

**FIFTY-SIXTH REPORT  
ESTIMATES COMMITTEE  
(1987-88)**

**(EIGHTH LOK SABHA)**

**MINISTRY OF TOURISM**

**[Action Taken by Government on the recommendations contained in  
the Forty-Second Report of Estimates Committee (8th Lok Sabha) on  
the Ministry of Tourism—Tourism in Orissa]**



*Presented to Lok Sabha on 18 April 1988*

**LOK SABHA SECRETARIAT  
NEW DELHI**

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(1987-88)

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\* Elected on 6th August, 1987 vice Prof. Narain Chand Parashar resigned from the Committee w.e.f. 3rd June, 1987.

\*\* Ceased to be Members of the Committee on 14.2.1988 on being appointed Ministers of State in the Union Council of Ministers.

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STUDY GROUP ON ACTION TAKEN REPORTS  
ESTIMATES COMMITTEE  
(1987-88)

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7. Shri V.S. Krishna Iyer
8. Shri Shantaram Naik
9. Shri A. Charles

## INTRODUCTION

I, the Chairman of the Estimates Committee having been authorised by the Committee to submit the Report on their behalf present this Fifty-sixth Report on action taken by Government on the recommendations contained in the Forty-second Report of the Estimates Committee (8th Lok Sabha) on the Ministry of Tourism—Tourism in Orissa.

2. The Forty-second Report was presented to Lok Sabha on 15th April, 1987. Government furnished their replies indicating action taken on the recommendations contained in that Report on 28th September, 1987. The replies were examined by the Study Group on Action Taken Reports of Estimates Committee at their sitting held on 23rd March, 1988. The draft report was adopted by the Estimates Committee on 30 March, 1988.

3. The report has been divided into following Chapters :

- (i) Report
- (ii) Recommendations/Observations which have been accepted by Government. .
- (iii) Recommendations/Observations which the Committee do not desire to pursue in view of Government's replies.
- (iv) Recommendations/Observations in respect of which replies of Government have not been accepted by the Committee.
- (v) Recommendations/Observations in respect of which final replies of Government are still awaited.

4. An analysis of action taken by Government on the recommendations contained in the Forty-second Report of Estimates Committee (Eighth Lok Sabha) is given in Appendix. It would be observed therefrom that out of 31 recommendations made in Report, 21 recommendations i.e 67.13 percent have been accepted by Government and the Committee do not desire to pursue 2 recommendations i.e. 6.45 per cent in view of Government replies. Replies of Government in respect of 5 recommendations i.e. 16.13 per cent have not been accepted by the Committee. Final replies of Government in respect of 3 recommendations i.e. 9.69 per cent are still awaited.

NEW DELHI ;  
March 18, 1988  
Phalgun 28 1909 (S)

CHANDRA TRIPATHI,  
*Chairman,*  
*Estimates Committee,*

## CHAPTER I

### REPORT

1.1 This Report of the Estimates Committee deals with Action Taken by Government on the recommendations contained in their Forty-second Report (8th Lok Sabha) on the Ministry of Tourism—Tourism in Orissa presented to Lok Sabha on 15th April, 1987.

1.2 Action Taken Notes have been received in respect of all the recommendations contained in the Report.

1.3 Action Taken Notes on the recommendations of the Committee have been categorised as follows :

(i) Recommendations/Observations which have been accepted by the Government.

Sl. Nos, 1, 3, 6, 7, 8, 9, 10, 14, 16, 17, 20, 21, 23, 24, 25, 26, 27, 28, 29, 30, 31.

(Total 21 Chapter II)

(ii) Recommendations/Observations which the Committee do not desire to pursue in view of Government replies :

Sl. Nos. 5, 12.

(Total 2 Chapter III)

(iii) Recommendations/Observations in respect of which Government's replies have not been accepted by the Committee :

Sl. Nos. 2, 4, 18, 19, 22.

(Total 5 Chapter IV)

(iv) Recommendations/Observations in respect of which final replies are still awaited :

Sl. Nos. 11, 13, 15.

(Total 3 Chapter V)

1.4 The Committee will now deal with the Action Taken by Government on some of the recommendations.

#### *Tourism Promotion,*

#### **Recommendation Sl. No. 2 (Para 1.17)**

1.5 The Committee had cautioned the Government about the unbalanced growth of tourist centres in the country if the Central Government was to depend entirely on the schemes received from States, as more schemes might be received from enthusiastic and resourceful States as compared to other less en-

thusiast States. They, therefore, suggested that in the interest of balanced development of tourism in the country the Central Government should closely liaise with the States Governments and play an effective coordinating role right from the stage of identification of potential centres for development as tourist destinations.

1.6 In their action taken reply the Ministry has stated that the Ministry of Tourism gives equal opportunities to all the States and Union Territories to avail of Central assistance. To ensure balanced growth of tourism infrastructure in the country, the Ministry of Tourism has identified two to three travel circuits in each State in consultation with the concerned State Government. The Ministry of Tourism also maintains a close liaison with the State Governments/Union Territories and encourages them to send proposals for financial assistance. Funding of the projects is done strictly on merits and no State is made to suffer because of proposals received from other States.

1.7 All proposals received from State Governments are examined in detail and while sanctioning a project, past performance of the State potential of the place and merits of the proposal are kept in mind. Since resources for capital works are limited, the projects are sanctioned keeping in view the *inter se* priorities and availability of funds. Since tourism promotion and development is not uniform in all the States, priorities are generally given to lesser developed States and Union Territories. This is necessary because regional imbalances are required to be corrected.

1.8 The Committee in their recommendation had observed that initiative was needed to be taken at the Central level to determine and potential and extent of growth in each State, so that the Central Government could evolve a scheme for balanced growth of all States, instead of allowing initiative to be with the States alone to propose schemes for consideration. The Committee would, therefore, reiterate their earlier recommendation that Central Government should play an effective role from the stage of identification of potential till development thereof.

*Budget Allocations to different states*

**Recommendation. Sl. No. 4 (Para 1.28)**

1.9 The committee had viewed with concern that the budget allocations for the Ministry of Tourism were made on the basis of schemes received and not on State-wise basis. The Committee desired the Ministry to consider how far the present system was tenable in view of the fact that there had been very huge disparities in the expenditure incurred in different States and Union Territories. The Committee agreed that some States/Union Territories might have more tourist potential as compared to others, nonetheless, they desired

the Ministry to evolve a suitable methodology for earmarking funds for different States/Union Territories so that the gaps between the allocations made could be narrowed down to the extent possible.

1.10 In their action taken reply, the Ministry has stated that since tourism potential varies from State to State and accordingly the requirements of tourism infrastructure, it will not be advisable to make State-wise allocation of funds. Scheme-wise allocation of funds provides a sound basis for fuller exploration of the tourism potential of different regions and it also ensures balanced growth of tourism infrastructure which may not be achieved by prorating funds on the basis of size or population of the States.

1.11 It would be observed that there are no glaring disparities in sanctioning of schemes and release of funds to various States. If a region-wise review of funds released during 1986-87 is made, it would be seen that northern region with a total of 6 States including the bigger ones like UP, Rajasthan and J and K received Rs. 194.92 lakhs while the North Eastern Region (7 States) received Rs. 44.64 lakhs. The Southern (4 States), Eastern (4 States) and Western (3 States) regions received Rs. 170.18 lakhs, Rs. 99.13 lakhs and Rs. 101.56 lakhs respectively.

1.12 The Committee feel that the import of the recommendation of the Committee has not been understood by the Ministry in its right perspective. The Committee consider it necessary for the Ministry to identify for all States, the schemes to be implemented, to determine inter-se priorities, to allocate funds for these identified priorities and to monitor the progress of the schemes, so that a balanced growth is achieved. The Committee do not, therefore, consider the present system of allocation of funds only after schemes are received and examined, a sound and effective one for balanced development. The Committee would like the Ministry to review the procedure for scheme selection and allocation of funds accordingly.

#### *Legislation to discipline hotels and allied Industries*

##### **Recommendation Sl. No. 10 (Para 3.27)**

1.13 Observing that the lack of adequate facilities and other malpractices prevalent in the hotel and allied industries in the country acted as a major damper to the enthusiasm of the potential tourists and inhibited tourist traffic, particularly of the foreign and 'repeat' tourists, besides portraying a bad image of the country abroad the Committee had, in their Sixth Report, 1985-86, emphasised the need for central legislation to check the malpractices prevalent in the hotel and allied industries.

1.14 After reviewing the little or no progress made in the matter, the Committee reiterated their earlier recommendation and desired the Government to seriously consider the urgent need to bring forward suitable legislation

before Parliament at the earliest to discipline the hotel and allied industries in the interest of development of tourism in the country.

1.15. In the action taken reply the Ministry has stated that as the need for central legislation on hotel and allied industries called for very careful consideration and the opinion on the question of the essentiality of such a legislation in the country was divided. The Ministry of Tourism organised a Workshop on Tourism Legislation in New Delhi on August 10-11, 1987 with participants from international organisations like World Tourism Organisation, World Health Organisation and foreign Universities like Strathclyde and Survey, Travel Agents Association of India, Indian Association of Tour Operators, Federation of Indian Chamber of Commerce and Industry, Indian National Trust for Art and Cultural Heritage and various central Ministries. The Workshop was inaugurated by the Minister of State for Tourism and Civil Aviation. The Ministry added that Working Groups to examine different aspects of tourism have been formed and their reports will be considered at another Workshop tentatively fixed for January, 1988 and the report finalized.

In a subsequent reply, the Ministry has informed that the Workshop identified six specialised areas for an in-depth study of the need for legislative enactments or self-regulatory mechanisms in the field of tourism and for this purpose, set up six Working Groups of Experts to examine the requirements of specific legislation to the needs of consumers protection and the tourism industry in their respective areas of study. The Working Groups held extensive and exhaustive discussions and finalised their reports. To further consider these reports a second Workshop was held on 23rd and 24th February, 1988. The Workshop was presided over by Secretary, Ministries of Tourism and Civil Aviation and inaugurated by Dr. Willibald Pahr, Secretary General of the World Tourism Organisation. The Workshop has made some specific recommendations and necessary follow-up action is being initiated.

