too, terrain provides ample scope for adventure tourism.

(ii) Weaknesses

Poor road condition between Badami and Aihole, Inadequate bus services, banking system and accommodation.

6.9 Current Status and Requirements of Basic & Tourism Infrastructure

Table 6.2: Current Status and Requirements of Basic & Tourism Infrastructure

Current status and requirements		Existing Status	Requirement
Basic Infrastructure	Air strips/Helipad	Nil	not required
	Public facilities	less than adequate	required
	Accessibility (Road/Rail etc)	less than adequate specially Aihole, Patadakal	required more connectivity among the places
	Water and Electricity	Satisfactory	improvement required
	Banking/money exchanger	less than adequate	improvement required
	Emergency Health care facility	less than adequate	improvement required
Tourism Infrastructure	Hotel/Accommodation	less than adequate except Badami	improvement required
	Information Centres	less than adequate	improvement required
	Wayside amenities	less than adequate	improvement required
	Transportation	less than adequate	improvement required

6.10 Project ideas

Table 6.3: Project Ideas

Projects groups	Name of the projects
Tourism Project	Museums/ Heritage Centres
	Fort/Palace/Temple Development
	Light & Sound Program
	Rock Climbing/Trekking
	Land Scapping
Basic Infrastructure	Public facilities
Tourism Infrastructure	Hotel/Accommodation
	Information Centres
	Wayside amenities
	Transportation

7 Hampi



A world heritage centre. The ruins of the great capital of Vijayanagar dynasty lie here.

7.1 Accessibility

7.1.1 Air

The nearest airport is Bellary (74 Kms). Other convenient airports are at Belgaum (190 kms) and Bangalore (353 kms).

7.1.2 Rail

The nearest railhead is Hospet (13 Kms). Hospet is linked by rail to Bangalore, Bijapur, Hubli, Guntakal.

7.1.3 Road

Hampi is 350 kms from Bangalore.

7.2 Major attraction

The Virupaksha Temple, one of the best attraction, is still being worshiped. The inverted shadow of the Gopuram (gate) of the temple is an amazing attraction. The other major attractions in this ruined city are The Stone Chariot, Ugra Narashimha, King's Balance, Lotus Mahal, Queen's Bath, Elephant stable. The



musical Temple etc.

The other major tourist attractions in the Bellary district include Ambali, famous for its black stone Chalukyan temple, Mailara, known for its Shiva Temple, Ramgad, a granite hill station and Tunga Bhadra Dam which is located near Hospet built over river Tunga and Bhadra.

7.3 Festival / special events linked to the destination:

The Vijaynagara Festival in December with dance, drama, music, fireworks, puppet shows, spectacular processions are carried out. The Purandaradasa Aradhana commemorating the birth anniversary of the great poet composer Purandaradasa is celebrated in the Mantap near the Vittala Temple in January - February every year. The Virupaksha temple Car Festival is held in February each year. The Marriage Festival of Virupaksha & Pampa is celebrated in the Virupaksha Temple in December.



7.4 Climate

Summer: Max. 41°C, Min. 37°C, Winter: Max. 27°C, Min. 24°C. Best Seasons to visit the place is October to March.

7.5 Tourist inflow

Approximately 2.50 lakhs domestic and around 4,000 foreigners yearly visits the Hampi and Hospet.

7.5.1 Origin of tourist

Domestic tourists – West Bengal, Maharastra, Kerala, South states, J&K (mainly for business).
Foreigners – France, Italy, German, USA, Holland, Japan, UK etc.

7.5.2 Avg. spending per day per person

Foreign tourist: \$ 51-100, Domestic tourist: Rs. 501-1000.

Table 7.4: Tourist Expenditure Components

Spending pattern (%)	Domestic	Foreign
Accommodation	40	40
Food	25	20
Transportation	25	30
Communication, Entertainment	10	10

7.5.3 Nature of tourist

More than 90% are heritage tourists, 10% other categories.

7.5.4 Group size

More than 60% of the domestic tourists were found travelling with family and 50% of the foreigners were travelling in a group of 2-4 persons. Foreign independent tourists also frequent the places.

Seasonal flow (peak/ lean): October-January is peak season for foreigners, May and September-January for Domestic tourist.

7.6 Environment status

Overall environment is clean and less polluted.

7.7 Bottlenecks/constraints:

- Roads with in Hampi and in Hospet to be developed
- Lack of adequate tourist accommodation at Hampi
- Inadequate civic and public facilities
- Power and water shortage during summer months.
- Lack of trained manpower.
- Unwanted structures and shops near the major attractions at Hampi

7.8 General condition of attraction

Although the monuments and other places of attractions are maintained, rehabilitating or relocating of people residing very close to the major attractions is required to preserve the beauty of the places. More and more landscaping is also required.

7.9 Strength and weaknesses

(i) Strength

A world heritage centre with highest level architectural works has plenty of attractions with in and around, scope for reactivating the existing air-strip. .

(ii) Weaknesses

Lack of accommodation and wayside amenities with in the complex at Hampi.

7.10 Current Status and Requirements of Basic & Tourism Infrastructure

Table 7.5: Current Status and Requirements of Basic & Tourism Infrastructure

Current status and requirements		Existing Status	Requirement
Basic Infrastructure	Air strips/Helipad	There is a small helipad, now not in use	Required at either Hospet or Hampi
	Public facilities	less than adequate	required
	Accessibility (Road/Rail etc)	Satisfactory	internal conveyence at Hampi complex required
	Water and Electricity	Satisfactory	regular drinking water supply required
	Banking/money exchanger	less than adequate	improvement required
	Emergency Health care facility	less than adequate	improvement required
Tourism Infrastructure	Hotel/Accommodation	less than adequate	improvement required
	Information Centres	less than adequate	improvement required
	Wayside amenities	Nil	required
	Transportation	Satisfactory from Hospet	internal conveyence at Hampi complex required

7.11 Project ideas

Table 7.6: Project Idea

Projects Groups	Name of The Projects
Tourism Project	Ropeway
	Amusement Park
	Museums/ Heritage Centres
	Fort/Palace/Temple Devpt
	Light & Sound Program
	Rock Climbing/Trekking
	Artificial Fountains
	Land Scapping
Basic Infrastructure	Air strips/Helipad
	Public facilities
Tourism Infrastructure	Hotel/Accommodation
	Information Centres
	Wayside amenities
	Transportation

8 Shimoga



The true picture of natural bounty, landscape, water falls, lush paddy fields, swaying palms can be found in picturesque Shimoga. Located almost centrally in the Karnataka map, this place is also known as the Rice Bowl of the state. The rich educational tradition, culture and heritage, natural beauty provides more than just a tourist destination.

8.1 Accessibility

8.1.1 Air

The closest Airport is Mangalore which is located 186 kms away. The capital city of Bangalore is at a distance of 275 kms where the state's main Airport is there.

8.1.2 Rail

Shimoga is well connected to most of the other towns in Karnataka as well as the capital city of Bangalore by railway network.

8.1.3 Road

A good road network connects Shimoga with Chickmagalur which is 90 kms away apart from other major towns like Mangalore and Hassan.



8.2 Major attraction

Ambutirtha, Agumbe, Barkana Falls, Bhadra Wild Life Sanctuary, Jog Falls, Kodachadri.

The other places of attractions in Shimoga are Achakanya Falls, Vanake- Abbe Falls, Gajanur Dam across river Tunga, Varadamoola, the origin of river Varada, Bhadra Dam, Kundadri, a great place for trekking, Shivappa Nayaka Palace and Museum, Humcha, a famous Jain pilgrim centre 54 kms away from Shimoga etc.



8.3 Climate:

Summer: Max. 42°C, Min.32°C, Winter: Max.35°C, Min.25 C. Best Seasons to visit the place is –from January to June.

8.4 Tourist inflow

Shimoga and Jog falls together accounts more than 9 lakhs domestic and around 11,000 foreigners per year. Infact Jog falls has shown significant increase in the number of tourist inflow in the past couple of years.

8.4.1 Origin of tourist

Domestic tourists – Maharastra, Kerala and other Southern states, Gujarat, UP etc. Foreigners – France, Italy, German, USA, Holland, Japan, UK etc.

8.4.2 Avg. spending per day per person: Foreign tourist

Less than \$ 51-100, Domestic tourist: Rs. 501-1000.

Table 8.1: Tourist Expenditure Components

Spending pattern (%)	Domestic	Foreign
Accommodation	60	25
Food	20	35
Transportation	15	30
Communication, Entertainment	5	10

8.4.3 Nature of tourist

More than 60% visiting Shimoga are young crowd visiting the nearby JogFalls whereas the remaining are pilgrimage and heritage tourists visiting places like Koodali Sanghama, Humcha and Sringeri.

Group size: More than 50% of the domestic tourists were found travelling with family and 50% of the foreigners were travelling in a group of 2-4 persons.

8.4.4 Seasonal flow (peak/ lean)

October-January is peak season for foreigners, May and September-January for Domestic tourist.

8.5 Environment status

Overall environment is clean and less polluted.

8.6 Bottlenecks/constraints:

- The connectivity is still poor and getting foreign tourists is a problem
- Lack of maintenance of the existing gardens and other major tourist places of attraction
- Inadequate signages and directions for the visiting tourists
- Lack of trained manpower

8.7 General condition of attraction

The maintenance of the monuments is not properly done and private people are not encouraged to put up remunerative tourism projects. The nearby scenic spots like Humcha, Mandagadde, Sakrebhylu, Agumbe, Koodachadri are not having proper approach roads and transportation is a big issue.

8.8 Strength and weaknesses

(i) Strength

The major strength lies in the variety of tourist attractions in and around Shimoga starting from bird sanctuary to hill abode and waterfalls to temples.

(ii) Weaknesses

Lack of accommodation and inadequate transportation facilities.

8.9 Current Status and Requirements of Basic & Tourism Infrastructure

Table 8.2: Current Status and Requirements of Basic & Tourism Infrastructure

Current status and requirements		Existing Status	Requirement
Basic Infrastructure	Air strips/Helipad	Nil	Required
	Public facilities	Satisfactory	Required
	Accessibility (Road/Rail etc)	Satisfactory	Improvements required
	Water and Electricity	Satisfactory	Improvements required
	Banking/money exchanger	Nil	Required
	Emergency Health care facility	less than adequate	Required
Tourism Infrastructure	Hotel/Accommodation	Satisfactory	Required
	Information Centres	less than adequate	Required
	Wayside amenities	less than adequate	Required
	Transportation	less than adequate	Required

8.10 Project ideas

Projects	Name of the Projects
Tourism Project	Water Sports/ Wind surfing
	Amusement Park
	Zoo & Children Park
	Light & Sound Program
	Land Scaping
	Rock climbing/Trekking
	Artificial Fountains
	Boating
Basic Infrastructure	Air strips/Helipad
	Public facilities
Tourism Infrastructure	Hotel / Accommodation
	Information Centres
	Wayside amenities
	Transportation

9 Shringeri



Sringeri was discovered by Sri Sankaracharya as a place where even natural animosities did not exist. He also established a Matha for the propagation of Advaita philosophy, and his first sishya Sri Suresvaracharya was made the head of the Matha. From then onwards, Sringeri has become famous as a center of learning, philosophy and sublime spirituality. It is one of the holy places of India and it attracts many pilgrims.

9.1 Accessibility

9.1.1 Air

The nearest airport is Mangalore (190km).

9.1.2 Rail

Shimoga or Kadur is the nearest railhead & is linked to other parts of the State. Other nearby town is Koppa.

9.1.3 Road

Distances of some of the places connected by road to are, Mangalore -190 km, Kollur - 85 km

9.2 Major attraction

Birth place of Sankara, Treasure of Gold, Rishyasringa Hill. The other places of attraction around Shringeri is Kollur.



9.3 Festival / special events linked to the destination

The major festivals are Dushera which comes in October and Mahashivarathri which is celebrated in February.

9.4 Climate

Summer: Max. 42°C, Min.32°C, Winter: Max.35°C, Min.25 C. Best Seasons to visit the place is –from January to June.

9.5 Tourist inflow

Shringeri attracts around 1.5 lakhs domestic and around 5000 foreigners per year.

9.5.1 Origin of tourist

Domestic tourists are largely from the Southern states of Tamilnadu and Kerala apart from visitors from Maharashtra and Gujarat. Some spiritual oriented foreigners from France, Italy, German, USA, Holland, Japan, UK etc. also visit the Sankara Mutt to learn about the culture and tradition of the country.

9.5.2 Avg. spending per day per person:

Foreign: Less than \$ 51-100, Domestic:Rs. 501-1000

Table 9.1: Tourist Expenditure Components

Spending pattern (%)	Domestic	Foreign
Accommodation	60	25
Food	20	35
Transportation	15	30
Communication, Entertainment	5	10

9.5.3 Nature of tourist

All the 100% are temple tourists.

9.5.4 Group size

More than 70% of the domestic tourists were found travelling with family and the foreigners normally travel in a group of 2-4 persons.

9.5.5 Seasonal flow (peak/ lean)

October-January is peak season for foreigners, May and September-January for Domestic tourist.

9.6 Environment status

Overall, the environment is clean and less polluted.

9.7 Bottlenecks/constraints:

The major problem associated with the place is lack of standard lodging and boarding facilities apart from lack of signages, amenities, public facilities and other sources of entertainment

9.8 General condition of attraction:

The beautiful looking Western Ghats are idyllic place for trekking and the perennial waters of Sharavathi is best suited for watersports and boating. The major attraction is that of the Sringeri Mutt and the temple established by Lord Adhi Sankara- which are all under the control of the Mutt and are clean and well maintained.

9.9 Strength and weaknesses

(i) Strength

a world class spiritual abode with highest level architectural works, has plenty of attractions in and around in the form of rivers and hill abodes which needs to be developed.

(ii) Weaknesses

Lack of accommodation and wayside amenities apart from the conservative nature of the people. Lack of awareness among the people in general of the revenue earning potential of the tourists.