1.16. The Committee note that the matter relating to legislation for creation of a sense of discipline in the hotel and allied industries is under consideration. The Committee expect that a final decision will be taken early and final outcome of the consideration of the matter will be intimated to the Committee.

#### *Facilities in classified Hotels*

##### **Recommendation Sl. No. 11 (Para 3.28)**

1.17 The Committee had emphasised on the Ministry to ensure that surprise and realistic inspections are carried out periodically by the Hotel and Restaurant Approval and Classification Committee to ensure that the hotels conform to the prescribed minimum standards.

1.18 In their action taken reply the Ministry has stated that the Hotel and Restaurant Approval and Classification Committee had classified 399 hotels

up to 1.6.1987. Out of these hotels, periodical inspection of 161 hotels has been carried out. Similarly, out of 172 approved restaurants as on 1.6.1987, 33 restaurants have been reinspected. The periodical inspection of hotels/restaurants is carried out to ensure that the prescribed standards are maintained by the concerned hotels/restaurants. In case any deterioration of the standards is noticed, hotels/restaurants are asked to rectify same within a definite time frame.

1.19 However, on the advice of the Estimates Committee, the procedure for classification/inspection is being revised so as to make it more realistic and to ensure that hotels do conform to the prescribed minimum standards.

1.20. The Committee would like to be apprised of revised procedure for classification/inspection including improvements made therein to make it more realistic.

#### *Surface transport facilities*

##### **Recommendation Sl. No. 13 (Para 4.6)**

1.21 The Committee had noted that there was a proposal to import 100 coaches for the use of tourists in the country. The Committee, however, desired the Government to go in for coaches of requisite quality, built indigenously rather than going in for imported ones, unless they came to the conclusion that coaches of required standard and quality were not available within the country.

1.22 In their action taken reply the Ministry has stated that though the Ministry of Tourism was aware of the desirability of providing tourist infrastructural facilities like surface transport from the indigenous source. The coaches presently manufactured indigenously did not meet the internationally accepted standards and expectation of the foreign tourists.

1.23 Thus, with a view to provide facilities that could be matched with the facilities available in other countries for tourists. The Ministry of Tourism has floated a proposal to import 100 airconditioned coaches as a one-time exercise. The Ministry hoped that such import would provide the necessary motivation to indigenous industry to improve the quality of their coaches.

1.24 The committee note that the Ministry of Tourism consider it necessary to import 100 coaches as a one-time exercise. The Committee, however, have not been informed of the progress made on the Ministry's proposal which was floated more than a year back and would like to be intimated about the progress in this regard.

#### *Railway facilities*

##### **Recommendation Sl. No. 15 (Para 4.17)**

1.25 For augmentation of the railway facilities in Orissa, the Committee had desired the Ministry of Railway to assess the needs in consultation with

the Government of Orissa and take action accordingly. In this connection the Committee recommended that the question of introducing a day train from Calcutta to Bhubaneswar also merited consideration.

1.26 In their action taken reply the Ministry has stated that the suggestion made by the Committee has been noted and that the Ministry of Railways have been requested to examine the proposal in consultation with the Government of Orissa at the earliest possible. The Ministry of Railways have also been requested to examine the question of introducing a day train from Calcutta to Bhubaneswar.

1.27 The Committee desire that Ministry of Tourism should continuously liaise with Ministry of Railways so as to ensure an early assessment and subsequent augmentation of Railway services in Orissa. The Committee may also be informed about the outcome of the consultations with the Ministry of Railways in this regard.

#### *Construction of Day Centre at Konark*

##### **Recommendation Sl. No. 18 (Para 5.9)**

1.28 As envisaged in the Seventh Five Year Plan, instead of spreading limited resources thin over a large number of circuits/centres, the Committee observed that only selected tourist circuits/centres popular with the tourists should be identified and developed in a phased manner. The Committee were, however, unhappy to be informed that there were no clear areas of collaboration between different agencies viz Central, State and private sector. In the absence of any coordinating body to monitor the efforts of different agencies and for ironing out differences, there was bound to be overlapping of efforts and resultant distortions, as was borne out by the fact that a sum of Rs. 3.49 lakhs was sanctioned by the Ministry of Tourism in 1983-84 for the construction of toilet block near Sun Temple at Konark and an amount of Rs. 2.61 lakhs therefor was released in 1983-84 itself even though the construction of toilet block could not be taken up on account of wrong identification of land for the purpose, which in fact, came within the purview of the Archaeological Survey of India and could not be acquired. The Project was still not complete after a period of almost three years of the release of funds by the Ministry of Tourism.

1.29 In their action taken reply the Ministry has stated that it will not be correct to say that there is no collaboration between different agencies namely Central, State and private sector. The Ministry of Tourism has identified travel circuits in each State in consultation with the concerned State Government. The tourist centres which fall along these tourist circuits are being developed with the joint efforts of the Centre, States and the private sector. The private sector is being given various types of incentives as a motivation

for the entrepreneurs to come forward to build tourism infrastructure in the country.

1.30 The Ministry of Tourism undertakes regular coordination with organisations like the ASI, Civil Aviation, Railways, Surface Transport, etc. The Ministry has constant interaction with these organisations to solve problems. A series of meetings were held with the Archaeological Survey of India to resolve problems pertaining to flood lighting of monuments, mounting of sound and light shows and various others matters requiring coordination between the ASI and State Governments. The Ministry of Tourism in collaboration with the Ministry of Surface Transport (Roads Wing) has decided to put up joint wayside passenger-oriented facilities in various States. The Ministry of Tourism is acting as the Nodal Ministry to coordinate the projects with the States on one hand and the Ministry of Surface Transport on the other. The Ministry of Tourism also keeps in touch with the Department of Railways for provision of adequate number of seats on major tourist rail routes to be reserved for foreign tourists, revival of Great Indian Rover, replacement of coaches on the Palace on Wheels and introduction of more tourists trains. Similarly, the Ministry of Tourism has taken up with the Department of Civil Aviation, Indian Airlines and Air-India matters relating to upgradation of airports, introduction of suitable quota for foreign tourists on routes where there is an acute shortage of space, introduction of excursion fares on more routes, off season discounts, etc. Other Ministries/Organisations with whom the Ministry of Tourism has constant interaction include the Department of Forests & Environment for opening up more islands in the Andamans and for relaxation on construction up to 200 metres of high tide areas at beaches in Maharashtra, Gujarat and Karnataka ; Ministry of Industry to suggest to the IDBI to accord to tourism-related activities the status of export-oriented priority industry to enable availability of funds at a lower rate of interest ; Ministry of Home affairs for simplified immigration procedures and for opening up more areas falling in the restricted area category ; Ministry of Finance for extension of benefit of project import for purposes of concessional rates of custom/import duties on equipment used by tourism industry, availability of concessional term loans and lowering of the duties' structure on liquor, wines and beer ; Ministry of Commerce for liberalisation of import policy in respect of airconditioned coaches and cars, and availability of more number of vehicles to travel agents through the State Trading Corporation.

1.31 In cases where issues between the Ministry and other organisations are not resolved, these are taken to the Committee of Secretaries and the Cabinet Secretariat. Certain cases are also taken up with the Prime Minister's Office.

1.32 The Ministry of Tourism remains in constant touch with various State Governments for declaring tourism as an industry, expeditious implementation of projects for which financial assistance has been given by the Ministry and liberalisation of rules for serving liquor in the restaurants, particularly at those centres which are frequented by foreign tourists.

1.33 As regards the suggestion of the Committee to take up only selected Tourist centres for development, the Ministry of Tourism had originally selected 441 tourist centres in different States. In view of the limited resources, only 30 centres out of these have been chosen for intensive development.

1.34 Regarding the scheme relating to the toilet block at Konark, there was no lack of coordination. The Ministry of Tourism had sanctioned an amount of Rs. 3.49 lakhs on the basis of information submitted by the State Government which inter alia included the statement that the site selected for the project was free from any encumbrances as the clearance of the ASI had already been obtained. However, it came to light later that the ASI had not granted permission. But the Ministry of Tourism had no reasons to disbelieve the statement made by the State Government at the time of submitting the proposal. The delay in the implementation of the project has been mainly due to delay in getting the clearance from ASI which has now been obtained and the work is in progress.

1.35 The Committee are not satisfied with the reply that adequate coordination already existed in planning, execution, etc. if the specific case cited by the Committee, is taken as an example. Since the Archaeological Survey of India is a Central Government Organisation, the issue relating to permission of ASI could have been sorted out long back and earmarked funds put to profitable use in time. The Committee also desire to draw attention to the case cited in para 5.37 of the report wherein also lack of coordination has been pointed out. The Committee would, therefore, reiterate their earlier recommendation on positive coordination and would recommend proper monitoring of progress of sanctioned schemes during such coordination meetings.

#### *Coordination among different agencies in implementation of a project*

##### **Recommendation Sl. No. 19 (Para 5.10)**

1.36 On the enthusiasm of the Ministry of Tourism to provide funds for the development of tourist facilities the Committee cautioned the Ministry to steer clear of all the pit-falls and half-cooked projects being taken up without proper study. The Committee recommended that where a number of different agencies were involved in a project, the Government should make one nodal agency accountable for coordinating the efforts. They also exhorted the Central Government to issue unambiguous and clear guidelines demarcating the areas of central assistance and states own responsibilities so as to avoid duplication and overlapping of efforts in the interest of the project being completed without avoidable delay.

1.37 In their action taken reply the Ministry has stated that the Ministry of Tourism entertains proposals for financial assistance only in respect of schemes approved by the Planning Commission. Incomplete schemes, if any, are referred back to the concerned State Government for furnishing the required additional information and thereafter proposals are processed and funds sanctioned. The procedure has been further streamlined and now a detailed proforma has been designed for sending proposals to the Central Government. This proforma takes care of all the essential requirements of the schemes and it eliminates possibility of the State Government sending half-baked proposals. The proforma also makes a clear-cut demarcation between the components to be funded by the Central Government and those, the cost of which is to be borne by the State Government. To avoid duplication, the scope of Central schemes has been clearly defined. The Central Government takes up only those projects which are important from the National/Regional point of view. The projects which are purely of local interest are left entirely to the State Government. In the projects funded by the Ministry of Tourism, there are no other agencies involved except the Central Government and the concerned State Governments. However, depending on the nature of the project, clearance are sometimes required from other organisations like the ASI, Planning Commission and CPWD etc. Regular meetings are held with these organisations to expedite such clearance and to sort out other problems.

1.38 The Committee had in their recommendation desired that one nodal agency should be made accountable for coordinating the efforts of different agencies involved in a project. The Ministry has not furnished clear reply to this point. The Committee desires the Ministry to intimate action taken on this aspect of their recommendation.

#### *Development of Beach Resorts*

##### **Recommendation Sl. No. 20 (Para 5.17)**

1.39 The Committee were of view that in the interest of Beach Tourism in Orissa, beach resorts could be encouraged after careful and in-depth study. The Committee desired that soon after the clarifications sought from the State Government regarding the 276-bed Beach Resort on Puri-Konark Beach were received and examined, a realistic view of the project should be taken and central assistance provided without any further delay.

1.40 In their action taken reply the Ministry has stated that the suggestions of the Committee have been noted and the project for construction of beach resorts at Mohodhodhi Niwas and Puri-Konark Beach will be examined in the light of the observations made by the Committee.

1.41 The Committee hope that the Ministry would expedite the examination of project for construction of beach resorts at Mohodhodhi Niwas and Puri, Konark beach and frame a time bound programme for implementation.

*Floodlighting of Khandagiri-Udaigiri Caves*

**Recommendation Sl. No. 22 (Para 5.37)**

1.42 The Committee were of the view that for the growth of tourism traffic to the State, including Buddhist tourist development and popularisation of the Khandagiri-Udaigiri Caves as also Ratangiri-Udaigiri and Lalitgiri Caves was of very great significance. The Committee were constrained to note the lack of coordination exhibited in the matter of flood-lighting of Khandagiri-Udaigiri Caves. An amount of Rs. 7.29 lakhs for the project was released by the Ministry of Tourism on 16.6.84 which remained unutilised for a period of over two years by the State Government and it was only in October, 1986 that the Government of Orissa informed that it was necessary to carry out landscaping of the Caves also in addition to flood-lighting for which a detailed master plan was yet to be finalised. That was yet another example where Ministry of Tourism had released funds without going into the matter in depth. It was indicative of the casual approach and complete lack of coordination and monitoring of effectiveness of the funds released for the development of tourism in Orissa. The Committee had expected the work relating to preparation of master plan for floodlighting and landscaping of the Khandagiri Udaigiri Caves to be completed at an early date.

1.43 In their action taken reply the Ministry has stated that the recommendations of the Committee relating to preparation of master plan for floodlighting and landscaping of Khandagiri Udaigiri Caves to be completed at an early date have been noted for compliance. A sum of Rs. 7.29 lakhs was released by the Ministry of Tourism on 16.6.1984, yet the floodlighting of.

Khandagiri-Udaigiri Caves could have only been taken up with the help and permission of the Archaeological Survey of India, who advised, to a large extent, rightly, to carry out the landscaping of the these Caves in order to make it more attractive for domestic as well as foreign tourist. With this view in mind the Ministry of Tourism had given more time to the State Government to complete the landscaping and floodlighting of the Khandagiri Udaigiri Caves. The Department of Tourism, Government of Orissa has already been requested to expedite completion of the work.

1.44 The Committee are not satisfied with the clarification given that the Government of Orissa has been requested to expedite completion of work, if the fact that funds were released as early as 16.6.84 is taken into account. The Committee feels that the technical issues raised ought to have been settled in advance before the funds were released, because funds are needed only when work has commenced. The committee regret the lack of coordination with Archaeological Survey of India and State Government in proper planning before release of funds and hope that steps would be taken to complete the work under a time bound programme.

*Master Plan of Ratnagiri-Udaigiri-Lalitgiri Caves*

**Recommendation Sl. No. 23 (Para 5.38)**

1.45 Although the Committee had appreciated the *suo-moto* initiative taken by the Ministry of Tourism in regard to entrusting the work of the preparation of Master Plan for Ratnagiri-Udaigiri-Lalitgiri (District Cuttack) to Town and Country Planning Organisation, New Delhi in 1981-82, yet they could not condone the delay and time taken in the preparation of the Master Plan. The Committee had hoped that the final development plan which was then said to be under preparation would be completed at the earliest and work of development of the area taken up without delay.

1.46 In their action taken reply the Ministry has stated that Master Plan for Ratnagiri-Udaigiri-Lalitgiri prepared by the Town and Country Planning Organisation (TCPO) was received in April, 1987 and was being examined. Ministry added that the final development plan would be prepared in consultation with the State Government and other agencies concerned. The Ministry further added, in a subsequent reply that a meeting was held with the State Government's representatives and related Organisations to examine the recommendations of the Master Plan. As a first step the recommended period of implementation was reduced from 15 years to 5 years. As a follow up, the State Government has forwarded proposal for creation of tourist infrastructure at Ratnagiri-Udaigiri-Lalitgiri at an estimated cost of Rs. 112.22 lakhs for approval during financial years, 1988-89.

1.47 The Committee would like the Ministry to expedite the examination and finalisation of Master Plan for Ratnagiri-Udaigiri-Lalitgiri which is pending for over 5 years already.

*Implementation of recommendations*

1.48 The Committee would like to emphasise that they attach the greatest importance to the implementation of the recommendations accepted by the Government. They, therefore, urge that Government should take appropriate steps in this regard. In cases where it is not possible to implement the recommendation in letter and spirit for any reason, the matter should be reported to the Committee in time with reasons for non-implementation.

The Committee also desire that final replies in respect of the recommendations contained in Chapter V of this report may be furnished to the Committee expeditiously.

## CHAPTER II

### RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY GOVERNMENT

#### Recommendation (Sl. No. 1, Para 1.16)

The Committee consider that tourism in the country as a whole, and especially in a State like Orissa, is in a stage of growth and the Central Government will be well advised to play a pioneering and vital role in achieving the goals set out in the tourism policy presented to both Houses of Parliament in November, 1982. The Committee do not feel convinced that by merely playing a complementary role to the States, the avowed objective of making India as a star attraction for foreign tourists can be realised. They are of the considered view that not only are the Central and State Governments to closely coordinate their efforts in the development of tourism, but also the active participation of other concerned agencies like public sector undertakings, private sector, hotel industry, airlines, railways, and communication system, educational and cultural organisations, etc. is a *sine qua non* for the purpose. The Committee desire that the Government should chalk out a well knit action plan for enlisting the cooperation of all these agencies for the development of infrastructure required for the promotion of tourism in the country.

#### Reply of the Government

It is the avowed policy of the Ministry of Tourism to harness the joint resources of the Government and the private sector for promotion of tourism in the country. The Ministry of Tourism is developing tourism infrastructure through the collective endeavour of the Central Government, the State Government and the private and public sector organisations. To enlist cooperation of all the agencies connected with tourism promotion, the Ministry of Tourism maintains a close liaison with them.

Some of the areas where co-operation of other Ministries/organisations has been enlisted for tourism promotion are as follows :

##### (1) *Department of Railways*

For provision of adequate number of seats on major tourist rail routes to be reserved for foreign tourists, revival of the Great Indian Rover, replacement of coaches on Palace on Wheels and introduction of more tourist trains, including a train on the lines of Palace on Wheels for South India.

**(2) *Department of Civil Aviation***

For introduction of excursion fares by Air-India on more routes, augmentation of capacity to India from important generating markets abroad and on tourist routes within the country, and introduction of a suitable quota on Indian Airlines for foreign tourists on routes where there is acute shortage of space.

**(3) *Department of Culture (Archaeological Survey of India)***

For expeditious permissions to undertake floodlighting of the monuments, mounting of sound and light shows and other matters where co-ordination between various State Governments and the ASI is required.

**(4) *Department of Forests & Environment***

For opening up more islands in the Andamans and for relaxation on construction up to 200 metres of high tide area at beaches in Maharashtra, Karnataka and Gujarat.

**(5) *Ministry of Industry***

To suggest to the IDBI to accord to tourism related activities the status of export oriented priority industry to enable availability of funds at a lower rate of interest.

**(6) *Ministry of Home Affairs***

For simplified immigration procedure and for opening up more areas falling in the restricted area category.

**(7) *Ministry of Finance***

For extension of benefit of project import for purposes of customs/ import duties on equipments used by tourism industry, availability of concessional term loans, lowering of the duties' structure on liquor, wines and beer.

**(8) *Ministry of Commerce***

For liberalisation of import policy in respect of air-conditioned coaches and cars and availability of larger number of vehicles through the State Trading Corporation to travel agents.

**(9) *State Governments***

For declaring tourism as an industry, expeditious implementation of projects for which financial assistance has been provided by the Government of India and liberalisation of rules for serving liquor in the restaurants particularly at those centres which are frequented by foreign tourists.

The Ministry of Tourism does not give grants to the States for tourism projects. All projects undertaken by the Ministry are central schemes selected on merits. Giving block grants to States may lead to ignoring the merits of the proposals received from the States which may result in creating imbalance in tourism infrastructure. Moreover, the Ministry can grant financial assistance to only those projects which have been approved by the Planning Commission in advance and are included in the Ministry's Annual Plan.

[Ministry of Tourism U.O. No. 16/36/86 Part I, dated 28th September, 1987]

**Recommendation (Sl. No. 3, Para 1.27)**

Having noted that the extent of utilisation has not been more than 50% of the total allocated amount from Second Five Year Plan to Annual Plans (1978-79 & 1979-80), the Committee can not help concluding that Government has shown total apathy towards the development of tourism in the country. The Committee feel that there must have been some inherent defects in the implementation of the schemes chalked out for the development of tourism which stood in the way of the utilisation of allocations made fully. The Committee would, therefore, call for concentrated attention and vigorous efforts on the part of the Ministry of Tourism/State Governments to ensure that outlays once provided for in a Plan are not allowed to remain unutilised due to uncoordinated and lukewarm actions. The Committee expect the Ministry immediately to evolve corrective measures to ensure that allocations made in the Seventh Plan are utilised fully.