9.10 Current Status and Requirements of Basic & Tourism Infrastructure

Table 9.2: Current Status and Requirements of Basic & Tourism Infrastructure

Current status and requirements		Existing Status	Requirement
Basic Infrastructure	Air strips/Helipad	Nil	Required
	Public facilities	Satisfactory	Required
	Accessibility (Road/Rail etc)	Satisfactory	Improvements required
	Water and Electricity	Satisfactory	Improvements required
	Banking/money exchanger	Nil	Required
	Emergency Health care facility	less than adequate	Required
Tourism Infrastructure	Hotel/Accommodation	Satisfactory	Required
	Information Centres	less than adequate	Required
	Wayside amenities	less than adequate	Required
	Transportation	less than adequate	Required

9.11 Project ideas

Table 9.3: Project Ideas

Projects	Name of the Projects
Tourism Project	Water Sports/ Wind surfing
	Museum/Heritage Centres
	Land Scaping
Basic Infrastructure	Public facilities
Tourism Infrastructure	Hotel / Accommodation
	Information Centres
	Wayside amenities
	Transportation

10 Chikmagalur



Chikmagalur is considered to be the place of origin of Hoysalas. The district derived its name from the town Chikmagalur which means “Youngest Daughter’s Town. The place was said to have given as a dowry to the youngest daughter of Rukmangada, the Chief of Sakrepatna. The Chikmagalur town which also the district head quarter, is also fast growing as educational and trade and commerce centre. It’s the coffee town of Karnataka and the air is filled with the heady fragrance of the coffee blossoms. The district has many coffee curing centres and is the major revenue earning activity of the district. The highest peak of the state also lies in the district which is full of waterfalls and sylvan hill slopes.

10.1 Accessibility

10.1.1 Air

The nearest airport is Mangalore (190km), whereas the state capital of Bangalore having the major Airport is located at 224 kms away.

10.1.2 Rail

Shimoga or Kadur is the nearest railhead & is linked to other parts of the State. Other nearby town is Koppa.

10.1.3 Road

Distances of some of the places connected by road to are, Mangalore -190 km, Kollur – 85.

10.2 Major attraction :

The twin towns of Belur and Halebid are just half an hour's drive from Chickmagalur. The hill stations of Kemmanugundi, Kudremukh, Dattatreya Peetha are all in the district and the temple town of Sringeri attracts people from far and wide.

Other places of interests in Chickmagalur are Baba Budan Range, Ballarayana Durga, ruins of Hoysala forts, Gangamoola, the Hill station, Balehonnur, one the great Panch Peetas, Muthodi wild life sanctuary, Hebbe and Kalhatti Falls, Horanadu, the enchanting natural beauty famous for Adi Shakthi Temple, etc.



10.3 Festival / special events linked to the destination

The Dattatreya Jayanthi and the Annual Urus are celebrated with pomp and splendour by Hindus and Muslims during the months of March and April.

10.4 Climate

Summer: Max. 39°C, Min. 30°C, Winter: Max.30°C, Min.19°C. Best Seasons to visit the place is from January to June.

10.5 Tourist inflow

Chikmagalur around 1.5 lakh domestic and around 2000 foreigners visit the place every year.

10.5.1 Origin of tourist

Domestic tourists – Maharastra, Kerala and Southern states, Gujarat, UP etc. Foreigners – France, Italy, German, USA, Holland, Japan, UK etc.

10.5.2 Avg. spending per day per person: Foreign

Less than \$ 51-100, Domestic: Rs. 501-1000

Table 10.1:

Spending pattern (%)	Domestic	Foreign
Accommodation	60	25
Food	20	35
Transportation	15	30
Communication, Entertainment	5	10

10.5.3 Nature of tourist

More than 90% are heritage tourists, 10% other categories.

10.5.4 Group size

More than 50% of the domestic tourists were found travelling with family and 50% of the foreigners were travelling in a group of 2-4 persons.

10.5.5 Seasonal flow (peak/ lean)

October-January is peak season for foreigners, May and September-January for Domestic tourist.

10.6 Environment status

The district possess the highest mountain range of the state at Mullayangiri, the eco balance of this unexplored western ghats is worrying the environmentalists..

10.7 Bottlenecks/constraints:

- Lack of amenities, signages and inadequate staying facilities
- Lack of approach roads to most of the hill spots and the waterfalls can not be explored as they are inaccessible
- No transportation facilities to the hill spots and other tourist attractive places. No tourist information guide or kiosk is available.

10.8 General condition of attraction:

The hillspots and the lush green forests are largely unexplored and virgin. The Muthodi sanctuary is not being promoted properly. Though the twin attractions of Belur and Halebid are closer to Chickmagalur, they are promoted from Hassan, the district headquarters.

10.9 Strength and weaknesses:

(i) Strength

Variety of attractive destinations and a pleasant climate all through the year..

(ii) Weaknesses

Lack of landscaping, accommodation, wayside amenities and transportation to the tourist attractions and inaccessibility through rail and air.

10.10 Current Status and Requirements of Basic & Tourism Infrastructure

Table 10.2: Current Status and Requirements of Basic & Tourism Infrastructure

Current status and requirements		Existing Status	Requirement
Basic Infrastructure	Air strips/Helipad	Nil	required
	Public facilities	Satisfactory	required
	Accessibility (Road/Rail etc)	less than adequate	rail link with Mangalore & Bangalore
	Water and Electricity	less than adequate	required
	Banking/money exchanger	Nil	required
	Emergency Health care facility	less than adequate	required
Tourism Infrastructure	Hotel/Accommodation	less than adequate	required
	Information Centres	less than adequate	required
	Wayside amenities	less than adequate	required
	Transportation	less than adequate	required

10.11 Project ideas

Table 10.3: Project Ideas

Projects	Name of the Projects
Tourism Project	Water Sports/ Wind surfing
	Amusement Park
	Museum/Heritage Centres
	Fort/Palace/Temple Devpt
	Light & Sound Program
	Land Scaping
Basic Infrastructure	Rock climbing/Trekking
	Air strips/Helipad
Tourism Infrastructure	Public facilities
	Hotel / Accommodation
	Information Centres
	Wayside amenities
	Transportation

11 Mangalore



Mangalore is a city of vivid contrasts offering Narrow winding streets, lofty coconut trees, quaint gable-roofed houses, beautiful beaches, temples and churches, the heady fragrance of the Mangalore Mallige, the aroma of spicy coconut curries and many more. Beside its lovely beaches, the place is also known for Manjunatha temple, St. Aloysius Chapel, Mangala Devi Temple, Tippu's Battery. It is also a fast growing industrial town.

11.1 Accessibility

11.1.1 Air

Though not a fullfledged Airport, Mangalore is well connected with major cities in SouthIndia today by both Indian Airlines and Jet Airways.

11.1.2 Rail

Mangalore is well connected by Konkan Railways with major junctions and towns in the Konkan coast, but the major inadequacy is that it is still not connected to Bangalore by rail. And most of the travelling public are put to llot of hrdship as road transport is the only mode.

11.1.3 Road

Good bus connectivity to Bangalore and other major towns/ cities of the state as well as neighbouring states.

11.2 Major attraction

The coastal city of Mangalore is known for its beaches and temples. As the name indicates Mangaladevi Temple is the prime attraction whereas other temples like Kadri Manjunatha, Churches like St. Aloysius Chapel and the famous Jumma Masjid Zeenath Baksh are located in the heart of the city. The famous beaches of Ullal, Surathkal, Someshwara, Panambur etc., are all located in and around Mangalore..



11.2.1 Surrounding Places

The temple towns of Udipi is just 59 kms away from Mangalore and it is also closer to Dharmasthala, Kuke Subramanya and the Jain pilgrimage centres of Karkal and Moodabidri.

11.3 Festival / special events linked to the destination

Yakshagana is a famous and rare combination of dance music, songs, scholarly dialogue and colorful costumes performed after harvesting of winter crops. Togalu Bombeata is the ancient art of leather puppetry draws heavily on mythology. Another interesting even is devil worship commonly known as Bootha Aradhane. The Kambala (Buffalo Race) is a great exciting festival of coastal Karnataka generally celebrated during November to March at various places.

11.4 Climate

Summer: Max. 34°C, Min. 32°C, Winter: Max. 28°C, Min. 26°C.

11.5 Tourist inflow

Mangalore attracts around 3 lakhs domestic and around 2,000 foreigners per year.

11.5.1 Origin of tourist

Domestic tourists – Maharashtra, Kerala and Southern states, Gujarat, UP etc. Foreigners – France, Italy, German, USA, Holland, Japan, UK etc.

11.5.2 Avg. spending per day per person

Foreign: Less than \$ 51-100, Domestic: Rs. 501-1000

Table 11.1: Tourist Expenditure Components

Spending pattern (%)	Domestic	Foreign
Accommodation	40	40
Food	25	15
Transportation	20	30
Communication, Entertainment	15	15

11.5.3 Nature of tourist

More than 90% are heritage tourists, 10% are business tourists.

11.5.4 Group size

More than 50% of the domestic tourists were found travelling with family and 50% of the foreigners were travelling in a group of 2-4 persons.

11.6 Seasonal flow (peak/ lean)

The peak season for visiting Mangalore is from December to June and during the rest of the year the city is swarmed by rains

11.7 Environment status

Over all environment is clean and less polluted.

11.7.1 Bottlenecks/constraints:

- Lack of connectivity by railhead.
- Lack of promotion of the coastline to the tourists.
- Lack of infrastructural facilities like signages, way side amenities etc.

11.8 General condition of attraction.

The Coastal Environmental Project funded by ADB is creating the necessary infrastructure in the city and once proper promotion and publicity is done, foreign tourists flocking around the over crowded Goan beaches will start exploring the virgin coastline of Mangalore.

11.9 Strength and weaknesses:

(i) Strength

Unexplored virgin beaches and famous pilgrimage centres for all religions.

(ii) Weaknesses

Lack of accommodation, connectivity by train and wayside amenities and other sources of entertainment like Amusement Park, Multiplex etc.

11.10 Current Status and Requirements of Basic & Tourism Infrastructure

Table 11.2: Current Status and Requirements of Basic & Tourism Infrastructure

Current status and requirements		Existing Status	Requirement
Basic Infrastructure	Air strips/Helipad	airport with only domestic flights	upgradation to Intl. Stds
	Public facilities	Satisfactory	required
	Accessibility (Road/Rail etc)	Satisfactory	needs to be improved
	Water and Electricity	Satisfactory	satisfactory
	Banking/money exchanger	Satisfactory	satisfactory
	Emergency Health care facility	Satisfactory	needs to be improved
Tourism Infrastructure	Hotel/Accommodation	Satisfactory	needs to be improved
	Information Centres	less than adequate	required
	Wayside amenities	Satisfactory	needs to be improved
	Transportation	Satisfactory	needs to be improved

11.11 Project ideas

Table 11.3: Project Ideas

Projects	Name of the Projects
Tourism Project	Water sports/Wind surfing
	Zoo & Children Park
	Museums/ HeritageCentre
	Fort/ Palace Development
	Light & Sound Program
	Land Scaping
Basic Infrastructure	Air strips/Helipad
	Public facilities
Tourism Infrastructure	Hotel/Accommodation
	Information Centres
	Wayside amenities
	Transportation

12 Karwar



The district head quarter is a charming port town located at the mouth of Kali river and the confluence of river and Arabian Sea.

12.1 Accessibility

12.1.1 Air

The closest Airport is located at Goa, whereas Mangalore is the closest city in the state to have an Airport.

12.1.2 Rail

Karwar is well connected by Konkan Railways with major cities of Kerala , but connectivity to other cities of Karnataka and the capital city of Bangalore by rail still remains as a distant dream.

12.1.3 Road

Good bus connectivity to Bangalore and other major towns/ cities of the state as well as neighbouring states.

12.1.4 Major attraction :

Sadashivgad Hill fort, Baithkola beach, Durga Temple, Octagonal Church, Venkataraman

12.2 Temple/Festival / special events linked to the destination:

Yakshagana is a famous and rare combination of dance music, songs, scholarly dialogue and colorful costumes performed after harvesting of winter crops. Togalu Bombeaata is the ancient art of leather puppetry draws heavily on mythology. Another interesting even is devil worship commonly known as Bootha Aradhane. The Kambala (Buffalo Race) is a great exiting festival of coastal Karnataka generally celebrated during November to March at various places.



12.3 Climate

Summer: Max. 34°C, Min. 32°C, Winter: Max. 28°C, Min. 26°C.

12.4 Tourist inflow

Karwar attracts around 1 lakhs domestic and around 10,000 foreigners who just passby the town from Goa to other place sof Karnataka.

12.4.1 Origin of tourist

Domestic tourists – Maharastra, Kerala and Southern states, Gujarat, UP etc. Foreigners – France, Italy, German, USA, Holland, Japan, UK etc.

12.4.2 Avg. spending per day per person

Foreign: Less than \$ 51-100, Domestic: Rs. 501-1000.

Table 12.1: Tourist Expenditure Components

Spending pattern (%)	Domestic	Foreign
Accommodation	40	40
Food	25	15
Transportation	20	30
Communication, Entertainment	15	15

12.4.3 Nature of tourist

More than 90% are heritage and pilgrimage tourists and the rest 10% are corporate tourists.

12.4.4 Group size

More than 50% of the domestic tourists were found travelling with family and 50% of the foreigners were travelling in a group of 2-4 persons.

12.5 Seasonal flow (peak/ lean)

January to June is the peak season to visit this place.

12.6 Environment status

Over all environment is clean and less polluted.

12.7 Bottlenecks/constraints:

- Lack of connectivity to Bangalore by rail.
- Lack of promotion and inability to leverage the proximity to Goa in a big way to bring in foreign tourists
- Lack of infrastructural facilities like accomodation and restaurants.



12.8 Strength and weaknesses

(i) Strength

The unexplored virgin beaches in large numbers just like that in Goa.

(ii) Weaknesses

Lack of accommodation, money changing facility, credit card acceptance, ATMs, inadequate transportation to the attractive beaches and wayside amenities.

12.9 Current Status and Requirements of Basic & Tourism Infrastructure

Table 12.2: Current Status and Requirements of Basic & Tourism Infrastructure

Current status and requirements		Existing Status	Requirement
Basic Infrastructure	Air strips/Helipad	Nil	Required
	Public facilities	Nil	Required
	Accessibility (Road/Rail etc)	less than adequate	needs to be improved
	Water and Electricity	less than adequate	needs to be improved
	Banking/money exchanger	Nil	Required
	Emergency Health care facility	Nil	Required
Tourism Infrastructure	Hotel/Accommodation	Nil	Required
	Information Centres	Nil	Required
	Wayside amenities	Nil	Required
	Transportation	less than adequate	needs to be improved

12.10 Project ideas

Table 12.3: Project Ideas

Projects	Name of the Projects
Tourism Project	Water Sports/Wind Surfing
	Amusement Park
	Light & Sound Program
	Land Scaping
	Boating
Basic Infrastructure	Air strips/Helipad
	Public facilities
Tourism Infrastructure	Hotel/Accommodation
	Information Centres
	Wayside amenities
	Transportation

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Ministry of Tourism and Culture
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Study Report on Preparation of 20 Years Perspective Plan for Development of Sustainable Tourism in Karnataka

June 2002

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Sarojini House
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New Delhi 110 001
India

Study Report on Preparation of 20 Years Perspective Plan for Development of Sustainable Tourism in Karnataka

Issue and Revision Record

Rev	Date	Originator	Checker	Approver	Description
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1 COORG RESTAURANT

The suggested project is a wayside restaurant with a capacity to provide food to 50 tourists and tea & other snacks to 100 tourists. This will also have a bar so that the local Karnataka wine can be served and beer lovers can have a contented drink.

The restaurant shall be located close to a scenic spot and shall provide more space and comfort for the visitors to relax and enjoy their dishes. As the name suggests, this wayside enclave is specialised in providing the Coorgi cuisine.

The Coorgi delicacy starts with the Uppittu, Masala Dosa, Idli Sambar for the breakfast, followed by Chitranna, Vangibhath with celebrated Bisibelabhath along with mutton curry or soppina saaru for lunch, Kadumbuttu (rice dumplings) with Koli Curry (Chicken Curry) and jowar rottis for dinner and to end your meal, sweets like Mysore Pak, Obbattu, Gokak Kardantu and Chirotin shall be made available. The best honey from Bhagamandala dotted with some of the Coorg's best apiaries shall give the Coorgi touch to the cuisine. The restaurant menu shall also talk of all other South Indian delicacies so that none among the visitors should go unsatisfied and unquenched.

The design of the restaurant shall be made unique in the lines of a traditional Coorgi hut with sloping Mangalore tile roof. A mild carnatic music with melancholic village folk songs shall add fervour to the visitors' ears while their hands are being full. All the furniture shall be made of bamboos and utensils made of copper & clay to give an ancient touch.

1.1 Target Population and Positioning

All the tourists visiting scenic spots wishing to have a sumptuous dish at a relaxed pace in a natural ambience. The target market is largely the middle class and high end Indian tourists apart from a few occasional foreigners for Indian wine and Egg Omelette. The restaurant should be positioned as an high end environment friendly relaxing food retreat amongst both the day tourists, outstation visitors and local week enders fed up of home food. The success of the restaurant and higher occupancy rate lies in creating an unique brand name in a shorter time by not only promoting and publicising, but also by providing 100% satisfaction to the visitors.

Care should be taken to maintain the restaurant as well as cook the dishes in the most hygienic way and a big 'No' to plastics and smoking shall make this an ideal family eating joint.

In general, the basic rates of land and building are approximately same in most of the scenic spots, and hence this project can be replicated at all tourist destinations without any major changes in capital outlay and profitability.

As the restaurant is targeting only 40 to 50 visitors per day, this can be built in any tourist destination alongside a scenic spot where regular inflow of high end day tourists are there. The other option could be to identify places in the national and state highways connecting major towns and tourist destinations in the State and putting up these wayside restaurants for the travelling people to rest for a while. Such a wayside restaurant can be built in 137 locations in the State in different tourist destinations which includes Bangalore, Mysore, Karwar, Yana, Gokarna, Idagunj, Jog Falls, Pattadakal, Murudeshwar, Karkala, Vennur, Subramanya, Jevargi, Almati Dam, Aihole, Badami, etc.

The project will be providing employment for at least 10 local residents and will attract at least 15,000 visitors per year generating indirect opportunities for tourist commodity shops, local crafts, flowers and eatables, etc., thereby leading to the overall economic development of the local populace.

1.2 Highlights of the Project

Project Cost	Rs.7.94 lakh
Promoters Contribution	4.76
Loans from financial institutions	3.18
Envisaged Capacity:	50 visitors per day
Assumed Occupancy rate:	40% in the first year and increases to 70% in 4th year
IRR	28.68%
NPV	4.85
BEP	46
DSCR	3.69

1.3 Man Power

Position	No
Manager	1
Accountant/Supervisor	1
Cook	2
Restra Boy	2
Waiters	2
Dishwashers	2
Grand Total	10

1.4 Project Cost

Sr. No	Particulars	Rs. in Lakhs
1	Land & Site Development	1.84
2	Civil Works	1.68
3	Equipment	0.67
4	Know - how & Detailed Engg.	0.00
5	Miscellaneous Fixed Assets	0.45
6	Preliminary Expenses	0.2
7	Pre-operatives Expenses	0.35
8	Margin on Working Capital	0.53
9	Contingencies	0.52
10	Landscaping	0.50
11	Furniture and Fixtures	1.25
	Total Project Cost	7.99

1.5 Means of Finance (Rs. in Lakhs)

EQUITY		
Promoter's Contributions	3.20	
Public Issue	0.00	
Total of Equity		3.20
DEBT		
On Soft Loan(NE Equity)	0.00	
Rs Loan	4.79	
Total of Debt		4.79
G. Total		7.99

1.6 Computation of Income Tax (Rs in Lakhs)

S. No	Description	Yr-1	Yr-2	Yr -3	Yr -4	Yr-5	Yr -6	Yr -7	Yr-8	Yr -9	Yr-10
1	Net Profit Before Tax	1.42	2.81	4.51	6.29	6.41	6.53	6.65	6.77	6.86	6.86
2	Gross Profit	1.42	2.81	4.51	6.29	6.41	6.53	6.65	6.77	6.86	6.86
3	Less Depr WDV	0.52	0.41	0.32	0.26	0.22	0.18	0.15	0.92	-0.09	-0.05
4	Profit/Loss	0.91	2.41	4.18	6.03	6.20	6.35	6.50	5.85	6.95	6.91
5	Taxable Income		2.41	4.18	6.03	6.20	6.35	6.50	5.85	6.95	6.91
6	Income tax @40% plus Surcharge 6%		1.02	1.77	2.56	2.63	2.69	2.76	2.48	2.95	2.93

2 COFFEE RESORTS

This project envisages to provide accommodation with a restaurant and bar in picturesque coffee estates surrounded by hill tops and mountain ranges. The capacity of the resorts shall be to cater to 50 visitors to the restaurant with 10 single room huts and 20 double room huts.

The resort cottages should be designed in the lines of Malnad huts with sloping bamboo roofs. Both the single and double room huts shall have provision for another extra bed. To be constructed in the midst of coffee estates, the resorts should provide the guests a panoramic view of the hilly terrain with the fragrance of coffee filling the air during the plucking seasons.

The restaurant should include an amazing variety of irresistible dishes ranging from the earthly flavours of North Canara to the traditional fare of Dakshina Kannada. Spicy Mangalorean fish delicacies, rice in all its forms and akki/jowar rotis shall form part of the menu.

Facilities of trekking and rock climbing shall be made available and a Nature walk path can also be identified in the ghat region, so that the guests can choose any of their favourite activity. The guests can also be taken through the coffee estates with a trained guide and they can also try their hands on plucking coffee seeds.

The resort being proposed in the vicinity of the Ghat range, should take into account the eco-balance of the region. Adequate care on cleanliness, with proper solid waste management system and drainage should be planned in the concept stage itself. The resorts should be made as no plastic zones.

2.1 Target population & Positioning

The coffee resorts is targeted at higher end upper class Indian tourists and foreign tourist groups keen on spending their vacation in a serene natural environment.

As coffee growers and individual estate owners are already showing lot of interests in bringing tourists to their plantations, the only constraints in the success of this project is proper positioning followed with active promotion and creation of necessary infrastructure. The best possible way of promoting these resorts is to have tie-up with Inbound Tour Operators and even Star Hotels located at the nearest cities.

Choosing the appropriate locations are important for these resorts, as the settings of a coffee estate with sylvan hill ranges is a must. The environmental impact has to be studied in detail before the construction of the resort. The possible locations this can come up include Kemmannagundi, Baba Budhan Hills, Kudremukh, Madikeri, Baghamandala and Kushalnagar.

As the basic rates of land and building in these coffee gardens are expected to be the same in all the above locations, this resorts can come up at all these locations in due course without much of a change in the project cost and the profitability.

2.2 Highlights of the Project

The evenings can be filled with fun, for the staying guests by local ritual dances like dollu kunitha, kamsale, gorava kunitha and different forms of Yakshagana. Not only that this will provide us an

entertainment for the tourists, but also these cultural programmes provide rejuvenation for the village folk arts.

Project Cost	Rs. 36.63 Lakhs
Promoters Contribution	Rs.14.65 Lakhs
Loans from financial institutions	Rs. 21.98 Lakhs
Envisaged Capacity	50 guests in a day
Assumed Occupancy rate	25% in the first year and to 45% in the 4th year
IRR	19.67%
NPV	0.38
BEP	42 %
DSCR	2.93

2.3 Man Power

Position	No
Manager	1
Accountant/Receptionist	1
Cook	1
Steward Cum Asst.Cook	2
Caretaker	3
Restra Boy	2
Dishwasher/Cleaner	2
Gen Operator cum Gardner	1
Security	1
Grand Total	14

2.4 Project Cost

S. No	Particulars	Rs.in lakh
1	Land & Site Development	10.90
2	Civil Works	18.34
3	Equipment	7.36
4	Miscellaneous Fixed Assets	7.15
5	Preliminary Expenses	0.20
6	Pre-operatives Expenses	3.08
7	Margin on Working Capital	0.97
8	Contingencies	4.70
	Total Project Cost	52.70

2.5 Means of Finance (Rs. in Lakhs)

EQUITY		
Promoter's Contributions	21.08	
Public Issue	0.00	
Total of Equity		21.08
DEBT		
On Soft Loan(NE Equity)	0.00	
Rs Loan	31.62	
Total of Debt		31.62
G. Total		52.70

2.6 Computation of Income Tax (Rs in Lakh)

S.No	Description	Yr -1	Yr-2	Yr -3	Yr -4	Yr-5	Yr -6	Yr -7	Yr-8	Yr -9	Yr-10
1	Net Profit Before Tax	11.83	10.44	15.74	26.73	27.52	28.31	29.10	29.89	30.48	30.48
3	Gross Profit	11.83	10.44	15.74	26.73	27.52	28.31	29.10	29.89	30.48	30.48
4	Less Depr WDV	5.81	4.54	3.59	2.88	2.34	1.93	1.61	9.03	-0.80	-0.44
5	Profit/Loss	6.02	5.90	12.14	23.85	25.18	26.38	27.49	20.86	31.29	30.92
6	Taxable Income	6.02	5.90	12.14	23.85	25.18	26.38	27.49	20.86	31.29	30.92
7	Income tax @40% plus Surcharge 6%	2.55	2.50	5.15	10.11	10.68	11.19	11.66	8.84	13.27	13.11

3 WATER SPORTS COMPLEX

The proposed project is a water sports complex, which can be developed in big and picturesque lakes located in various tourists' destinations of the State. Karnataka is known for its gardens and lakes and the best way to utilise them economically is to create the necessary water sports infrastructure and to attract more tourists.

The proposed water sports complex shall consist of the various types of safe and standardised water sport related equipment. The complex shall have trainers and technicians in regular rolls so that the maintenance of the vehicle and related machinery are taken care. Lake acquisition is the only constraint envisaged for which the Government can take initiative to lease it to individual promoters/entrepreneurs for a certain number of years. The state exchequer will not only get the lease rentals but also the additional tax revenue out of the sports rides.

The capacity envisaged for the said water sports complex is 8 water scooters, 8 pedal boats, 4 rowing boats, 8 kayaks, 8 canoes and 8 pedal surfs. An additional 20 life jackets and 20 life buoys shall also be part of the equipment.

The proposed project has a lot of environmental implications and care should be taken to maintain the eco balance of the lake and the region. Cleanliness and Hygiene with strict adherence of 'No Smoking' and 'No Plastic' should be maintained.

3.1 Target Population and Positioning

The target population could be adult tourists, aged between 18 to 45 years interested in adventure, though it does not ban families and aged people to have a view of the nature's water paradise. Again, as the fares are kept at lower levels, all types of tourists can be targeted without any income barriers. Promotion has to be largely through tie-ups and bilateral arrangements with various hotels in the destination.

It is not expected to bring in tourists to visit this water complex alone, but for some adventurous foreigners looking for a change. Hence, the complex can come up in tourist destinations only, so that it will add value to the visitors' time spend in the location.

The occupancy rate envisaged during the first few years are around 50% and gradually it will reach 80% once the complex gets established in the tourist's map. The following tourists destinations with big and clean lakes are ideally suited for the project to be started in places like Gokarna Om beach, Marawanth beach, Murudeshwar, Dandeli across Kali river, Ullal beach in Mangalore and Devbagh beach in Karwar.

3.2 Highlights of the Project

Project Cost	Rs. 84.67 Lakhs
Promoters Contribution	Rs 33.87 Lakhs
Loans from financial institutions	Rs 50.8 Lakhs
Assumed Occupancy rate	40% in the first year and 80% in the 10th year
IRR	26.35%
NPV	8.56
BEP	52%
DSCR	4.69

3.3 Man Power

Category of Employees	No
Site Manager	1
Supervisor	2
Trainer	4
Mechanic	2
Attendants	5
Gardener	1
Security	2
Office/Counter Staff	2
Total	19

3.4 Capital Cost of the Project

Item	Investment (Rs. Lakhs)
A. Fixed Capital	
1. Land & Site Development	5.00
2. Building & Civil Works	10.00
3. Equipment Cost	39.70
4. Utilities & Miscellaneous Fixed Assets	2.00
5. Preliminary & Preoperative Expenses	4.00
6. Provision For Contingencies	6.07
Fixed Capital Investment Sum (1-8)	66.77
B. Margin For Working	17.90
Total Project Cost (A+B)	84.67

3.5 Project Finance and Loan Repayment

Particulars	Rs in lakh	%age
Project Cost	84.67	100%
Share holders Equity	27.94	33%
Bank Term Loan	56.73	67%

3.6 Loan at the End of the Year (Rs. Lakhs)

Type Of Loan	Financial Year Of Operation									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Short Term Loan @	15.00	% Interest								
Loan at the End of the Year	14.36	14.88	19.47	20.09	24.79	38.01	39.53	47.01	48.84	56.67
Interest	2.15	2.23	2.92	3.01	3.72	5.70	5.93	7.05	7.33	8.50
Long Term Loan @	13.50	% Interest								
Loan At The Beginning	56.73	56.73	51.06	45.39	39.72	34.05	28.38	22.71	17.04	11.37
Repayment	0.00	5.67	5.67	5.67	5.67	5.67	5.67	5.67	5.67	5.67
Loan at the End of the Year	56.73	51.06	45.39	39.72	34.05	28.38	22.71	17.04	11.37	5.70
Interest	7.66	7.28	6.51	5.74	4.98	4.21	3.45	2.68	1.92	1.15
Total Long Term Interest	7.66	7.28	6.51	5.74	4.98	4.21	3.45	2.68	1.92	1.15

3.7 Profit Calculation

Revenue	Year of Operation									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Profit before Tax	6.54	14.27	13.30	21.20	19.99	17.38	24.77	22.73	29.76	28.67
Tax	1.31	2.85	2.66	4.24	4.00	3.48	4.95	4.55	5.95	5.73
Profit After Tax	5.24	11.42	10.64	16.96	15.99	13.90	19.82	18.19	23.81	22.94

4 Aero Sports

The project which is a very popular adventure sport in the western countries can be promoted in the State to attract foreign tourists to Karnataka. Being an environment friendly sport, this provides substantial employment to the local technicians also thereby contributing to the socio-economic development of the region.