**Reply of the Government**

The Ministry of Tourism has evolved necessary corrective measures as a result of which there has been significant improvement in the utilisation of fund during the last few years as is evident from the figures given below :

SIXTH PLAN		(Rs. in crores)	
BE	RE	UTILISATION	
21.14*	21.90		20.91
<b>SEVENTH PLAN</b>			
BE	RE	UTILISATION	
1985-86 13.82	12.82		12.87
1986-87 14.00	18.27		18.42

The mid-term appraisal of the Seventh Plan reveals that out of the total outlay of Rs. 68.68 crores for the Seventh Plan, an amount of Rs. 31.31 crores has been utilised in the first two years of the Plan period. An amount of Rs.

\*Original allocation was 25.00.

23.00 crores has been approved for 1987-88 which is expected to be fully utilised. Thus, the total utilisation in the first three years of the Seventh Plan adds up to Rs. 54.31 crores against the total allocation of Rs 68.68 crores. This leaves a balance of Rs 14.37 crores for the remaining two years of the Plan. Even if the existing level of activities is to be maintained, the Ministry will require additional allocations to meet its requirements in various sectors.

[Ministry Tourism U.O.No. 16/36/86 Part I dated 28th September, 1987]

**Recommendation (Sl. No. 6, Para 2:20)**

The Ministry of Tourism has planned for a growth rate of 15% in respect of foreign tourist traffic to India from 1986 onwards till 1990. The Committee are not aware of the basis of such projections as they do not seem to be relatable to the actual tourist arrivals during the last five years or the past growth rate or projections made by the Indian Institute of Public Opinion. The Committee are informed that there is no regular all India system to collect foreign tourist arrival figures in India and reliable State-wise figures are not available as only a few States make some efforts to collect such figures whereas in others, there is no system to measure foreign tourist inflow. The last survey about foreign tourist arrivals in India was conducted by the Indian Statistical Institute in 1982-83 and the Ministry of Tourism are now on the look out for a suitable agency to conduct another survey.

The Committee are surprised that how in the absence of exact information regarding foreign tourists flow to various destinations in India, it is possible for the Government to have perspective planning for further development of such destinations by providing much needed infrastructural facilities to reach such areas and in the proper development of such areas. The Committee would impress upon the Government to conduct an authentic survey regarding foreign tourist arrivals, the destinations popular with them, identify such areas as have requisite potential of being popular with them and develop them as tourist attractions on priority basis, as it hardly needs to be stressed that such traffic is a very important and vital source for earning precious foreign exchange for the country.

**Reply of the Government**

Statistics of foreign tourist arrivals to the country are available since 1951. On the basis of these statistics, the Secretary (Tourism) had indicated a growth rate of 12% (including the nationals of Pakistan and Bangladesh) at the time of personal hearing. However, detailed statistics on the visits of foreign tourists to different places in the country are not available on a regular basis. Such details are, therefore, collected through sample surveys. The last survey in this regard was undertaken during 1982-83. A more comprehensive survey is now

being undertaken during 1987-88 as suggested by the Committee. The Department has also identified 30 centres in the country for development as tourist destinations on a priority basis. These centres are the following :

1. Agra	16. Jaipur
2. Ahmedabad	17. Jaisalmer
3. Amritsar	18. Jodhpur
4. Aurangabad	19. Leh
5. Bangalore	20. Madras
6. Bodhgaya	21. Madurai
7. Bombay	22. Mysore
8. Calcutta	23. Patna
9. Chandigarh	24. Port Blair
10. Cochin	25. Punc
11. Darjeeling	26. Rameshwaram
12. Delhi	27. Shrinagar
13. Goa	28. Trivandrum-Kovalam
14. Gorakhpur	29. Udaipur
15. Guwahati	30. Varanasi

[Ministry of Tourism U.O. No. 16/36/86 Part I Dated 28th September 1987)]

#### **Recommendation (S. No. 7, Para 2:21)**

The Committee also desire that Ministry of Tourism should continue making sustained efforts to project abroad India as a major tourist destination and evolve suitable strategies for different overseas markets and obtain up-to-date information on the basis of current tourist trends and disseminate this information for being utilised at home for planning requisite facilities expected to be provided for such foreign tourists to different destinations in India.

#### **Reply of the Government**

Publicity, promotion and marketing of India in the various overseas markets are undertaken through the Department's overseas offices located at strategic cities in the important tourist generating countries. These offices function under a scheme for 'Joint Operations' in collaboration with Air-India and cover the following regions :

- (1) Operation USA
- (2) Operation UK

- (3) Operation Europe
- (4) Operation West Asia
- (5) Operation East Asia
- (6) Operation Australasia

#### *Operation USA*

Following the interest generated by the Festivals of India celebration in the USA, special print media campaign 'Have the Festival of Your Life-In India it's Wonderful' was launched during 1986-87 to highlight India as a multi-faceted destination. The print media campaign was also supplemented by a special PR campaign over television, during prime time, in order to obtain maximum mileage. Know India seminars/India Evenings and special presentations were organised to apprise the Travel trade of all new development.

Secretary (Tourism) also visited the US and met the major representative members of the Travel trade. The primary purpose of the visit was to select an ad agency for the tourist office, New York who would handle matters relating to the print media as also review the performance of two agencies (Royal Silk and CBC) who have been given contracts on a trial basis for 3 months for projecting India on the electronic media. The advertising agency selected in McCann Direct which is part of a very big world-wide organisation. McCann is a first rate agency and can handle the publicity programmes of the tourist office with imagination and a high degree of professionalism. Royal Silk has been entrusted with the work of handling the Radio and Television advertising and have already produced some 30 seconds' commercial for TV and several radio scripts. These programmes made a good impact and responses to the toll free 800 numbers have already started coming in and are being serviced. The third agency CBC is a PR agency and have initiated a campaign to include TV broadcasts, video programmes and seminars. The appointment of these agencies should go a long way in creating a hard sell marketing strategy which will increase tourist traffic from the US to India as it will cover print and electronic media. Its impact will be tremendous.

#### *Operation UK*

In UK which has been a traditional market, a significant step was taken by placing all campaigns in the consumer media directly. Following the tremendous interest generated by the Rajasthan series of films, the tourist office and Air-India launched a India 'Quiz' competition. Winners of the competition were awarded complimentary tickets to visit India. The Government of India Tourist Office organised a visit of the UK Tour Operators Study Group to assess and acquire a first handknowledge as to what India had to offer by way of tourist infrastructure including conference facilities, shopping, etc. The Tourist Office in UK, in collaboration with Thomas Cook, one of the leading tour operators, also undertook to market Rajasthan packages.

Special image building and product advertising such as beach holidays mountaineering, Palace on Wheels, etc. are also being highlighted.

#### *Operation Europe*

In Europe, the Department has launched a specific specially conceived scheme with Air-India to attract tourists not only during the traditional tourist season but also during the lean season. This scheme entitled 'Affordable India' was drawn in collaboration with Air-India as well as with all other major European airlines such as Air France, Swiss Air, etc offering discounted package comprised reduced air fares along with discounted hotel and internal travel rates to attract tourists during the summer months of April May, June and in September. The campaign which was launched in 1986 was a phenomenal success. In view of the encouraging results the scheme has been extended for a further period of one year.

#### *Operation West Asia*

The Operation West Asia programme covers Iran, Iraq, Syria, Lebanon, Turkey, Cyprus, Libya, Egypt, Jordan, Saudi Arabia, North Yemen, South Yemen, Oman, UAE, Qatar, Bahrain and Kuwait.

The people of this region travel to other parts of the world either on business or on pleasure holidays. When they travel for holidays, they prefer to go with their families. Besides, the Arab population, there is a large number of ex-patriate American/European/Asian and others staying in various countries of the West Asian region.

The consumer publicity and promotion in these markets is, therefore, directed towards the whole group. Since the majority of the people are Arabs, the major thrust and the strategy adopted in advertising is to promote India as 'a family holiday destination'. A high level travel delegation lead by Secretary (T) also visited West Asia recently with the representatives of the States of Kerala, Kashmir, ITDC and Air-India to participate in a special Kuwait Travel Expo.

#### *Operation East Asia*

In the East Asia Market especially Japan, short haul traffic is popular in comparison to long haul. While evolving the strategy for promoting India in this region the target has to be aimed at the major four following segments :

1. Honeymooners
2. Students/Teachers/Professors
3. Business and Convention Traffic
4. Buddhist Traffic

Overseas Honeymoon market is the largest segment in the Japanese travel industry. Though presently the share of India in this traffic is very negligible, efforts are being made to tap this segment. The popular destinations for honeymooners visiting India are Delhi, Agra and Srinagar. There is, however, a lot of room to develop the market as today's students in Japan have more disposable income. The students are interested in packages and not in adventure type of tours. In Japan, the Buddhist market really means the 'Buddhist Priest' force as the majority of Japanese believe that they are non-religious. However, in order to capture this small segment of 'Budhist Priest', India has to improve upon the infrastructure mainly the sanitation, cleanliness, accommodation, cuisine, transportation facilities, availability of guides in Japanese language, etc.

Secretary (Tourism) visited Japan during May, 1987. During this period he attended a meeting of the Board of Directors of PATA and participated in the discussions of its various committees. In addition, meetings and discussions were held with representatives of the Travel Trade Agents, Tour Operators, Hoteliers, Airlines Representatives, Travel Press, etc. In addition, press and TV interviews were given, seminars were held, presentations were made and the endeavour was to reach out to as many people possible who could be useful in generation traffic to India. India got an excellent coverage.

#### *Operation Australasia*

Coinciding with 30th anniversary of Air-India flights to Australia, the tourist office and air-India co-sponsored a week-long Carnival supported by a fashion show, food festival, etc. The National newspaper 'The Australian' carried special feature articles and stories on India. A special campaign with the bye-line 'India on the House' was specially tailored for the Australian traffic which was over-flying the Indian sub-continent to other farther destinations with a view to encourage the tourists who were over-flying India and to induce them to break journey in India for a minimum period to sample the flavour of India. The results of this scheme have been very encouraging.

A budget allocation of Rs. 900 lakhs has been provided for overseas publicity in the current financial year.

In order to assist the Department to devise a marketing policy for 'Overseas and Domestic Promotion', an Advisory Committee has been formulated under the Chirmanship of the Minister of Tourism. The first meeting of this Committee consisting of official/non-official members met on 22.4.1987. The Committee recommended that the Ministry may carry out detailed market surveys with the help of the tourist offices abroad and professional agencies to

identify the target markets, their existing potential, their future potential and the economic gains that are likely to accrue from them.

In this context, it is also mentioned that the comparative figures of international tourist arrivals for the years 1985 and 1986 have shown an increase of 29.1%.

[Ministry of Tourism U.O. No. 16/36/86 Part I, dated 28th September 1987]

**Recommendation (S. No. 8, Para 2.31)**

The Committee note that the statistical cells have been set up in the Tourism Department of 16 States/Union Territories for the collection of tourism statistics and that the Secretary, Ministry of Tourism has recently addressed a letter to all the State/Union Territory Governments requesting them to furnish monthly statistics of tourist arrivals in the accommodation establishments, both approved and unapproved. The Committee find that the statistical cells, wherever they have been set up, are not properly manned. The Committee, therefore, feel that in the absence of statistical cells having been set up in the remaining States/Union Territories and existence of skeletal staff in 16 States/Union Territories which have such cells, the accuracy and authenticity of tourist statistics furnished by States/Union Territories in response to the Tourism Secretary's letter would leave much to be desired. The Committee would, therefore, expect the Ministry of Tourism to impress upon the States/Union Territories to take appropriate measures for setting up of statistical cells in the States/Union Territories which do not have such cells and for providing adequate staff by the concerned Governments which have set up such cells for the collection of authentic information on tourist traffic in the country, both international and domestic, only realistic planning for development of tourist activities and the use of advanced means for compilation of statistics, would go a long way to accelerate the compilation of required data on tourism. The Committee appreciate the beginning made in this direction by the Central Government and would expect them to exhort the States/Union Territories to take advantage of advanced technology for the purpose and accelerate their own pace in the direction of establishing a suitable and effective machinery for compilation of tourist data.

**Reply of the Government**

The Ministry of Tourism has taken up with the State/Union Territory Governments the matter regarding establishment of a proper Statistical Cell in the respective State Tourism Departments for the collection of authentic information on tourist traffic to different places in the country.

During the conference of the State Tourism Secretaries and Managing Directors of the State Tourism Corporations held in July 1986,

October 1986 and February 1987, detailed discussions were held in this regard and States were asked to create the cells as early as possible.

The Secretary (Tourism) and the Additional Director General (Tourism) have addressed communications to the Chief Secretaries of States and Tourism Secretaries of States/Union Territories emphasising the importance of setting up statistical cells with adequate staff in their respective States and the use of advanced means of compilation for the collection of statistics.

As a result of persuasion of the Ministry of Tourism, the following States/UTs have established statistical cells in their Department of Tourism :

1. Assam	9. Mizoram
2. Bihar	10. Orissa
3. Goa	11. Rajasthan
4. Gujarat	12. Tamil Nadu
5. Haryana	13. Uttar Pradesh
6. Jammu and Kashmir	14. West Bengal
7. Kerala	15. Delhi
8. Manipur	16. Pondicherry

Some of the State Governments/Union Territories have recently initiated action for the collection of tourism statistics on the basis of the guidelines provided by the Ministry of Tourism. These States/Union Territories are the following :

1. Arunachal Pradesh	8. Mizoram
2. Goa, Daman and Diu	9. Orissa
3. Gujarat	10. Sikkim
4. Haryana	11. Tamil Nadu
5. Kerala	12. Andaman and Nicobar
6. Maharashtra	13. Delhi
7. Manipur	14. Lakshadweep

The Ministry of Tourism is in constant touch with the State Governments which have not yet set up statistical cells in their Departments of Tourism. Regular reminders are sent by the Ministry in this regard.

The Ministry of Tourism has also established a computer system for tabulation of tourist statistics on an all India basis.

### **Recommendation (S. No. 9, Para No. 3.18)**

The Committee note that the Government of Orissa has declared hotel as an industry as a result of which incentives and facilities available to private entrepreneurs for establishment of industries have been made available to it. The Committee are sure that this will encourage private sector to have greater participative involvement in development of infrastructure for the tourism. The Committee, however, recommend that, as envisaged in the Seventh Plan, instead of merely declaring hotel as an industry the Ministry of Tourism should actively pursue with the State Governments, including the Government of Orissa, and impress upon them to declare "Tourism" as a whole as an industry in their respective States so as to give necessary impetus to the development of tourism in the country.

#### **Reply of the Government**

The Ministry of Tourism has been persuading the State Governments and Union Territories, including those which have declared hotels as an industry, to declare tourism as an industry. So far, the Governments of Himachal Pradesh, Meghalaya, Uttar Pradesh, Arunachal Pradesh, Kerala, Andhra Pradesh, Tamil Nadu, Haryana, Bihar, Tripura and Andaman & Nicobar have declared tourism as an industry whereas the Governments of Orissa, West Bengal and Rajasthan have declared hotels as an industry. As a result of persuasion by the Ministry of Tourism, six States and one Union Territory, viz Andhra Pradesh, Haryana, Tamil Nadu, Bihar, Tripura and Andaman and Nicobar have declared Tourism as an industry in the last six months.

The need for declaring tourism as an industry was emphasised to the representatives of the State Governments at the meetings of State Tourism Secretaries and Managing Directors of Tourism Development Corporations held from time to time. Communications in this regard have also been addressed by Secretaries (Tourism) and Ministers of Tourism to the State Governments which have not declared tourism as an industry, to do the needful on a priority basis.

A list of major incentives announced by the States which have declared Tourism as an industry is appended (ANNEXURE)

## ***ANNEXURE***

***The State Governments who have declared tourism as an industry generally provide the following concessions***

- (i) Subsidy for preparation of feasibility/project report.
- (ii) Investment Subsidy/Central Capital Subsidy/State Capital Subsidy.
- (iii) Incentive for training local manpower.
- (iv) Augmenting availability of funds from State financial institutions.
- (v) Concessions in electricity and water charges.
- (vi) Allocation of land at concessional rates.
- (vii) Exemption from building tax levied by the Revenue Department/Municipal Corporation.
- (viii) Exemption from Octroi Duty.

**Note :** These concessions are over and above facilities available to industries.

[Ministry of Tourism U. O. No. 16/36/86 Part I dated the 28th September 1987]

### **Recommendation (S. No. 10, Para 3.27)**

The lack of adequate facilities and other malpractices prevalent in the hotel and allied industries in the country act as a major damper to the enthusiasm of the potential tourists and inhibit tourist traffic, particularly of the foreign and 'repeat' tourists, besides portraying a bad image of the country abroad. The Committee had, therefore, in their Sixth Report, 1985-86, emphasised the need for central legislation to check the malpractices prevalent in the hotel and allied industries. The Ministry had in their action taken reply on 1st January 1986 stated that "the Department of Tourism is examining the proposal to introduce a suitable legislation in this regard". The Committee are perturbed to note that after lapse of a short period of just over a year the Ministry, in the first instance, stated that "there is no proposal at present under consideration of the Central Government to introduce legislation for regulating hotel industry in the country" and later, when confronted with their own reply accepting the Committee's earlier recommendation regarding Central Legislation to discipline hotel industry, they retracted their statement to state that "their offices have been instructed to collect similar legislation, if any, available in

other countries or in different States." The Committee strongly deprecate this tendency of the Ministry to take the Committee's earlier recommendation light-heartedly and trying to mislead the Committee during evidence. If Government had some genuine difficulties in implementing the recommendation of the Committee, the Committee would have appreciated if the same had been brought to the notice of the Committee for solution rather than the Ministry choosing to twist the facts for the reasons best known to them. The Committee fail to see any rationale behind such tactics adopted by the Ministry in the matter. In the present case the Committee have accepted the explanation of the Secretary, Tourism and would like the Ministry to go into the matter thoroughly to find out how all this happened and take appropriate steps to see that recommendations of the Committee are treated with due respect and implemented in letter and spirit in future.

The Committee reiterate their earlier recommendation and would like the Government to seriously consider the urgent need to bring forward suitable legislation before Parliament at the earliest to discipline the hotel and allied industries in the interest of development of tourism in the country.

#### Reply of the Government

The need for central legislation on hotel and allied industries calls for very careful consideration. The opinion on the question of the essentiality of such a legislation in the country is divided. Therefore, with a view to arriving at a consensus on this subject, the Ministry of Tourism organised a Workshop on Tourism Legislation in New Delhi on August 10 11, 1987 with participants from international organisations like World Tourism Organisation, World Health Organisation and foreign Universities like Strathclyde and Survey Travel Agents Association of India, Indian Association of Tour Operators, Federation of Indian Chamber of Commerce and Industry, Indian National Trust for Art & Cultural Heritage and various central Ministries. The Workshop was inaugurated by the Minister of State for Tourism and Civil Aviation. Working Groups to examine different aspects of tourism have been formed and their reports will be considered at another Workshop tentatively fixed for January, 1988 and the report finalized.

The discrepancy in the position about central legislation as given in the Estimates Committee Reports on Himachal Pradesh and Orissa has been reconciled in reply to point No. PER. 12(b) of the Post Evidence Replies on "Tourism in Orissa".