In the context of this project, the gliding component of Aero Sports which can be taken up without obtaining any license consists of par gliding, par sailing, manual Aero modelling and remote Aero modelling. These sports require some open space and a hilly terrain with no hindrance to the flying object. The ideal location for developing these Aero sports in Karnataka could be the plains of Badami and Hospet apart from the hilly terrain of Baba Budhan, Koodachadri, Kudremukh, B R Hills, Mysore Chamundi Hills and Nandi Hills and at Hebbal in Bangalore.

The target market for the proposed aero sports facility will be largely foreign tourists, both adventurous upper class Indians can also gradually be attracted to this project. International Aero Sports competitions can also be arranged in some of these venues in order to make this adventure sports more popular and to generate more revenue to the state.

On account of this adventure sports being in the promotional stages in the Country, the envisaged capacity is 3000 para gliding launches, 12000 para sails and 7500 remote controlled aero gliding. The project would create at least 15 new job opportunities for local mechanical/electrical graduates, supervisors and maintenance persons. As the project on an average is estimated to retain at least 6000 tourists per year, other tourism related activities such as restaurants, eating joints, commodity shops, local arts and handicrafts would get an indirect boost.

Care should be taken to obtain necessary clearances from the Aviation Council and steps required to maintain the eco-balance of the system on account of additional tourist inflow. The suitability of the location depends upon the availability of vacant open space, proximity to airports/airstrips and hilly terrain.

The project cost of the proposed aero sports is comparatively lesser at Rs. 31.57 Lakhs as the envisaged capacity is lesser for the time being. Once the vehicle utilisation rate increases to higher levels, procurement of additional equipments can be made. Assuming a 40% vehicle utilisation rate in the first two years to 60% during the later years, the project depicts an IRR of 32.34% and a BEP of 53%.

4.1 Highlights of the Project:

Project Cost	Rs. 31.57 Lakhs
Promoters Contribution	Rs. 12.63
Loans from financial institutions	Rs.18.94 Lakhs
Assumed Occupancy rate	40% in the first year and 60% in the fourth year
IRR	32.34%
NPV	16.18
BEP	51%
DSCR	3.78
BEP	53%

4.2 Man Power

Position	No
Manager cum Accountant	1
Trainer	1
Technicians	5
Helpers	2
Security	1
Driver	1
Grand Total	11

4.3 Project Cost

Sr. No	Particulars	Rs. in Lakhs
1	Land & Site Development	2.85
2	Civil Works	1.60
3	Aero Sports Equipment	18.40
4	Know - how & Detailed Engg.	1.50
5	Miscellaneous Fixed Assets	1.60
6	Preliminary Expenses	0.20
7	Pre-operatives Expenses	1.38
8	Margin on Working Capital	1.17
9	Contingencies	2.87
10	Total Project Cost	31.57

4.4 Means of Finance (Rs in Lakhs)

EQUITY		
Promoter's Contributions	12.63	
Total of Equity		12.63
DEBT		
On Soft Loan(NE Equity)	0.00	
Term Loan	18.94	
Total of Debt		18.94
Grand Total		31.57

4.5 Computation of Income Tax (Rs in Lakhs)

Sr. No	Description	Yr -1	Yr-2	Yr -3	Yr -4	Yr-5	Yr -6	Yr -7	Yr-8	Yr -9	Yr-10
1	Net Profit Before Tax	4.48	11.46	18.56	19.03	19.50	19.98	20.45	20.92	21.28	21.28
2	Gross Profit	4.48	11.46	18.56	19.03	19.50	19.98	20.45	20.92	21.28	21.28
3	Less Depr WDV	6.34	4.72	3.52	2.62	1.96	1.47	1.11	0.76	0.65	0.50
4	Profit/Loss	-1.86	6.74	15.04	16.40	17.54	18.51	19.34	20.16	20.63	20.78
5	Taxable Income			15.04	16.40	17.54	18.51	19.34	20.16	20.63	20.78
6	Income tax @40% plus Surcharge 6%			6.38	6.96	7.44	7.85	8.20	8.55	8.75	8.81

5 BEACH COTTAGE WITH RESTAURANT

The State of Karnataka has a very long coastline, which is virgin and unexplored. This can be utilised in the best possible manner without distorting the serene beauty of the beaches by building beach cottages providing accommodation with restaurant and bar for tourists. The proposed beach cottage project envisages for a capacity of 10 rooms providing double accommodation with restaurant and a open air spacious bar.

There shall be a 10 beach side cottages facing the beach at an appropriate distance of 200 metres from the high tide line as per Coastal Regulation Zone (CRZ) regulations. The cottages shall be built using bamboos either in traditional Malnadu huts or in Malabar style. The ambience of the cottage should resemble that of a typical karwari village. Each of the cottages shall contain double bed accommodation with facility for putting up an additional bed.

The restaurant shall depict in its menu the mouth watering Mangalorean seafoods, the vegetarian delights of Chickmagalur the spicy Coorgi dishes tinted with honey from Mercara. The guests can enjoy their moonlights with Yakshagana (celestial music), the traditional dance of Karnataka and 'Togalu Bombeata' – the ancient art of leather puppetry drawing heavily on stories from Ramayan and Mahabharata.

The environmental balance of the coastal region had to be necessarily maintained and a no plastic zone can be promulgated within the resorts. The project shall be finalised at the particular location after getting necessary clearance from the Navy – for security considerations, and from the CRZ authorities. A self contained system for solid waste management would be apt for this beach cottage. Care should be taken to ensure that discharge of solid waste and sewerage are properly done without getting into any nearby sea points.

5.1 Target Market and Positioning

The high end Indian tourists and the foreign tourists who are on the look out for a serene vacation, rich in culture and traditions are the appropriate target market. These sea-view cottages can be promoted through tour operators, chartered flight operators as a unique cultural heritage away from the busy metropolitan life. Such a theme related resort providing natural ambience and traditional lifestyle will also attract more and more foreign tourists to the cottage.

Any tourist destination along the long coastal line of Karnataka with at least around a lakh of tourists is suitable for promoting this project. The costs of the project works to Rs. 22.85 lakh and since the basic rates of land and building and tourist arrivals is approximately the same across the coastline of Karnataka, the project can be replicated at all these following locations without much of a change in Capital outlay: (1) Karwar, (2) Gokarn, (3) Murudeshwar, (4) Bhatkal, (5) Udupi, (6) Mangalore, (7) Malpe Beach, (8) St. Mary's Island, (9) Maravanthe and (10) Kaup.

Not only that this project would create additional 10-12 new job opportunities for the local people, but also will provide indirect revenue in the form of sales of tourist commodities, handicrafts, cottage and village art works, etc. With an assumption of occupancy rate of 50% during the first two years and then gradually reaching 75% from the sixth year onwards, the project indicates an IRR of 27.16%.

5.2 Highlights of the Project

Project Cost	Rs.22.85 lakh
Promoters Contribution	Rs. 9.14 lakh
Loans from financial institutions	Rs. 13.71 lakh
Assumed Occupancy rate	50% in first year and increases to 75% in 10 th year
IRR	27.16%
BEP	39.47%
DSCR	2.52
NPV	3.58

5.3 Man Power

Category	No
Manager cum Accountant	1
Receptionist	1
Chef	1
Asst. Cook	1
Waiters & Helpers	2
Unskilled Labour	3
TOTAL	7

5.4 CAPITAL COST OF THE PROJECT

Item	Investment (Rs. Lakhs)
A. Fixed Capital	
1.Land & Site Development	4.00
2. Building & Civil Works	9.00
3. Plant & Machinery	5.00
4. Miscellaneous Fixed Assets	1.00
5. Preliminary & Preoperative Expenses	1.00
6. Provision For Contingencies	2.00
Fixed Capital Investment Sum (1-8)	22.00
B. Margin For Working	0.85
Total Project Cost (A+B)	22.85

5.5 Means of Finance (Rs. in Lakhs)

Source of Fund	Rs. In Lakhs
Equity capital	7.62
Debt	15.23
Total	22.85

5.6 Projected Profitability Statements and Computation of Tax

Account Head	Financial Year Of Operation (Rs. in Lakhs)									
	1	2	3	4	5	6	7	8	9	10
Revenue From Operation	16.65	16.65	19.98	19.98	23.31	23.31	23.31	24.98	24.98	26.64
Total Revenue	16.65	16.65	19.98	19.98	23.31	23.31	23.31	24.98	24.98	26.64
Expenses										
Raw Materials @ 30% Of Rest. Revenue	1.35	1.35	1.62	1.62	1.89	1.89	1.89	2.03	2.03	2.16
Salaries	1.27	1.40	1.54	1.69	1.86	2.05	2.25	2.48	2.73	3.00
Wages	3.37	3.71	4.08	4.48	4.93	5.43	5.97	6.57	7.22	7.95
Utilities	0.17	0.17	0.20	0.20	0.23	0.23	0.23	0.25	0.25	0.27
Admin. Overheads @ 1%	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
Repairs & Maintenance (Incl. Stores & Spares) % Bldg, 2.5% M/C, 1.5% Misc	0.17	0.17	0.20	0.20	0.23	0.23	0.23	0.25	0.25	0.27
Stores & Spares @ 1%	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08
Insurance @ 0.5%	0.83	0.83	1.00	1.00	1.17	1.17	1.17	1.25	1.25	1.33
Operating Expenses @ 5%	0.08	0.08	0.10	0.10	0.12	0.12	0.12	0.12	0.12	0.13
Commissions @ 0.5%	0.25	0.25	0.30	0.30	0.35	0.35	0.35	0.37	0.37	0.40
Interest On Short Term Loan	0.10	0.10	0.12	0.12	0.14	0.14	0.14	0.15	0.15	0.16
Cost Of Sales	7.90	8.36	9.46	10.02	11.23	11.91	12.66	13.78	14.68	15.97
Depreciation (St. Line)	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.74
Amortisation Of Pre-Op Expenses	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Interest On L.T. Loan	2.51	2.00	1.73	1.47	1.20	0.93	0.67	0.40	0.13	0.00
Profit Before Tax	5.23	5.28	7.77	7.48	9.87	9.45	8.97	9.79	9.15	9.83
Tax	1.50	1.68	2.76	2.75	3.75	3.65	3.52	3.87	3.66	3.88
Profit After Tax	3.73	3.60	5.01	4.73	6.12	5.80	5.46	5.92	5.49	5.94
Dividend	0.00	0.61	0.61	0.61	0.61	0.61	0.61	0.61	0.61	0.61
Profits For Appropriation	3.73	2.99	4.40	4.12	5.51	5.20	4.85	5.31	4.88	5.33
Computation Of Tax										
Profit Before Ineres Depreciation & Tax	6.14	6.19	8.69	8.39	10.78	10.37	9.88	10.70	10.06	10.57
Depr.(Wdv) To Be Claimed	2.25	1.84	1.51	1.26	1.05	0.89	0.75	0.65	0.56	0.48
Depreciation Claimed	2.25	1.84	1.51	1.26	1.05	0.89	0.75	0.65	0.56	0.48
Profit Before Tax	3.89	4.35	7.17	7.13	9.73	9.48	9.13	10.05	9.50	10.09
Taxable Profit	3.89	4.35	7.17	7.13	9.73	9.48	9.13	10.05	9.50	10.09
Profit Before Tax (Book)	5.23	5.28	7.77	7.48	9.87	9.45	8.97	9.79	9.15	9.83
Normal Tax (If Applicable)	1.50	1.68	2.76	2.75	3.75	3.65	3.52	3.87	3.66	3.88
Excess Of Normal Tax Over Mat	1.07	1.24	2.12	2.13	2.93	2.87	2.78	3.06	2.90	3.07
Tax Payable	0.43	1.68	2.76	2.75	3.75	3.65	3.52	3.87	3.66	3.88
Tax Rate As % Of Pbt (Book)	0.29	0.32	0.36	0.37	0.38	0.39	0.39	0.40	0.40	0.40
	33.9%	31.8%	41.6%	39.1%	48.4%	45.5%	42.2%	44.6%	40.6%	43.0%
Total Sales Revenue	16.65	16.65	19.98	19.98	23.31	23.31	23.31	24.98	24.98	26.64
Profit After Tax	3.73	3.60	5.01	4.73	6.12	5.80	5.46	5.92	5.49	5.94
Tax	1.50	1.68	2.76	2.75	3.75	3.65	3.52	3.87	3.66	3.88
Raw Material Costs	1.35	1.35	1.62	1.62	1.89	1.89	1.89	2.03	2.03	2.16
Cumulative Pat	3.73	7.33	12.34	17.08	23.20	29.00	34.46	40.37	45.86	51.80

6 KARNA TREKKING

With its lush tropical forests, hills, caves and cascades, roaring rivers and gurgling streams, flora and fauna, Karnataka is a trekker's paradise.

The proposed project consists of a trekking camp with necessary equipment for 30 trekkers and a restaurant with a capacity to cater to 35 visitors. The trekking camp shall be located in the midst of lushy forests at the base of small hill tops and mountain ranges. The provision for accommodation in the tents had to be of dormitory type with a capacity to cater to 20 trekkers. The proposed project shall have a restaurant close to the trekking area, which should provide the tourists with comfort and a naturally relaxing environment after a long day's walk.

The whole camp shall be set up in a typical ethnic Coorgi village ambience with tents and tarpaulins. Care should be taken to maintain the eco-balance of the region by taking adequate steps to minimise pollution and effects of additional congregation of trekkers/visitors to the region. A self contained system for solid waste management is desirable for the project. Discharge of solid waste and sewerage from the tents had to be properly planned in the initial phase itself.

The restaurant should include in its menu the spicy non-vegetarian dishes from the North and the traditional culinary fare of South Karnataka consisting of protein rich cereal salads and a complete range of rice based dishes – with the celebrated vangi bhath, bisi bele bhath and pulliyogare.

Target Population and Positioning

The target market for this trekkers' camp is young and enthusiastic men and women who are in the prime of their ages looking for adventure and leisure filled with fun and thrill. The camps can be positioned as unique hill retreats in the minds of the foreign tourists and more promotion and publicity has to be done through inbound tour operators.

Tie-ups had to be made with the small clubs set up in Bangalore for mountaineering and the Karnataka Mountaineering Association, so that the enthusiastic local members can have a day or two at this camp enjoying the nature's trail.

The project cost for the proposed camp is Rs. 7.79 lakh and at an assumed occupancy rate of 30% during the first two years, 40% during the next two years and from then on a stable 50%, the returns depict an IRR of 31.06%. The occupancy rate is taken at lower levels taking into account the rainy season as well as the fact that the general tourists cannot be attracted to this camp.

The land cost and equipment cost apart from the civil works necessary are more or less same to the various locations and hence, this project can be replicated without much increase in the capital outlay and profitability in the places mentioned in the subsequent parts. Infact at Ramanagaram, it is acknowledged that the rock belt is the only one of its kind in South India where rocks of various types and sizes are available which offers an excellent opportunity of mountaineering and rock climbing. Trekking trails can be mostly located in the Ghat districts of North and South Canara, Shimoga, Chickmagalur, Hassan and Coorg, where the possible locations could be Pattadakal, Hospet, Hampi, Bellary, Chitradurga, Ghanapur in Belgaum, Jog Falls, Kemmannagundi, Yana, Agumbe, Kukke Subramanya, B.R.Hills, Sandur Devagiri Hills, Dandeli, Koodachadri Hills and Kundadri Hills.

6.1 Highlights of the Project

Project Cost	Rs. 7.79 lakh
Promoters Contribution	Rs. 3.12lakh
Loans from financial institutions	Rs. 4.67lakh
Envisaged Capacity	30 trekkers per day and 35 in the restaurant
Assumed Occupancy rate	30% in the first year and 50% in the fourth year
IRR	31.06%
NPV	1.12
BEP	51
DSCR	4.65

6.2 Man Power

Position	No
Manager	1
Technicians	3
Cook	1
Operator	1
Security	1
Restra Boy	4
Grand Total	11

6.3 Project Cost

Sr. No.	Particulars	Rs. in Lakhs
1	Land & Site Development	26.00
2	Civil Works	75.00
3	Equipment	230.67
4	Know - how & Detailed Engg.	25.00
5	Miscellaneous Fixed Assets	25.00
6	Preliminary Expenses	0.20
7	Pre-operatives Expenses	29.50
8	Margin on Working Capital	3.30
9	Contingencies	41.14
10	Total Project Cost	455.80

6.4 Means of Finance

Equity		
Promoter's Contributions	113.95	
Total of Equity		113.95
Debt		
Rs Loan	341.85	
Total of Debt		341.85
G.Total		455.80

6.5 Computation of Income Tax (Rs in Lakh)

Sr. No.	Description	Yr -1	Yr-2	Yr -3	Yr -4	Yr-5	Yr -6	Yr -7	Yr-8	Yr -9	Yr-10
1	Net Profit Before Tax	97.92	118.14	171.09	205.59	213.57	221.50	229.36	237.16	242.75	241.84
3	Gross Profit	97.92	118.14	171.09	205.59	213.57	221.50	229.36	237.16	242.75	241.84
4	Less Depr WDV	84.89	63.87	48.25	36.62	27.96	21.50	16.67	36.10	4.38	3.87
5	Profit/Loss	13.02	54.27	122.84	168.97	185.61	200.00	212.70	201.07	238.37	237.97
6	Taxable Income	13.02	54.27	122.84	168.97	185.61	200.00	212.70	201.07	238.37	237.97
7	Income tax @40% plus Surcharge 6%	5.52	23.01	52.09	71.64	78.70	84.80	90.18	85.25	101.07	100.90

7 GALATTA CAMP

The State of Karnataka has got the most picturesque hill stations in South India which are largely uncrowded, undiscovered and unpolluted. A long lazy walk, a jog, a trek, a gaze into the stars, a karavalli dish to have your stomach full – all these components of the proposed Galatta Camp.

The project basically consists of an amusement park, in the midst of lush green forests interspersed with rivers, grassy slopes, captivating cascades and rare orchids – a idyllic background for trekking, indoor games and of course an ethnic restaurant with a sumptuous cuisine. The project envisages to cater to a capacity of 360 amusement riders, 25 trekkers, a indoor games for 16 guests and a 40 seater restaurant.

Start with the amusement park is expected to contain a loco family train, antique car, caterpillar and a merry-go-round for the children as well as the enthusiastic adults accompanying the kids. The visitors can get away from the noise and discover the soothing calmness of nature, amidst the green forests during their nature walk/trek across the hill slopes. The Computer savvy kids and the couch potatoes can still have fun by engaging in the various forms of indoor games. To add to all this fun and frolic, the restaurant shall provide mouth watering local niceties of nool puttu, bembala curry, masala dosa along with non-vegetarian delicacies like neemeen and neitheli curry.

The whole ambience in the galatta camp shall resemble a village festival with flags and festoons all over. The unassuming foreign tourist should feel the malnadu village pulse after a single visit to the galatta camp. Depending upon the location of the camp, the theme used for designing the ambience would change, but still a rural touch must be given to attract tourists. A theme related resort will portray the cultural traditions of the State, which would also attract a sizeable number of foreign tourists.

The capacity of this galatta camp is designed in such a way that even a tourist destination with around two lakh of visitors can have returns from this project. Care should be taken to ensure that the camp premises is maintained clean and hygienic so that the environment balance is maintained. Discharge of solid waste and sewerage had to be properly planned in the initial phase itself.

7.1 Target Population and Positioning

This project can be replicated in most of the tourist destinations having at least two lakh tourists. Though the target market is largely visiting tourists, the locals living in and around the district along with day tourists wishing to spend a fun filled day can be attracted to the Camp. As the cost of land and the equipment cost are around the same across the various tourist destinations, it can replicate across various tourist destinations at the same project outlay and profitability and the identified locations are Badami, Chamundi Hills in Mysore, Nandhi Hills, Madikkere, Kudremukh and Sirsi.

Not only does it provide new employment opportunity for at least 15 local residents but also the indirect revenue arising out of tourist commodity sales, arts and local crafts will increase. The proposed project can be commissioned with a cost of Rs. 115.83 lakh and can be expanded with additional amusement equipment as the payback period gets over. Assuming an occupancy rate of 50%, the galatta camp yields an IRR of 24.70%.

7.2 Highlights of the Project

Project Cost	Rs. 115.83 lakh
Promoters Contribution	Rs.46.33 lakh
Loans from financial institutions	Rs. 69.50 lakh
Assumed Occupancy rate	30% in the first year and 50% in the fourth year
IRR	24.70%
NPV	13.77
BEP	40
DSCR	3.75

7.3 Man Power

Position	No
Manager Cum Receptionist Cum Accountant	1
Supervisor cum Eng.	1
Cook	1
Care Taker	6
Gen Operator cum Gardener	1
Ticket Salesman	1
Chawkidar	2
Restra Boy	2
Grand Total	15

7.4 Project Cost

Sr. No.	Particulars	Rs. in lakhs
1	Land & Site Development	42.29
3	Equipment	45.73
2	Civil Works	6.00
9	Contingencies	10.41
5	Miscellaneous Fixed Assets	7.15
8	Margin on Working Capital	1.36
7	Pre-operatives Expenses	2.69
6	Preliminary Expenses	0.20
10	Total Project Cost	115.83

7.5 Means of Finance

Equity		
Promoter's Contributions	46.33	
Total of Equity		46.33
Debt		
Rs Loan	69.50	
Total of Debt		69.50
G.Total		115.83

7.6 Computation of Income Tax (Rs in Lakhs)

S.No	Description	Yr -1	Yr-2	Yr -3	Yr -4	Yr-5	Yr -6	Yr -7	Yr-8	Yr -9	Yr-10
1	Net Profit Before Tax	19.11	20.19	33.11	39.81	41.55	43.29	45.02	46.76	48.06	48.06
2	Gross Profit	19.11	20.19	33.11	39.81	41.55	43.29	45.02	46.76	48.06	48.06
3	Less Depr WDV	17.14	12.78	9.55	7.15	5.36	4.04	3.05	2.92	1.62	1.25
4	Profit/Loss	1.97	7.40	23.56	32.66	36.19	39.25	41.97	43.84	46.45	46.81
5	Taxable Income		7.40	23.56	32.66	36.19	39.25	41.97	43.84	46.45	46.81
6	Income tax @40% plus Surcharge 6%		3.14	9.99	13.85	15.34	16.64	17.80	18.59	19.69	19.85

8 FIVE STAR HOTEL

The proposed project is a five star hotel having 5 single rooms, 85 double rooms and 10 family suites with a view to cater to the need of the high class tourist segment.

The proposed hotel should contain all the facilities and services essential for meeting the prescribed standards of a five star hotel. A spacious and modern swimming pool having both cold and hot/warm water system, a well equipped bar with around 50 covers, a 24 hour coffee shop, choice of different cuisines and personalised catering services, a big conference room/banquet hall to accommodate 50-60 persons, health club facilities like gymnasium, steam and sauna bath, massage facilities, etc., should form part of the proposed hotel.

Besides, facilities like beauty parlors, money changing facility, travel counter, doctor-on-call, a handicraft shop should be made available.

As part of added attraction to the guests, folk dances, local songs and puppet show can be permanently arranged in turns, so that the guests can have a feel of local/regional culture.

8.1 Target Population and Positioning

As the target market of the proposed hotel is focussed on international tourists, it is preferable to have a tie-up with leading European chains and chartered flight operators. The local corporate customers visiting Karnataka can also be targeted by offering corporate discounts, off-season discounts, etc. The role of local tour operators is also critical in promoting the hotel and therefore, the hotel management can offer attractive incentive to the tour operators bringing in foreign tourists.

All rooms, restaurants, lobbies, visitors' lounges, etc., shall be air-conditioned through a central A.C. Plant and each room will have an attached toilet with a bath-tub, telephone connection, CTV and an independent thermostat control. All the rooms shall have wall to wall carpets, curtains, a double bed, a writing table with a chair, a sofa, a wardrobe with luggage rack and a mini refrigerator. The Kitchen, Pantry and Cold Storage areas shall be kept clean to maintain the highest hygienic standards. The hotel will have professionally qualified chefs and a few assistant chefs apart from trained and experienced people capable of providing prompt and personalised service.

As the State of Karnataka is gradually attracting more foreign tourists from different gateways such as Bangalore, Mangalore, Mysore and Belgaum, it is preferred to have these Five Star Hotels in these four locations apart from Hospet, Hassan and Shimoga which are closer to world famous tourist destinations such as Hampi, Belur/Halebid and Jog Falls.

The project provides employment to around 150 people and there is huge scope for additional indirect employment once the hotel acquires a brand image. The total project cost amounts to Rs. 3,891 lakh and when assumed an occupancy rate of 50% in the first three years and 65% from the fourth year, the project depicts an IRR of 24%.

8.2 Highlights of the Project

Project Cost:	Rs. 3891 lakh
Promoters Contribution:	Rs. 1556.5 lakh
Loans from financial institutions:	Rs. 2334.5 lakh
Envisaged Capacity:	225 guests/ day
Assumed Occupancy rate	50% in the first three years and 65% from the fourth year
IRR	24%
NPV	6.14
BEP	59%
DSCR	4.05

9 ROPEWAY

Ropeways provide an enjoyable commuting facility for tourists to cross wide ravines, overcoming steep rocks, walls, glacier and can have a date with the nature.

The proposed project consists of a ropeway having a capacity to transport 1440 people with a multi-cuisine Karavalli restaurant at one of the base stations which can cater to 50 people.

A Gondola type ropeway shall be used for commuting tourists as the case in the other tourist destinations of Nainital and Mussorie in the North. The features of the 20 Gondola type cabin ride systems having a capacity of 4 seats each is given below:

- Length of the ropeway is 700 metres
- The vertical lift and the height which it traverses is 200 metres
- Running hours per day is 3 trips per hour for 6 hours
- Capacity is 20 cabins with 4 seats in each cabin thereby a maximum of 1440 tourists in a day
- Total carrying capacity per annum is 5,18,400 tourists

Selecting the appropriate location to put up ropeways is the major factor for the successful run of ropeways and at least a minimum of 4 lakh tourists should be visiting the destination where ropeways can be installed. The total project cost for erection of this 700 metre Gondola type cabin ropeway comes to around Rs. 455.80 lakh. This is inclusive of the cost of the proposed Karavalli restaurant which can come up at either the entry/exit junction.

After having a treat to their eyes, viewing the panoramic beauty of the God's creation, tourists invariably look out for a multi-cuisine restaurant to unwind. The proposed Karavalli restaurant should be in either Malnadu hut type or Coorgi hill type design providing a natural ambience. The foreign tourists can be attracted in large numbers to the ropeway and the restaurant if a village theme is adopted and the positioning is done as a flight across the Kannada culture. The restaurant should again have more of local delicacies like seafoods, rice varieties, special dosas but other South Indian and North Indian cuisines cannot be left out.

The project cost of approximately Rs. 4.60 crore is largely on account of the high equipment cost and the cost towards civil constructions. Hence, this can be replicated across the major tourist destinations lying around sylvan surroundings in the midst of forests, falls or hill tops, without much of a change in the Capital outlay. The identified locations where Ropeways can be included are Pilikula Nisaga Dhama in Mangalore, Jog Falls, Nandhi Hills, Kemmannagudi, Sharavanabelagola, KRS, Chamundi Hills in Mysore etc., On an assumed 40% occupancy rate in the first year leading to 65% in the fourth year, the proposed project depicts an IRR of 22.58%.