In a subsequent reply, the Ministry has informed that the Workshop identified six specialised areas for an in-depth study of the need for legislative enactments or self-regulatory mechanisms in the field of tourism and for this purpose, set up six Working Groups of Experts to examine the requirements of

specific legislation to the needs of consumers protection and the tourism industry in their respective areas of study. The Working Groups held extensive and exhaustive discussions and finalised their reports. To further consider these reports a second Workshop was held on 23rd and 24th February, 1988. The Workshop was presided over by Secretary, Ministries of Tourism and Civil Aviation and inaugurated by Dr. Willibald Pahr, Secretary General of the World Tourism Organisation. The Workshop has made some specific recommendations and necessary follow-up action is being initiated.

[Ministry of Tourism U.O. No. 16/36/86 part I dated 28th September, 1987]

**Recommendation (S. No. 14, Para. 4.16)**

The Committee need hardly stress that charter flight can give a great fillip to the development of tourism in the country. The Committee feel that for developing Bhubaneswar as a major international tourist destination it is imperative to extend the runway of the Airport so that charter flights of modern bigger planes could be received at the Airport. the Committee note that the matter is already under consideration of the Ministry of Civil Aviation. The Committee would like the Ministry of Tourism/Ministry of Civil Aviation to finalise the matter without any further delay so that the work could be started in right earnest. The Committee agree that flights linking Bhubaneswar-Kathmandu via Varanasi and Delhi Bhubaneswar-Port Blair are necessary for the growth of tourism in Orissa. They would like the Government to explore the feasibility of introducing these flights urgently. The Committee would also like the Government to conduct a survey to find out the possible tourist centres in Orissa which could be inter-linked by Vayudoot flights.

**Reply of the Government**

In order to develop tourism to Orissa as well as to promote charters, it is essential that the airport at Bhubaneswar be extended so that it can receive wide bodied aircraft. The Ministry of Civil Aviation are starting work on this project and it is likely to be completed by 1989.

With a view to increase tourist traffic flow to Orissa, Indian Airlines is examining the possibility of operating a limited frequency of Boeing 737 services between Delhi and Port Blair via Bhubaneswar. The possibility of re-linking Varanasi (with convenient connections to Kathmandu) with Bhubaneswar is also being examined. With the acquisition of additional aircraft capacity and provided adequate operational facilities are made at Port Blair Airport, Indian Airlines will consider introduction of such services.

The suggestion to conduct survey to find out the possible tourist centres in Orissa which could be inter-linked by Vayudoot flight is being actioned in consultation with the Ministry of Civil Aviation. However, it may be mentioned

here that Vayudoot are operating regular services connecting Bhubaneswar with Calcutta. Vayudoot have already extended their Hyderabad-Visakhapatnam services to Jeypore and Bhubaneswar since November 1986.

[Ministry of Tourism U.O. No. 16/36/86 Part I Dated 28 September 1987]

**Recommendation (S. No. 16, Para 4.22)**

The Committee take note of the efforts being made by the Ministry of Tourism to attract less affluent foreign tourist through a programme called 'Affordable India', in collaboration with leading hoteliers, airlines, travel agents, etc, and appreciate that the Government of India has adopted a liberalised policy in respect of charter flights, which are mostly availed of by less affluent foreign tourists. The Committee desire that Ministry of Tourism should devise more such schemes in generating tourist flow to the country and appropriately popularise abroad, in new markets and among less affluent foreign tourists, tourist attractions available in Orissa also along with other tourist destinations in India.

**Reply of the Government**

The Committee have appreciated the 'Affordable India' programme as well as the liberalised policy in respect of charter flights and has desired the Ministry to devise more such schemes after assessing the efficacy of the on-going schemes.

In this connection, an 'India on the House' programme has been introduced to attract tourists who overfly Indian-sub-continent to Europe, UK and other destinations. Under this programme, the tourists who travel beyond the Indian sub-continent are given one day complimentary stay in India in the 4 metropolitan cities. Stop-over also includes complimentary transportation from the airport to the participating hotels as well as half-a-day's sight-seeing tour of the city.

[Ministry of Tourism U.O. No. 16/36/86 Part I Dated 28th September, 1987]

**Recommendation (S. No. 17, Para 4.23)**

The Committee further note that conducted and economy package tours in Orissa are being operated for youth, students and Government employees. The Committee feel that wide publicity should be given to such tours so that domestic tourist flow to Orissa also catches up with the tourist flow to other neighbouring States.

### **Reply of the Government**

In the domestic campaign for the year 1986-87, a selected number of lesser known but more affordable places have been promoted in the domestic market. In this campaign the advertisement on Chilka Lake in Orissa played a prominent place. This advertisement was released in important trade and consumer magazines all over the country in different regional languages besides English and Hindi. The Ministry has also proposed a folder and directory on Orissa.

Efforts are taken to emphasise the package tours conducted by the State Tourism Corporations as well as the ITDC through our Tourist Offices in India to encourage the domestic tourists/groups/various institutions to avail of the facilities including those that are available in Orissa.

[Ministry of Tourism U.O. No. 16/36/86 Part I dated 28th September, 1987]

### **Recommendation (S. No. 20, Para 5.17)**

The Committee are of the view that in the interest of Beach Tourism in Orissa, beach resorts are required to be encouraged after careful and in-depth study. The Committee desire that soon after the clarifications sought from the State Government regarding the 276-bed Beach Resort on Puri-Konark Beach are received and examined, a realistic view of the project should be taken and central assistance provided without any further delay.

### **Reply of the Government**

The suggestions of the Committee have noted and the project for construction of breach resorts at Mohodhodhi Niwas and Puri-Konark Beach will be examined in the light of the observations made by the Committee.

[Ministry of Tourism U.O. No. 16/36/86 Part I dated 28th September, 1987]

### **Recommendation (S. No. 21, Para 5.31)**

The Committee are of the considered view that development of Chilka Lake is of paramount importance for the promotion of tourism in Orissa. The Committee are, however, unhappy over the tardy progress in the preparation of Master Plan of Chilka by the Town and Country Planning Organisation, New Delhi, which was commissioned in 1984. They have, now, been assured that the Master Plan will be completed in the current year. The Committee desire that as soon as the work of the Master Plan is completed, it should be studied in all its ramifications and the work of development of Chilka Lake taken in hand at the earliest. The potentialities of Chilka Lake for development of fisheries, water sports, bird sanctuary, etc. are immense and do not

require to be over-emphasised ; these are required to be properly exploited in the interest of tourism promotion, both domestic and international. The Committee recommend that there should be balanced development of Chilka lake after demarcation of various zones, viz fishing zone, zone for water sports, Siberian birds etc. and by giving utmost consideration for the preservation of ecology and environment. The Committee are sanguine that this project will not be allowed to suffer on account of inadequate attention by the concerned authorities including any constraints in regard to assistance by the Ministry of Tourism.

#### **Reply of the Government**

Town and Country Planning Organisation (TCPO) has informed that due to non receipt of permission and aerial survey maps from the Defence authorities, the work of completion of Master Plan has been delayed. Interim Master Plan has, however, been received in July, 1987..

Observations made by the Committee for development of Chilka lake shall be fully kept in view while preparing plans for the development of the lake.

The Committee's observations regarding delay in the preparation of the Master Plan have been conveyed to the TCPO.

[Ministry of Tourism U.O. No. 16/36/86 Part I dated 28th September, 1987]

#### **Recommendation (S. No. 23, Para 5.38)**

Although the Committee appreciate the *suo moto* initiative taken by the Ministry of Tourism in regard to entrusting the work of the preparation of Master Plan for Ratnagiri-Udaigiri-Lalitgiri (District Cuttack) to Town and Country Planning Organisation, New Delhi in 1981-82, yet they can not condone the delay and time taken in the preparation of the master Plan. The Committee hope that the final development plan which is now said to be under preparation will be completed at the earliest and work of development of the area taken up without delay.

#### **Reply of the Government**

Master Plan for Ratnagiri-Udaigiri-Lalitgiri prepared by the Town and Country Planning Organisation (TCPO) was received in April, 1987 and is being examined. The final development plan will be prepared in consultation with the State Government and other agencies concerned.

The Ministry further added, in subsequent reply that a meeting was held with the State Government's representatives and related Organisations to

examine the recommendations of the Master Plan. As a first step the recommended period of implementation was reduced from 15 years to 5 years. As a follow up the State Government has forwarded proposals for creation of tourist infrastructure at Ratnagiri-Udaigiri-Lalitgiri at an estimated cost of Rs. 112.22 lakhs for approval during financial year, 1988-89.

[Ministry of Tourism U.O. No. 16/36/86 Part I. dated 28th September, 1987]

**Recommendation (S. No. 24, Para 5.39)**

The Committee desire that the Plans, both in regard to Khandagiri-Udaigiri as also Ratnagiri-Udaigiri-Lalitgiri, be implemented without delay and in close coordination of the agencies concerned viz State Government, the Ministry of Tourism and the Archaeological Survey of India.

**Reply of the Government**

The Master Plan of Ratnagiri-Udaigiri-Lalitgiri has been forwarded to the State Government and the ASI for their comments. Further action will be taken by the Ministry of Tourism in close coordination with the State Government and the ASI.

[Ministry of Tourism U.O. No. 16/36/86 Part I. dated 28th September, 1987]

**Recommendation (S. No. 25, Para 5.44)**

The Study Group of the Committee which visited Orissa was impressed by the vast potential of hot water springs available at Atri and Tarabalo. Whereas some efforts have been made to develop Taptapani, the neglected area of Tarabalo and Atri require to be explored properly on scientific lines to gauge whether the potential of the hot water springs can be harnessed and exploited commercially in the interest of development of tourism there. The Committee would have appreciated if the initiative had come from the State Government for the development of this area in the interest of tourism. They, however, recommend that any scheme for the development of the area, if received, from the State Government be given sympathetic consideration and necessary assistance provided on priority basis.

**Reply of the Government**

Despite reminders, the State Government has not so far submitted any scheme regarding the development of hot springs at Atri and Tarabalo. Any proposal relating to these places, as and when received, will be dealt with promptly and on priority basis.