9.1 Highlights of the Project

Project Cost	Rs. 455.80 lakh
Promoters Contribution	Rs. 182.32 lakh
Loans from financial institutions	Rs.273.48 lakh
Assumed Occupancy rate	40% in the first year and 65% in the fourth year
IRR	22.58%
NPV	9.45
BEP	34
DSCR	2.63

9.2 Man Power

Position	No
Manager	1
Technicians	3
Cook	1
Operator	1
Security	1
Restra Boy	4
Grand Total	11

9.3 Project Cost

S.No	Particulars	Rs. in lakh
1	Land & Site Development	26.00
2	Civil Works	75.00
3	Equipment	230.67
4	Know - how & Detailed Engg.	25.00
5	Miscellaneous Fixed Assets	25.00
6	Preliminary Expenses	0.20
7	Pre-operatives Expenses	29.50
8	Margin on Working Capital	3.30
9	Contingencies	41.14
10	Total Project Cost	455.80

9.4 Means of Finance

Equity		
Promoter's Contributions	113.95	
Total of Equity		113.95
Debt		
Rs Loan	341.85	
Total of Debt		341.85
G.Total		455.80

9.5 Computation of Income Tax

S.No	Description	Yr -1	Yr-2	Yr -3	Yr -4	Yr-5	Yr -6	Yr -7	Yr-8	Yr -9	Yr-10
1	Net Profit Before Tax	97.92	118.14	171.09	205.59	213.57	221.50	229.36	237.16	242.75	241.84
3	Gross Profit	97.92	118.14	171.09	205.59	213.57	221.50	229.36	237.16	242.75	241.84
4	Less Depr WDV	84.89	63.87	48.25	36.62	27.96	21.50	16.67	36.10	4.38	3.87
5	Profit/Loss	13.02	54.27	122.84	168.97	185.61	200.00	212.70	201.07	238.37	237.97
6	Taxable Income	13.02	54.27	122.84	168.97	185.61	200.00	212.70	201.07	238.37	237.97
7	Income tax @40% plus Surcharge 6%	5.52	23.01	52.09	71.64	78.70	84.80	90.18	85.25	101.07	100.90

10 AQUA TOWER

The proposed aqua tower shall be put up after ascertaining the environmental system of the region and care should be taken to maintain the eco-balance of the surroundings. The cleanliness and hygienity of the lake had to be maintained and steps if required can be taken to promulgate a 'No Plastic Zone'.

The proposed project consists of three components viz., (i) an aquarium with 25 tanks, (ii) a watch tower to cater to 200 tourists and (iii) an angling camp for 20 visitors. This project can come up nearby any big and picturesque lakes/rivers where die-hard tourists can spend the whole day in search of tropical game fishes and rejoice in catching a Masheer. The watch towers should provide a picturesque view of the surrounding jungle, its flora and fauna, the pristine lake waters, steep hills with the soothing calmness of the chirping of birds and whistling of the winds.

The project cost works to around Rs. 24.95 lakh and can be replicated across various tourism destinations located amidst hill slopes or jungles. The possible locations where this project can come up include Linganamakki Dam, Kukrahalli lake, Pilikula Nisarga dhama, Gangamoola, Shivasamudram, Seethahole, Honnemaradu and Sakleshpur.

On assuming an occupancy rate of 40% in the first year going up to 70% in the fourth year yields an IRR of 23.27%.

10.1 Highlights of the Project

Project Cost	Rs. 24.95 lakh
Promoters Contribution	Rs. 9.98 lakh
Loans from financial institutions	Rs. 14.97 lakh
Assumed Occupancy rate	40% in the first year and 70% in the fourth year.
IRR	23.27%
NPV	7.30
BEP	36%
DSCR	4.26

10.2 Man Power

Position	No
Manager cum Tech. In charge	1
Accountant cum office Asst.	1
Guide	1
Ticketing Clerk	1
Caretaker+Equipment operator	1
Security	1
Grand Total	6

10.3 Project Cost

S.No	Particulars	Rs.in lakhs
1	Land & Site Development	1.85
2	Civil Works	6.71
3	Plant & Equipment & Fishes+Aq life	10.85
4	Know - how & Detailed Engg.	0.10
5	Miscellaneous Fixed Assets	1.28
6	Preliminary Expenses	0.2
7	Pre-operatives Expenses	1.22
8	Margin on Working Capital	0.48
9	Contingencies	2.27
10	Total Project Cost	24.95

10.4 Means of Finance

Equity		
Promoter's Contributions	9.98	
Total of Equity		9.98
Debt		
Rs Loan	14.97	
Total of Debt		14.97
G.Total		24.95

10.5 Computation of Income Tax (Rs in Lakhs)

Sr. No	Description	Yr -1	Yr-2	Yr -3	Yr -4	Yr-5	Yr -6	Yr -7	Yr-8	Yr -9	Yr-10
1	Net Profit Before Tax	2.93	5.93	9.44	13.23	13.60	13.98	14.35	14.72	15.01	15.01
2	Add Depr. SLM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	Gross Profit	2.93	5.93	9.44	13.23	13.60	13.98	14.35	14.72	15.01	15.01
4	Less Depr WDV	4.16	3.16	2.42	1.87	1.46	1.15	0.92	3.18	-0.02	0.04
5	Profit/Loss	-1.23	2.77	7.01	11.35	12.14	12.83	13.43	11.55	15.03	14.97
6	Taxable Income		2.77	7.01	11.35	12.14	12.83	13.43	11.55	15.03	14.97
7	Income tax @40% plus Surcharge 6%		1.17	2.97	4.81	5.15	5.44	5.70	4.90	6.37	6.35

11 ADVENTUROUS LAKE CAMPS

A peep into the nature's bountiful beauty and eco-tourism in its best is portrayed in this project. This proposed project is basically a lake camp consisting of 10 double room Malnad cottages, facilities for angling cycling and nature walk apart from a Mangalorean restaurant providing spicy seafoods among others.

The tile roofed Malnad cottages that are shaded by the pliant arches of coconut palms tell about the exotic fragrances of cashews, coffee and coconut and takes the guests to their childhood village dreams.

For the patient and avid fishing enthusiasts a full day of angling will give endless joy and satisfaction of sighting a Masheer, while the nature lovers can soak in the tranquil environs and the cyclists can grab a whiff of adventure.

The evenings in the camp can be filled with an exhilarating experience of Badaguthittu style of Yakshagana dance belonging to the Uttar Kanara villages and the Tenkuthittu belonging to the Dakshina Kannada. This rural form of theatre from Coastal Kannada developed over the years will take the guests backward into the time zones and shall attract a regular inflow of foreign tourists.

As the day slips quietly into night, it is pleasure watching the stars come out one by one and the moon casting a silver light, in the midst of a ford fiesta. The Mangalorean restaurant true to its name shall provide the local seafoods like prawns maradona, butterfly prawns gullit, palchao and vegetarian dishes like dalzozarak, caldeen, akki rotis and different rice forms.

The proposed project can come up near picturesque lakes located amidst forests or hill slopes where a serene and silent nature prevails. The project cost being the same in the various tourist destinations, the adventurous lake camp can come up at Shivasamudram, Gurupur river, Gangamoola, in the Ulsoor and Sankhey lakes at Bangalore, Kushalnagar, Honnemaradu, Pilikula Nisaghadhama in Mangalore and at Karanji Tank at Mysore.

The total cost of the project works to Rs. 26.38 lakh and at an occupancy rate of 40% in the first year and thereby 65% in the fourth year, this Eco-adventure Camp shows an IRR of 22.12%

11.1 Highlights of the Project

Project Cost	Rs. 26.38lakh
Promoters Contribution	Rs. 10.55 lakh
Loans from financial institution	Rs. 15.83 lakh
Assumed Occupancy rate	40% in the first year and 65% in the fourth year
IRR	22.12%
NPV	8.78
BEP	42
DSCR	3.07

11.2 Man Power

Position	No
Manager Cum Accountant	1
Receptionist cum office Asst.	1
Cook	1
Steward	1
Caretaker	1
Asst. Cook	1
Guide Cum Driver	1
Restra Boy	1
Ticketing Clerk	1
Gen Operator cum Gardner	1
Chawkidar	1
Boat Man	1
Grand Total	12

11.3 Project Cost

S.No	Particulars	Rs.in lakh
1	Land & Site Development	3.32
2	Civil Works	7.85
3	Plant & Equipment	9.93
4	Miscellaneous Fixed Assets	1.30
5	Preliminary Expenses	0.2
6	Pre-operatives Expenses	0.89
7	Margin on Working Capital	0.50
8	Contingencies	2.40
9	Total Project Cost	26.38

11.4 Means of Finance

Equity		
Promoter's Contributions	10.55	
Total of Equity		10.55
Debt		
Rs Loan	15.83	
Total of Debt		15.83
G.Total		26.38

11.5 Computation of Income Tax (Rs in Lakhs)

S.No	Description	Yr -1	Yr-2	Yr -3	Yr -4	Yr-5	Yr -6	Yr -7	Yr-8	Yr -9	Yr-10
1	Net Profit Before Tax	4.30	6.49	10.54	12.91	13.30	13.70	14.09	14.49	14.79	14.79
3	Gross Profit	4.30	6.49	10.54	12.91	13.30	13.70	14.09	14.49	14.79	14.79
4	Less Depr WDV	3.90	2.99	2.31	1.80	1.42	1.13	0.91	3.68	-0.14	-0.04
5	Profit/Loss	0.40	3.50	8.23	11.11	11.89	12.57	13.18	10.81	14.92	14.82
6	Taxable Income	0.40	3.50	8.23	11.11	11.89	12.57	13.18	10.81	14.92	14.82
7	Income tax @40% plus Surcharge 6%	0.17	1.49	3.49	4.71	5.04	5.33	5.59	4.58	6.33	6.29

12 CHILDREN'S PARK WITH RESTAURANT

The proposed project basically consists of a children's amusement park in a zoological setting with a multi-cuisine Malnad restaurant.

The various components of the amusement park include a Columbus pirate ship, a crazy cup, an umbrella ride, a children boat ride, a merry-go-round vehicle – all basically meant to provide a fun filled hours in the park located amidst well maintained picturesque trees and gardens with a capacity to cater to 500 children who can enjoy the amusement rides this park can be replicated in most of the tourist destinations and other major towns of the State.

The Park also shall have a Zoological Zone wherein a few deers, monkeys, rabbits and birds can be housed which will attract repeat visitors by the local children along with their parents. The Malnad restaurant will add more value to this amusement park by having a unique natural ambience and by providing an array of Malnad village dishes.

Tie-ups with local hotels and inbound tour operators can bring in more tourists visiting the destination to this location and thereby this amusement park can make a mark by itself. This being promoted as a theme based park can also attract many foreign visitors, who wish to have a leisurely evening in the restaurant.

The restaurant shall have a hut type design and built in a natural environment decorated with village settings and wooden furniture. Instead of dishing out a multi-cuisine food it shall provide village delicacies belonging to different regions of Karnataka like Karwari seafood, Udupi Vegetarian delight, Coorgi sweets and so on. Village folkart/dance troupes can be permanently engaged to perform in turns everyday, so that the State's ancient cultural tint is etched in the memory of the visitors forever. The project cost being the same in the various tourist destinations, this children's park can come up at 15 places in the state which are identified as two in Bangalore, one in Mysore, Mercara, Hassan, Mangalore, Chickmagalur, Bijapur, Karwar, Badami, Belgaum, and Bijapur

The total investment envisaged for the project is around Rs. 78.09 lakh and at an assumed capacity of 40% in the first year and 60% in the fourth year, the project gives an IRR of 22.93%.

12.1 Highlights of the Project

Project Cost	Rs. 78.09 lakh
Promoters Contribution	Rs. 31.33 lakh
Loans from financial institutions	Rs. 46.76 lakh
Assumed Occupancy rate	40% in the first year and 60% in the fourth year
IRR	22.93
NPV	2.10
BEP	43

12.2 Man Power

Position	No
Manager Cum Receptionist Cum Accountant	1
Supervisor cum Eng.	1
Cook	1
Care Taker	6
Gen Operator cum Gardener	1
Ticket Salesman	1
Chawkidar	2
Restra Boy	2
Grand Total	15

12.3 Project Cost

S.No	Particulars	Rs.in lakh
1	Land & Site Development	8.90
2	Civil Works	6.50
3	Equipment	41.49
4	Know - how & Detailed Engg.	0.00
5	Miscellaneous Fixed Assets	7.15
6	Preliminary Expenses	0.2
7	Pre-operatives Expenses	2.45
8	Margin on Working Capital	1.23
9	Contingencies	6.67
10	Landscaping	3.50
11	Total Project Cost	78.09

12.4 Means of Finance

Equity		
Promoter's Contributions	31.23	
Total of Equity		31.23
Debt		
Rs Loan	46.85	
Total of Debt		46.85
G.Total		78.09

12.5 Computation of Income Tax (Rs in Lakh)

S.No	Description	Yr -1	Yr-2	Yr -3	Yr -4	Yr-5	Yr -6	Yr -7	Yr-8	Yr -9	Yr-10
1	Net Profit Before Tax	20.23	17.86	23.38	29.22	30.39	31.56	32.74	33.91	34.78	34.78
3	Gross Profit	20.23	17.86	23.38	29.22	30.39	31.56	32.74	33.91	34.78	34.78
4	Less Depr WDV	15.10	11.27	8.43	6.32	4.75	3.59	2.72	3.01	1.35	1.05
5	Profit/Loss	5.13	6.60	14.95	22.90	25.64	27.98	30.02	30.89	33.44	33.73
6	Taxable Income			14.95	22.90	25.64	27.98	30.02	30.89	33.44	33.73
7	Income tax @40% plus Surcharge 6%	0.00	0.00	6.34	9.71	10.87	11.86	12.73	13.10	14.18	14.30

13 ETHNIC VILLAGE

The fields are flush with water, the buffaloes race down a slushy track, the strong muscled farmer precariously balancing a trailing wooden plough, the dim oil lighted bamboo hamlets – all these are life for the villages, while they are a welcome change for the tourists.

The proposed project is all about creating a village camp and providing a folklore accommodation to the guests. The envisaged capacity for the proposed village resorts consist of five double rooms, three family rooms and two dormitories with a total capacity of forty five guests to stay. Depending upon the location of the village resort, the style of cottage can vary, i.e., in the villages of Coorg, Kodagu styled huts can be built, whereas in BR hills the Soliga tribal huts can be put up with minimum deviation from the actual huts. Providing the village ambience, free from any communication lines and televisions, the visiting guests get relaxed and enters into a worry free world enjoying the retains of nature's prestine beauty and mingles with the unassuming farmer during his nature walk.

The dishes served in the resort restaurant shall be more of fresh fruits and vegetables along with the local jowar, rice forms in palm leaves. It is envisaged to provide the guests with more of vegetarian delicacies full of fresh and raw salads.

Nature walk, a peep into a villager's den, a look at the rice rich fields ready to be harvested – all will provide a cherishing experience to the visitor.

Different village folk arts starting from Yakshagana, the Karaga dance, Soliga drum beats can be organised in turns everyday at the fall of nights in moonlight. In the midst of frenzied cheers from the guests the folk artists shall also start recreating our forgotten culture and tradition. Though the guests should be free of any shopping nuisances, they shall be given the choice to look at the various village handicrafts – wooden toys of Channapatna, Lambani crafts of Bijapur, Birdiware of Bidar.

13.1 Target Population and Positioning

The target market for these types of ethnic village resorts is largely foreigners who would like to have a look at the nation's cultural treasure in a village living there and knowing/experiencing their lifestyle. The success of this project lies in arranging tie-ups with tour operators and promoting the resort by creating a concept of 'Peep into the Kannada Village'. Many upper middle class and higher end Indian tourists who wish to go back to their village days can also be targeted through active promotion across the nation by brochures and pamphlets.

The total estimates for this project works to around Rs. 27.19 lakh and assuming an initial occupancy of 30% in the first year to 60% in the fourth year, the IRR depicts a healthy 32.36%.

This project can be replicated at select villages across the State having more lush green fields and rivers flowing around. The possible locations identified are BR Hills, Madikeri, Lakkundi, Karavalli, Puttur, Melkote, Bolantur, Koodali near Shimoga, Sagar near Jog Falls, Agumbe near Shringere and Sakleshpur.

13.2 Highlights of the Project

Project Cost	Rs. 27.19 lakh
Promoters Contribution	Rs. 10.88 lakh
Loans from financial institutions	Rs. 16.31 lakh
Assumed Occupancy rate	30% in the first year and 60% in the fourth year.
IRR	32.36%
NPV	22.40
BEP	30%
DSCR	4.13

13.3 Man Power

Position	No
Manager Cum Receptionist Cum Accountant	1
Cook	1
Steward Cum Asst.Cook	1
Caretaker	1
Guide Cum Driver	1
Restra Boy	2
Gen Operator cum Gardner	1
Chawkidar	2
Grand Total	10

13.4 Project Cost

S.No	Particulars	Rs. in lakh
1	Land & Site Development	3.05
2	Civil Works	14.58
3	Equipment	3.81
4	Miscellaneous Fixed Assets	1.35
5	Preliminary Expenses	0.20
6	Pre-operatives Expenses	1.30
7	Margin on Working Capital	0.48
8	Contingencies	2.43
9	Total Project Cost	27.19

13.5 Means of Finance (Rs in Lakh)

Equity		
Promoter's Contributions	10.88	
Total of Equity		10.88
Debt		
Rs Loan	16.31	
Total of Debt		16.31
G.Total		27.19

13.6 Computation of Income Tax (Rs in Lakh)

S.No	Description	Yr -1	Yr-2	Yr -3	Yr -4	Yr-5	Yr -6	Yr -7	Yr-8	Yr -9	Yr-10
1	Net Profit Before Tax	3.91	11.94	17.77	23.92	24.32	24.73	25.14	25.55	25.85	25.85
2	Gross Profit	3.91	11.94	17.77	23.92	24.32	24.73	25.14	25.55	25.85	25.85
3	Less Depr WDV	2.47	2.02	1.67	1.40	1.19	1.03	0.91	6.93	-0.86	-0.52
4	Profit/Loss	1.44	9.92	16.11	22.52	23.13	23.70	24.23	18.62	26.71	26.37
5	Taxable Income	1.44	9.92	16.11	22.52	23.13	23.70	24.23	18.62	26.71	26.37
6	Income tax @40% plus Surcharge 6%	0.61	4.21	6.83	9.55	9.81	10.05	10.27	7.90	11.33	11.18

14 KANNADA SHIKARA

This project to be build across big and picturesque lakes located across the State consists of three major components namely (a) a floating cabin in the form of a circular boat accommodation, (b) hut type restaurants surrounding the lake and (c) water sports for adventurous enthusiasts.

The proposed floating cabin can provide accommodation to 5 members and the hut type Cafeteria surrounding the lake can cater to 25 visitors. It is proposed to have a 4 seater paddle boat, a 6 seater paddle boat, a 6 seater rowing boat, an 8 seater rowing boat, apart from water scooters and roller skaters.

The floating cabin should be given a distinct Sola touch – based on the life of the Sola tribes who spend their time in rivers and lakes in small canopys. The inheritance of this Sola design shall be publicised and made a unique attraction for foreign visitors to stay in these floating Sola huts. The routine Indian day tourist can also be allowed to get into the Sola floater and enjoy the tribal ambience.

Though made in bamboo sticks and covered with cashew/coconut leaves, the safety of these cabins had to be thoroughly studied before the implementation. Ensuring a proper solid waste management and sewerage system had to be done in the planning stage itself. The pollution at the lake had to be minimal and care should be taken to ensure the eco balance of the lake and its sylvan surroundings.

In addition to the floating Sola cabin, the routine water sports can provide utmost thrill and agonising moments to adventurers. The name of the hut type restaurant shall provide insights into the ethnic foods like fresh vegetables, fruits and honey apart from regular spicy sea food and the variants of rice, wheat and jowar.

The total cost of the project is estimated as Rs. 24.37 lakh and assuming an occupancy rate of 60% for the floating Sola huts and 70% for the water sports in the fourth year, the project depicts an IRR of 23.9%. This project with minimal changes in Capital outlay can be replicated in the following tourist destinations where big picturesque lakes are available. The identified locations are at Srirangapatna, Mysore Kukrahalli lake, River Kempuhole, River Seethahole near Agumbe, Netravathi, and at Linganamkki Dam

14.1 Highlights of the Project

Project Cost	Rs. 24.37 lakh
Promoters Contribution	Rs. 9.75 lakh
Loans from financial institutions	Rs. 14.62 lakh
Assumed Occupancy rate	40% in the first year and 65% in the fourth year.
IRR	23.9%
NPV	1.55
BEP	34
DSCR	2.65

14.2 Man Power

Position	No
Manager Cum Accountant	1
Booking Clerk	1
Cook	1
Waiter	1
Caretaker	1
Unskilled Labour	8
Trainer	2
Grand Total	15

14.3 Project Cost

S. No	Particulars	Rs. in lakh
1	Land & Site Development	7.85
2	Civil Works	3.93
3	Equipment	5.87
4	Miscellaneous Fixed Assets	1.60
5	Preliminary Expenses	0.25
6	Pre-operatives Expenses	1.66
7	Margin on Working Capital	1.00
8	Contingencies	2.22
9	Total Project Cost	24.37

14.4 Means of Finance (Rs in Lakh)

Equity		
Promoter's Contributions	9.75	
Total of Equity		9.75
Debt		
Rs Loan	14.62	
Total of Debt		14.62
G.Total		24.37

14.5 Computation of Income Tax (Rs in Lakhs)

S.No	Description	Yr -1	Yr-2	Yr -3	Yr -4	Yr-5	Yr -6	Yr -7	Yr-8	Yr -9	Yr-10
1	Net Profit Before Tax	11.30	12.98	15.84	16.20	16.57	16.93	17.30	17.66	17.94	17.94
2	Gross Profit	11.30	12.98	15.84	16.20	16.57	16.93	17.30	17.66	17.94	17.94
3	Less Depr WDV	2.90	2.21	1.69	1.30	1.01	0.80	0.63	2.12	0.00	0.04
4	Profit/Loss	8.40	10.78	14.15	14.90	15.56	16.14	16.67	15.55	17.94	17.90
5	Taxable Income	8.40	10.78	14.15	14.90	15.56	16.14	16.67	15.55	17.94	17.90
6	Income tax @40% plus Surcharge 6%	3.56	4.57	6.00	6.32	6.60	6.84	7.07	6.59	7.61	7.59

14.6 Museums/ Heritage Centres

It is proposed to have cultural and heritage centres in various tourist destinations, through which the cultural lifestyle of the district, the major attractions, could be depicted by creating different pavilions for different themes. The visiting tourists will be able to know more about the place and get enriched about the culture and tradition of the place. Audio-visual equipment, a small museum where a collection of the various artefacts belonging to the district, publicity materials on the tourism attractions, the unique art and handicrafts made in the place can all be part of the centre. The approximate cost of putting up such a centre amounts to Rs.600 lakh and the major towns identified for such a centre to come up are Bidar, Bijapur, Belgaum, Bangalore Palace, Chitradurga, Gulbarga, Hassan, Mysore- Nehruoka, Mangalore, Mercara, Karwar, Tumkur and Shimoga. The total estimated investment in all these places is Rs 7800 lakh over the next twenty years and this can only be taken up by the tourism department in co-ordination with other departments of Forestry, Archaeology etc.

14.7 Fort/Palace/Temple Development

The state is known for its age-old forts and palaces and these priceless monuments constructed by our ancestral kings and emperors had to be protected. Though the Department of Archaeology has a bigger role to play, Tourism had to contribute as most of the foreign tourists and die- hard Indian enthusiasts throng the state to have a glimpse of the grandeur and elegance of these forts. The forts at Bidar, Gulbarga, Bijapur, Kittur, Raichur, Devadurga, Bellary, Mudhol, Chitradurga and Basavakalyan needs to be renovated and provided with flood lighting.

The forts of Chennagiri, Shivappa Nayak Palace at Shimoga Madhugiri and Devanarayana durgha in Tumkur, Sultan Batheri in Mangalore, Sadhashivagad and Jamalbagh in Karwar can be developed further . The islands of St. Mary's near Malpe beach of Udipi and Kurmagad Island near Karwar had to be preserved from sea erosion and maintained properly. The appropriate utilisation of these places will yield lot of revenue for Tourism and there is huge untapped potential in this sector.

The temples of Madikeri namely Baghamandala temple, Shree Agastheeswar temple, the main pond of Brahma kundike - all these areas of interest for people exploring the river Cauvery. Steps need to be taken to develop this Tala Cauvery region, its temples and monuments. It is estimated that all these proposed investment will cost close to Rs. 2450 lakh which had to be shared among Departments of tourism , Archaeology, Temple and Youth Affairs and a long term phased action plan needs to be developed.

14.8 Light & Sound Program

Most of the tourist destinations in Karnataka are either natural beauties or monuments, but there is not much of an added attraction in the surrounding places of these scenic spots. In this context, it was decided to create Light and Sound shows which can be put up in close proximity to the tourist attractions permanently. Different themes can be taken up for these programs and the total cost is estimated as Rs.400 lakh to design and built these programs all over the state.

14.9 Karnatic Saga-Luxury Train

The Government of Karnataka proposes to operate a luxury tourist train in the lines of Palace on Wheels and the Royal Orient Services which shall traverse key places of tourist interests in Karnataka. The proposed ' Karnataka Saga ' the royal rich rendezvous journey is planned for a 7 day schedule

starting from Bangalore and traversing through Mysore, Hassan, Hospet / Hampi, Gadag / Lakkundi and Dandeli reaching Goa in the seventh morning and returning back to Bangalore in the 8th day.

The proposed passenger train is to accommodate 96 tourists with another additional capacity of 24 tourists. The train shall have 21 number of coaches- 12 for the passengers and another 9 for lounges, pantry, stores, staff, generator and a spare car. Being a luxury train, the proposed one shall have the facilities of Conference room, Bar, Library, Beauty parlour, Computer centre for Browsing etc. Other facilities like Health club, Indoor games, Ayurvedic massages, can also be thought of.

The proposed 'Karnataka Saga' is to target a broader section of the affluent class comprising foreign travelers, foreign nationals working in India, upper class Indian travelers, corporate groups etc., It would be necessary to market this proposed journey through Inbound Tour operators and GSAs and also essential to establish a strong overseas marketing and distribution network to promote the services.

The total estimated cost of the proposed train works to Rs. 2802 lakh with 69% to be borne by the Tourism Department of Karnataka and the remaining 31% to be borne by the Railways. The Memorandum of Understanding between the two parties is to be signed shortly, so that the design and development of the project can commence.

14.10 Golf Courses

There are currently two Golf Courses located in Bangalore namely, the Bangalore Golf Club and Karnataka Golf Association Club. The Bangalore Golf Club has a golf course of only 30 acres while KGA has a golf course of 130 acres. There is also a small Golf club at Mercara to make it an added tourist attraction. Another sprawling Golf Club in 100 acres of land is coming up in a big way at Chickmagalur which was previously a huge potato field. To get in more foreign tourists and attract the Indian Golf enthusiasts to Karnataka where the climate acts as a boon to the golfers it is proposed to invest in another Rs.10 crore during the next twenty years to develop new Golf Courses at Mysore, Mangalore and Gokarna and develop and expand the existing ones at Chickmagalur, Mercara and Bangalore.

The total estimated investments in the above mentioned tourism projects to come up during the next twenty years in the state is amounting to a total of Rs. 80,586.78 lakh which is approximately Rs. 806 crore. The phasing of the investments is to build the projects in developed destinations where already the standards of the infrastructure is good initially and then gradually proceed to build up investments in the newer destinations. The first two years of 2003 and 2004 indicate a high investment of Rs. 11326.34 lakh and Rs. 11860.05 lakh respectively and during the next three years till 2007, the average annual investment in tourism projects hovers around Rs. 7500 lakh. From then on, it reduces to the normal levels of investment of Rs. 4000 lakh per annum over the next thirteen years upto 2021.

14.11 Tourism Infrastructure Projects

The following projects are classified under the head Tourism Infrastructure projects basically because they are Infrastructure projects catering to visitors and tourists. The Government of Karnataka has a key role to play in bringing in the investment from multilateral agencies and to promote individual entrepreneurs to put up more revenue generating projects in the infrastructure. Ways and Means had to be devised by the Government to rope in big corporate through the different forms of Public Private Partnership.

-
- (a) Hotel and Other Accommodation
 - (b) Information Centres
 - (c) Signage
 - (d) Transportation
 - (e) Landscaping

Under Hotels and other accommodation arrangements like Dormitories and Cottages, it is envisaged to rope in private entrepreneurs and Hotel Chains. The various types of accommodations proposed at different locations at Karnataka are given below:

1. Three Star Hotel with 60 rooms,
2. Two Star Hotel with 60 rooms
3. Single Star Hotel with 30 rooms,
4. Dormitory with 100/200 beds and
5. 10 Cottage resorts

These above types of accommodation with fixed number of rooms and beds are given as models only with considerations on estimating costs and variations depending upon the viability of the proposed accommodation in the particular location can be designed and built. It is understood from the findings of the survey that most of the destinations have far few standard accommodation and inadequate amenities. In this context, taking into account the number of additional bed requirement over the next twenty years in different destinations as per the projected tourist inflow, the total accommodation requirement of the state is determined. The destination wise accommodation break up is also given in the Annexure. The total amount of investment estimated for accommodation alone for the next twenty years all over the state is Rs.353.60 lakh.