[Ministry of Tourism U.O. No. 16/36/86 Part I. dated 28th September, 1987]

### **Recommendation (S. No. 26 Para 6.13)**

The Committee need hardly emphasise that for achieving the goal of maximum satisfaction to the tourists, it is essential to induct highly qualified and trained personnel into the various segments of the Tourism industry and therefore concerted and systematic efforts, both in the private and public sectors, are called for. The Committee note that Indian Institute of Tourism and Travel Management was set up in January, 1983 for providing training and professionalism to the personnel employed in the tourism sector. However, in about 4 years of its inception, the proposal is afoot for its merger with the National Council of Hotel Management and Catering Technology. The Committee would like to caution the Government that the intent and purpose for which the Institute was set up should not be lost sight of in the process of merger and the Institute born out of the merger of the two said Institutes should be broader based with greater variety and higher quality of professional courses.

### **Reply of the Government**

The merger of the Indian Institute of Tourism & Travel Management with the National Council of Hotel Management and Catering Technology was decided upon as a measure of economy. However, the entire matter has been reviewed and it is decided that it is necessary to retain the separate identities of the two organisations to ensure that the responsibilities entrusted to the two organisations are carried out with maximum efficiency and economy.

Important areas of work of these two organisations are :

#### **(I) Indian Institute of Tourism and Travel Management**

The Indian Institute of Tourism and Travel Management was established with a view to serve the ongoing educational and training needs of executives and professionals in the public and private sectors of tourism such as Travel Agents, Tour Operators, Airlines, Government Tourist Administrations at the Central and State Levels through the organisation of educational and training course, seminars and workshops. The long term objectives assigned to the Institute include :

- Introduction of Post Graduate Programmes in Tourism and Travel Management, directly or collaboratively with Universities and Management Institutions.
- Offering problems solving consultancy services for tourism and travel industry.
- Providing facilities for research in tourism.
- Organising Executive Development Programmes for upgrading professional skills and attitudes among tourism managers and executives in the public and private sectors of tourism.

In accordance with the objectives outlined above, the Institute has drawn up a plan of action covering the following dimensions :

***Executive Development Programme***

- \* Orientation Course on Tourism Management for Government Tourism Administrators at Central and State Levels.
- \* Advanced Course on Management of Visitor Services for junior and middle management levels of executives in the travel industry.
- \* Certification Course in Travel Agency Operations for management level entrants to travel industry including Defence Officers requiring resettlement opportunities.
- \* Computer Applications in Travel Industry Management for top and senior management levels of travel industry.

***Tourism Seminars***

- \* Marketing Strategies for promotion of tourism to Hill States with special reference to Jammu & Kashmir and Himachal Pradesh.
- \* New Perspectives in Marketing for the growth of Buddhist Tourism.
- \* Promotional Strategies for the Marketing and Development of Tourism to the Golden Square of Southern India.
- \* Marketing Options for the Development of Tourism to the North Eastern States.

***Workshops***

- \* National Workshop of Educationists for evolving consensus on standardisation of diploma and post graduation programmes in tourism by Universities and Management Institutes.
- \* Tourism Industry Workshop on fiscal approaches and incentives for tourism as an industry.

***(II) National Council for Hotel Management and Catering Technology***

The National Council for Hotel Management and Catering Technology which had been set up as an apex body to coordinate the development of Hotel Management Training Programmes has geared up its activities to coordinate and develop the academic work of the Institutes of Hotel Management and Foodcraft Institutes at national level. This involves common standards of admission, uniform pattern of examination, curriculum and faculty development, etc. Programme of work of the Council, briefly is :

(i) *Admission*

The National Council has been conducting Joint Entrance Examinations for admission to all the Institutes of Hotel Management since 1985-86 to ensure better selection of potential candidates. This year the Joint Entrance Examination was conducted by the Council for admission to 12 Institutes at New Delhi, Bombay, Madras, Calcutta, Srinagar, Lucknow, Bhubaneswar, Goa, Hyderabad, Bangalore, Ahmedabad and Bhopal. 7260 applications were received for 795 seats. The written examination was conducted on 10th May, 1987 on which basis 2,501 candidates were interviewed at Delhi, Bombay, Madras and Calcutta to draw up an All India Merit List. Candidates figuring on the list would be admitted to the various Institutions in 1987-88 academic session.

(ii) *Revision of syllabus for Three-year Diploma Course*

Keeping in view the changing requirements of the industry and need for development of appropriate training facilities, the Council has undertaken revision of the curriculum for the Three-year Diploma Course in consultation with representatives of the industry, and international experts. This is expected to bring this training at par with international standards.

(iii) *Revision of Curriculum for Craft Courses*

In addition to up-dating the curriculum for training at supervisory/middle management level, the Council is undertaking a review of the curriculum of the various Craft Courses connected with the Hotel and Catering industry to ensure that properly trained manpower is available to meet the growing needs of the industry.

(iv) *Introduction of Post Diploma Course in Advanced Hotel Management*

Action is under way for introduction of Post Diploma Course in Advanced Hotel Management and Food production at one of the Regional Institutes to start with.

(v) *Affiliation of the Institutions*

As a first step for conduct of common examinations for all the Institutions, the National Council is taking steps to affiliate all the Diploma level Institutions. Until now, the Institutes were affiliated to the respective Boards of Technical Education of the States in which these are located. The step taken by the Council would ensure that the Institutes are affiliated to a single body at the national level.

**(vi) Conduct of common examinations**

The Council is proposing to conduct the final examinations for the 3-year Diploma Courses from the academic session 87-88. In stages, it would take over examination work for all the three years of the Diploma Course and other short term courses.

**(vii) Faculty development and scholarships programme**

The Council is planning to conduct in-service training programmes for faculty development and to institute scholarships for meritorious candidates.

Keeping in view the above, it has been decided to retain the separate identities of the Council and the IITM to ensure that they fulfil the role expected from them.

[Ministry of Tourism U.O. 16/36/86 Part I dated 28th September, 1987]

**Recommendation (S. No. 27, Para 6.14)**

The Committee are glad to be informed that in order to cater to the needs of Supervisory/Middle Management level manpower for the Hotel and Catering industry in Orissa, a diploma level Institute of Hotel Management has been set up. The Committee would like the Government to review the functioning of this Institute so that it would be fully geared up to cater to the everchanging needs of the hotel and catering industry.

**Reply of the Government**

As desired by the Committee, the functioning of the Institute has been reviewed. In order to develop the infrastructure of the Institute, a further sum of Rs. 40 lakhs for expansion of the Institute building and Rs 3 lakhs for procurement of equipments has also been released. The training capacity of the Institute for the diploma course was increased to 60 after review. As per Committee's recommendations, the functioning of the Institute would be periodically reviewed so that it keeps pace with the changing manpower requirements of the hotel and catering industry.

[Ministry of Tourism U.O. No. 16/36/86 Part I dated 28th September 1987]

**Recommendation (S. No. 28, Para 7.26)**

The Committee consider that for any sizeable impact on the flow of tourist traffic to India, the tourism publicity abroad has to play a vital role by using modern scientific techniques of publicity so as to reap the benefits flowing from such cultural fairs as Festival of India arranged in USA recently. The Committee note that over the years, the Ministry of Tourism has launched a number of tourist campaigns abroad to market India as a travel destination and that as many as 21 offices (now to be reduced to 16 in pursvance of the

recommendation of the Committee of Officers) are functioning abroad for the purpose. The Committee recommend that the functioning of these offices and publicity campaigns be kept under constant review to ensure that they are functioning in consonance with the continuously changing trends so that the results that accrued are commensurate with the expenditure involved in precious foreign exchange. There is also an imperative need for proper feedback home about current tourist trends, for bringing out quality publicity material and involvement of really efficient and trained manpower on selected basis if the advantages of such campaigns are to be driven home fully.

#### **Reply of the Government**

As the Committee have rightly pointed out, the Ministry of Tourism has now undertaken extensive electronic media advertising and promotional publicity to attract more tourists to India.

Keeping in line with the Committee's recommendations, the Ministry of Tourism has already formulated a Tourism Advisory Committee under the Chairmanship of the Minister of Tourism to devise a marketing policy for overseas and domestic promotion. This Committee have recommended that the Ministry may carry out detailed market surveys with the help of tourist offices abroad and professional agencies to identify the target markets, their existing potential, their future potential and the economic gains that are likely to be obtained from these markets.

[Ministry of Tourism U. O. No. 16/36/86 Part I] dated 28th September, 1987]

#### **Recommendation (S. No. 29, Para 7.27)**

The Committee note that the "Operation Scheme" launched in various countries in collaboration with Air-India, has yielded encouraging results. They would like the Government to consider as to which other countries this scheme should encompass. They would also like the Government to take immediate steps to enlist the support of other government agencies operating abroad such as State Trading Corporation, Tea Board, etc. and ensure that they function harmoniously in the hitherto unexplored areas of the overseas market, particularly in countries which have cultural affinity with India, in the interest of development of tourism.

#### **Reply of the Government**

The Department of Tourism has on-going process for reviewing the work of the overseas operations. Decisions to open new offices or reallocate existing ones are taken after assessing the changing market requirements. Promotion of India as a tourist destination is undertaken jointly with Air-India and with the Trade Fair Authority and the Festival of India Directorate.

The Ministry also collaborates with IDTC in organising food festivals in various overseas markets. The Department is also considering associating more actively with the Tea Board and the other promotional bodies under the Ministry of Commerce. A beginning was made at the ITB Trade Fair in March this year in which the Tea Board was associated.

[Ministry of Tourism U.O. No. 16/36/86 Part I dated 28th September, 1987]

**Recommendation (S. No. 30, Para 7'28)**

The Committee are happy to learn that in the overall publicity and marketing strategy of the Ministry of Tourism, Orissa occupies an important place and that specific measures have been taken to project Orissa as a tourist destination in the country. The Committee would like the Government to consider the launching of both intensive and extensive tourist promotion campaigns highlighting the places of Buddhist interest in Orissa in the countries having sizeable Buddhist population.