Information Centres are an important component in any tourist destination and for that matter in any town/ city. In Karnataka, the information providers and the related service centres are lying low and the visiting tourists are put to a lot of hardship for want of proper guidance and knowledge about the scenic spots and tourist attractions. It is therefore envisaged to create necessary computer infrastructure and build Information Kiosks at various tourist destinations. The total estimated investment on this count alone amounts to Rs. 212.50 lakh.

Landscaping in and around the places of tourist interest will add to the beauty of the respective scenic spots and tourist attractions and give more pleasure and value for money to the visiting tourists. This generally includes providing a green touch to the environment and create a natural ambience at not only places of interest but also prominent utility areas like Hospitals, Hotels, Banks etc. The total proposed investments for the next twenty years over this count alone is estimated as Rs. 1275 lakh. This also includes the periodic maintenance of the created infrastructure where even corporate can be roped in.

A signage system is very essential to provide directions , information of facilities and information about tourist sites to the visiting tourists and corporate travelers. The current status of signages in Karnataka is very frugal and inadequate with most of the existing ones are in the local Kannada language making it of no use to the visitor from other states and from abroad. Signages can be classified into four types namely

1. Directional
2. Identifying Signages

3. Informative
4. Restrictive/ Prohibitive Signages

The two major cost components of a signage include creation of signage graphics/ drawings / artworks and the other one is of fabrication of signage boards. The cost of each signage boards range from Rs 1000 to Rs 1500 and the total estimated investment on signages in the state over the next twenty years is Rs. 1040 lakh.

The other major basic infrastructure component is that of transportation, where the current status is inadequate. Most of the scenic spots are not visited for want to efficient transportation arrangements. Places like Om beach in Gokarna, Hebbe Falls in Kemmannagudi etc are not within the reach of the visiting tourists on account of poor transportation. In addition to these, the general transportation requirements across different destinations needs to be improved in a big way and lot of potential waits the private car/ jeep/ van operators. The total estimated investment on this count amounts to Rs. 5975 lakh.

Overall, it is estimated that Rs.43862.50 lakh of investment is required in creating the necessary tourism infrastructure across the different destinations in the state over the next twenty years. Here the private entrepreneurs can play a big role as Transportation and Accommodation providers and the earning potential in this area of service is quite substantial.

Basic Infrastructure Projects

The basic infrastructure required in a particular destination like water supply, availability of uninterrupted power supply, storm water drainage facility and sewerage services, solid waste management etc., shall form part of these projects. For our estimation purposes only three major aspects are considered which are namely

- 1) Airports
- 2) Roads and
- 3) Public facilities

The total estimated investment under this Basic Infrastructure head needs to be largely churned out from the allocation for the PWD, apart from various government agencies like Airport Authority Of India Limited, National Highways Limited. Here the role of the Tourism department is more of facilitating and co-ordinating between these departments/ agencies and to ensure proper fund flow into the proposed projects. Ultimately, Infrastructure standards had to be brought to International levels in order to reach out to foreign visitors.

The planned investments in 'Sulab Souchalya' i.e., the public facilities alone amounts to Rs. 2050 lakh over the next twenty years. The investments in development of existing airports and creation of new airports to facilitate easier accessibility to various tourist destinations for the tourists especially foreigners as envisaged by the Government amounts to Rs. 34,000 lakh. The total road network across the state needs lot of improvement and overlaying of existing National Highways and State Highways need to be done as a priority measure. Creation of approach roads to most of the tourist destinations had to be started from scratch as many of the scenic spots are inaccessible to the tourists on account of poor road connectivity. An investment of Rs.1,02,000 lakh is required over the next twenty years as part of bringing in international standards to the roads. Overall, an estimated investment of Rs. 1,38,050 lakh needs to be ploughed into the state for creation of basic infrastructure alone.

The state has got three Airports at Bangalore, Mangalore and Belgaum but except for Bangalore, the other two are not being used to full capacity. The Airport at Bangalore is still to be made an International Airport and visiting foreigners had to catching connecting flights at other International Airports to reach Bangalore. There are Airstrips at Bellary, Hubli, Bidar and an in operated one at Mysore. The upgradation of existing Airports in the three places of Bangalore, Mangalore and Belgaum had to be done. Mangalore had to be developed as an International Airport and necessary facilities for its upgradation to International standards had to be created. The existing Airstrips need to be upgraded and newer airstrips developed at places like Shimoga, Karwar, Hassan. The total estimated investment for the development of airstrips is Rs. 34000 lakh over the twenty year period.

It is hereby determined that the following total investments are required in the state over the next twenty years to usher in a new era of tourism and to bring in more influx of both domestic and foreign tourists.

Type of Project	Rs in lakh
Tourism Projects	80586.78
Tourism Infrastructure Projects	43862.50
Basic Infrastructure Projects	138050.00
Total estimated investment	2,62,499.28

Apart from the above the seeds for the following project concepts had been thrown around and the viability of these projects had to be separately studied and implementation plan drawn upon.

14.12 PROJECT CONCEPTS - TO BE EXPLORED

Besides, the destination specific or circuit bound projects, the following projects concepts have been identified which are required to be explored to its maximum potential. A brief description of each of these concepts is presented in the subsequent paragraphs.

- Night Safari at Bannerghata National Park.
- Integrated Jog Development.
- Tourism Plaza at Bangalore.
- Recreation of Dasara in Mysore.
- Music Gurukul in Dharwad.
- Oceanarium in Mangalore.

14.13 NIGHT SAFARI AT BANNERGHATA NATIONAL PARK

The 104.27 Sq. Kms. Bannerghata National Park is one of the very few parks located close to a metropolitan city attracting lot of tourists and corporate travellers visiting Bangalore. The major fauna are Jungle Cat, Barking & spotted deer, Wild Pigs, Jungle fowls, Parakeet, Bonnet Macaque, etc., apart from the Crocodile Farms, Tiger & Lion Safari. By acquiring private and other government land on the peripheries of this park– wildlife can be encouraged to go out in the open natural habitats. The sylvan surroundings and the green forest terrain enables the park to be developed as a truly International Class Night Safari in lines of Singapore.

The estimated budget is around Rs.100 Crore and can be taken up in the medium term.

14.14 INTEGRATED JOG DEVELOPMENT

The world famous Jog falls and the surrounding forest area, alongside the river Sharavathi with its small islands can be developed in an integrated manner. The first step is to ensure that there is perennial water flow in the Jog. Steps to be carved to reach the base. Ropeways across the Falls, Elephant Safari from Jog to Geresoppa, introduction of house boating up to Honnavar across Shrivathi in the lines of Kerala Backwaters can also be developed. It is also a nice place to develop Adventure Water Sports Centre. In the sprawling 1,000 acres of thick forest area extending from Jog till Khargle, the feasibility of a Night Safari can be explored. Floating Restaurants/Eco Resorts can be developed in the Island near balancing reservoir of Kalkat. The estimated Budget for this integrated Jog development is Rs. 50 Crore and can be undertaken in a phased manner in the short term itself.

14.15 TOURISM PLAZA AT BANGALOR

A large tourism plaza in an area of 40-50 acres of land located within a radius of 25 Kms. from Bangalore can be developed. Within the plaza, district-wise pavilions shall be constructed and each of the tourism potential districts shall be provided with an area of around 5,000 Sq. ft. The plaza shall reflect the cultural lifestyle of the locals, food court with regional flavours, light and sound programs, model of the existing tourist destinations, Pictorial Guides on how to explore etc. Each district or the places being displayed in the plaza shall have their unique theme for depiction. The district pavilions can be leased to private entrepreneurs on a yearly basis for showcasing the district. Multiplex and Information Kiosk can also be made a part of the plaza. The proposed responsibility of the Government will be to acquire the land and create the necessary infrastructure and engage a private developer for implementation of the project.

The Plaza can be given an added flavour by developing the same in line with the Handloom and Handicraft Pavillion in Pragati Maidan or Dilli Hat, which would have on-line and off-line activities. This would give boost to the growth of these industries also. Both on-line activities can be done through creating a website. The site can be designed and developed with different components i.e. International and Indian/ trends and colour forecast, Panel of Designers, Design Pool, Linkages, Archives, Handcrafted Textiles of India, Yellow Pages etc. Off-line activities may include holding of Special Exhibition on a sustained basis. Beside showcasing the uniqueness of the tourist attractions, the Plaza would primarily serve as a Resource Centre for the State/Indian handicraft and handloom traditions. Collection, conservation and preservation of crafts specimen, revival, reproduction and development of Art and Craft would also be the activities included in the Museum. It should also re-establish the weakening links of traditional handicrafts and handlooms through its regular craft demonstration programmes organised on a regular basis. Craftsmen should be invited for the Craft Demonstration Programme for demonstration of their skill and craft and also for sale of their products.

The Museum should preferably have a collection of artifacts consisting of Metal Icon, Lamps, Incense Burners, Ritual accessories, items of everyday life, Wood carvings, Painted wood and Paper Mache, Dolls, Toys, Puppets, Masks, folk and tribal paintings and sculptures, Terracotta, Ivories, Playing cards, Bidri work, Jewellery and an entire section of traditional state textiles duly displayed. Setting up a Art Purchase Committee is also proposed which would atleast meet every year to screen proposals received from across the state/country to sell artifacts to Museum.

The Museum is also proposed to have an Archive Cell with specialized reference on traditional state/Indian Arts, crafts, textiles and major Anthropological work on local tribes etc.

The whole set up should have well defined publicity and marketing support to handloom agencies and the individual weavers. The organizers should organise regular Handloom Expos/Special Expos, District Level Events, Craft Melas etc. in different parts of the state/country also.

The major objective of the proposed plaza would be to attract and provide lead information to various destinations, major attractions of the places etc through real-life like showcasing of Karnataka, to the tourists before undertaking onward destination visit. This would not only prove convenient to the foreigners but also a large chunk of the domestic tourists would be attracted to frequent the site as a part of their week end outing agenda, apart from collecting useful tourism related information.

The estimated project cost would be around Rs. 8-10 Crores and it is suggested that Government should initially undertake to prepare a complete Master Plan by engaging some competent consultant. The perceived role of the Government in the whole assignment would be more of a facilitator, responsible for acquiring the land and create the necessary infrastructure by engaging a private developer for implementation of the project. The project can be transferred to private operators on BOT basis at a later stage for further maintenance and management.

14.16 RECREATION OF DASARA IN MYSORE

The 10-day Dasara festival (Durga Pooja) falling in September/October is the most important Kannada festival and celebrated with pomp and pageantry. In Mysore, it is a royal festivity with illuminations all over the palace, gardens, temples every night and a procession is taken out from the Maharaja's Palace to the Bannimantap on the 10th day. A huge number of devotee and people from outside states as well as foreigners throng the place to witness and enjoy this festival. This 'Dasara Dhamaka' in Mysore can be revived/recreated with the original format in the lines of Jaisalmer Camel Festival, Goa Carnival or Onam Boat Festival in Kerala and promoted.

14.17 MUSIC GURUKUL IN DHARWAD

The Dharwad-Hubli belt is known for its musical extravaganza and has produced renowned musicians. In the lines of ITC Sangeeth Research Academy located at Calcutta, a Gurukul form of musical institute can be set up at Dharwad. This Centre can act as an abode of Indian Music and a congregation of music lovers and artists from across the globe shall be invited to the gurukul. An annual International Music Sammelan can be organized at Dharwad for a span of 10 days – where all forms of music shall be exhibited, in line with Tansen Music Festival in Gwalior, Ganga Mahotsava of Varanasi, Dance Festival of Konark, Thyagaraja Aradhana in Thiruvaiyaru.

Large Industrial Houses can be roped in for implementation of this project which can be taken up in the next couple of years.

14.18 AYURVEDA AND YOGA HEALTH RESORTS

Ayurveda in Sanskrit means "the science of Life". It is an ancient system of treatment based on medicines prepared from herbal plants found in abundance in India. This ancient knowledge system of medicine has gained global acceptance especially for alternative ways of preventive, curative and rejuvenative processes making life a more pleasurable experience. Increasingly people are combining holidays with wellness programs, i.e. Ayurveda and Yoga, which give a new dimension to ones perspective, de stress as well as equip individuals to deal with hectic life schedules.

Locations: Karnataka, which is dotted with numerous unspoilt beaches and long range of beautiful unexplored hilly terrains, has the potential of drawing immense benefit from Ayurvedic and Yoga resorts / Spa. Already the presence of some of the best Health resorts of world class like Golden Palms, Angsana Spa, Ayurgram and Indus Valley Ayurvedic Centre only indicates the potential of such an idea. This kind of units can be set up in places like Bangalore, Devbagh Beach, Mangalore / Murudeshwar, Gokarna, Kudremukh, BR Hills Chickmagalur, Mercara, Mysore etc.

Components: The proposed resort may include 20 rooms / cottages for stay, spread over lush green foliage, herbal gardens with herbal, ayurvedic, naturopathy treatment facility beside a multicuisine restaurant serving dietary food prescribed for specific treatments and multicuisine menu for others.

Target segment: Targeting primarily the upper socio-economic bracket (both domestic and foreigners), the units should be able attract other categories with economically formulated rejuvenation packages and treatments for chronic health problems such as neurological disorders, obesity, digestive problems, and degenerative illness. Beginners course or introductory course for yoga and meditation of 7 to 14 days may be conducted in such units. The regular or the routine activities or schemes can be added with a different flavour by arranging outdoor sightseeing activity, adventures and thrilling explorations into the surrounding places.

Important factors: However, lesson should be learnt from the past experiences where in similar projects have faced extreme difficulties and some have even failed due to lack of basic facilities, poor marketing and positioning strategy, exorbitant rate, absence of professional management, low occupancy due to restricted entry, unhealthy competition, facilities not commensurate with the high tariff. The projects may be initially set up as tourism department promoted projects and later on private parties may be involved.

Estimates of the probable project components:

Particulars	Estimated cost (Lakh Rs)
Land and Site Development	3
Building and Civil works	20
Furniture, Fixtures, Equipments	10
Utilities	1
Other fixed assets	5
Contingencies	2
Preliminary expenses	1
Pre-operative expenses	1
Fixed cost of project	42
Total	95