**Reply of the Government**

The Ministry of Tourism has formulated an Action Plan for the development of the Buddhist Sector. Concentrated efforts are however, under preparation following the recommendations of a task force. It will be appreciated that the places of Buddhist interest are mainly located in the States of UP and Bihar.

While drawing up the itineraries of foreign tourists who are interested in visiting places associated with the life of Lord Buddha and depending upon the availability of the time, all important places including those of Orissa are covered. The promotional campaigns highlighting places of Buddhist interest in India as a whole are selected for arranging photographic exhibitions and other such promotional seminars. The Department have also arranged for a centralised concept for promotion of the Buddhist Sector in the Far Eastern market which will consist of a (i) print media campaign ; (ii) a brochure ; (iii) a folder ; (iv) a Buddhist road map and (v) an audiovisual for which presentations are under preparation.

During the year 1986-87, the Department of Tourism had launched a print media campaign 'Discover India—Discover Yourself' on the lesser known destinations for promotion of domestic tourism. This is a hardsell campaign aimed at the consumers as well as the Travel trade. The advertisements have been released on the 'lesser known' but more affordable holiday places of tourist interest such as Ladakh, Chilka, Shillong, Andamans, Periyar, Mandu, etc. The media selected were the well known magazines in English, Hindi and other regional languages. It is a matter of pride that this campaign was also awarded the prestigious PATA Gold Award. The award was person-

ally received by Secretary (Tourism) at the PATA's annual conference held in Tokyo in May, 1987.

Excellence, innovation and dedication are the high standards by which the Pacific Area Travel Association and its Member-Organisations work together to further the tourists industry professional in the Pacific/Asia region. India is a Member of this organisation.

[Ministry of Tourism U.O.No. 16/36/86 Part I. dated 28th September 1987]

**Recommendation (S. No. 31, Para 7.29)**

The Committee would, however, like to caution that unless adequate infrastructure and proper facilities for international tourists are created and maintained properly on an on-going basis, the whole publicity campaign abroad would be counter productive. The Committee recommend that concerted efforts should be made to create, augment and maintain proper facilities for domestic and foreign tourists in the interest of harnessing the benefits from such publicity campaigns.

**Reply of the Government**

The suggestion made by the Committee has been noted and efforts will be made to create adequate infrastructural facilities for international and budget tourists. In an effort to improve the infrastructural facilities in Orissa, a new joint venture project with ITDC and the State Government was recently inaugurated by the Hon'ble Minister of Tourism in Bhubaneswar. This joint venture Hotel Kalinga Ashok is expected to facilitate both foreign and domestic tourists visiting the State. This two-star Hotel has 33 double rooms and 2 suites with attached baths out of which 29 are airconditioned rooms, a Conference Room for holding small conferences and other facilities such as a Bar, Restaurant, Bank, Postal Services, etc.

[Ministry of Tourism U.O. No. 16/36/86 Part I dated 28th September 1987]

## CHAPTER III

### RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF GOVERNMENT REPLIES

#### Recommendation (S. No. 5, Para 1.29)

The Committee find that despite the fact that there is considerable tourism potential in Orissa, the expenditure in the Central sector for the development of tourism in the State has been only Rs. 60.88 lakhs from the Second Five Year Plan to the Sixth Five Year Plan. As compared to this, the expenditure in Jammu & Kashmir has been as high as Rs. 367.92 lakhs and in Uttar Pradesh, it has been Rs. 215.59 lakhs and in other States like Madhya Pradesh, Rajasthan, Kerala, Andhra Pradesh etc. also the expenditure has been higher as compared to Orissa. This indicates that the Central Government has not been paying adequate attention to harnessing the potential and development of tourism in Orissa to attract tourist traffic in that part of the country which has a very rich potential. The Committee hope that at least during the Seventh Plan, Orissa would be given a better deal. The Committee would also like the Government to settle the financial allocations to be made to Orissa for the year 1987-88 without any further loss of time so that the work could be started in right earnest. In this connection, the suggestion of the State Government of Orissa that instead of inviting specific proposal from the State Governments, funds should be provided in block grants merits consideration.

#### Reply of the Government

The Ministry of Tourism pays adequate attention to the requirements of each State without discriminating against any of them. Funds are sanctioned on the basis of the tourism potential of the State and the schemes submitted by them. The utilisation of funds, however, largely depends on the cooperation received from the State Governments because most projects are executed by the agencies nominated by the State Governments. Funds are released on the basis of utilisation certificates furnished by the State Governments. Submission of inadequate proposals and delayed submission of utilisation certificates by the State Governments inevitably results in the lowering of sanctions and release of funds.

It is true that Orissa has immense potential for tourism. However, during the period from the Sixth Five Year Plan, adequate funds were not released to the State mainly due to the fact that adequate proposals were not

received from the State Government. This has been the case with many other States like Tamil Nadu, Haryana, Punjab and most of the eastern States which received funds even lesser than Orissa during the period under review. However, as a result of regular review meetings with the officials of the State Government more proposals were submitted by the Government of Orissa during the first two year of the Seventh Plan. This is evident from the fact that during the first year of the Seventh Plan (1985-86), the Ministry sanctioned an amount of Rs. 38.68 lakhs with a release of Rs. 31.53 lakhs while during the second year (1986-87), the sanctioned and released amounts went up to Rs. 68.86 lakhs and Rs. 42.75 lakhs respectively. For 1987-88, proposals for a total amount of Rs. 317.44 lakhs have been received. This clearly shows that now there is a greater awareness on the part of the State and accordingly the quantum of Central assistance is increasing year after year.

[Ministry of Tourism U.O. No. 16/36/86 part I dated 28th September 1987]

#### **Recommendation (S. No. 12, Para 4.5)**

The Committee need hardly point out that road transport facilities play a vital role in the successful creation and development of new tourist destinations as well as healthy growth of the existing tourist resorts. They, however, feel unhappy to be informed that the road transport being provided by the Orissa State Road Transport Corporation is neither sufficient nor of requisite quality to cater fully to the needs and satisfaction of the tourists, especially the foreign tourists. The Committee wonder what would be the condition of coaches being provided to tourists when the coach provided to the Study Group of the Committee, which visited Orissa in September 1986 was in a bad shape and it leaked during the rain. The Committee would like the Ministry of Tourism to assess the requirement of tourist coaches in consultation with the Government of Orissa and fully supplement the efforts of Government of Orissa in this regard. The Committee would also like the Ministry to examine the feasibility of enlisting the cooperation of the organisations like ex-servicemen's organisations for augmenting the road transport facilities for tourists in Orissa.

#### **Reply of the Government**

The recommendations of the Committee have been noted for compliance.

Development of tourism infrastructure is a continuous process and it is promoted through the combined resources of Central, State and the Private Sectors.

The State Government have been asked to explore the possibility of organising Tourist Transport Services including coaches at important tourist centres in Orissa through private entrepreneurs as well as ex-servicemen's

organisations. It may, however, be stated that the Central Government have no provision for funds for assisting State Governments to improve their transport infrastructure. The Central Government, therefore, are unable to offer any substantial help.

The Department of Tourism has a scheme for Hire Purchase of Tourist Transport Vehicles. Under this Scheme—the Department of Tourism provides financial assistance on easy terms to tourist car operators who are on the approved list of the Department of Tourism to acquire vehicles on a hire-purchase basis.

The Ministry of Tourism has launched a new Scheme of Interest Subsidy. Under this Scheme, the approved categories of tourist car operators, tour operators and travel agents all over India including those from Orissa can avail of 3% interest subsidy for the loan raised by them from nationalised banks/financial institutions.

[Ministry of Tourism U.O. No 16/36/86 part I, dated 28th September 1987]

## CHAPTER IV

### RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

#### Recommendation (S. No. 2, Para 1.17)

The Committee would also like to caution the Government about the unbalanced growth of tourist centres in the country if the Central Government is to depend entirely on the schemes received from the States, as more schemes may be received from enthusiastic and resourceful States as compared to other less enthusiastic States. They, therefore, suggest that in the interest of balanced development of tourism in the country the Central Government should closely liaise with the State Governments and play an effective coordinating role right from the stage of identification of potential centres for development as tourist destinations.

#### Reply of the Government

The Ministry of Tourism gives equal opportunities to all the States and Union Territories to avail of Central assistance. To ensure balanced growth of tourism infrastructure in the country, the Ministry of Tourism has identified two to three travel circuits in each State in consultation with the concerned State Government. The Ministry of Tourism also maintains a close liaison with the State Government/Union Territories and encourages them to send proposals for financial assistance. Funding of the projects is done strictly on merits and no State is made to suffer because of proposals received from other States.

All proposals received from State Governments are examined in detail and while sanctioning a project, past performance of the State, potential of the place and merits of the proposal are kept in mind. Since resources for capital works are limited, the projects are sanctioned keeping in view the *inter se* priorities and availability of funds. Since tourism promotion and development is not uniform in all the States, priorities are generally given to lesser developed State and Union Territories. This is necessary because regional imbalances are required to be corrected.

[Ministry of Tourism U.O. No. 16/36/86 part I, dated 28th September 1987]

#### Recommendation (S. No. 4, Para 1.28)

The Committee view with concern that the budget allocations for the Ministry of tourism are made on the basis of schemes received and not on

State-wise basis. The Committee would like the Ministry to consider how far the present system is tenable in view of the fact that there have been very huge disparities in the expenditure incurred in different States and Union Territories. The Committee agree that some States/Union Territories may have more tourist potential as compared to others, nonetheless, they would like the Ministry to evolve a suitable methodology for earmarking funds for different States/Union Territories so that the gaps between the allocations made could be narrowed down to the extent possible.

#### **Reply of the Government**

Since tourism potential varies from State to State and accordingly the requirements of tourism infrastructure, it will not be advisable to make State-wise allocation of funds. Scheme-wise allocation of funds provides a sound basis for fuller exploration of the tourism potential of different regions and it also ensures balanced growth of tourism infrastructure which may not be achieved by prorating funds on the basis of size or population of the States.

It would be observed that there are no glaring disparities in sanctioning of schemes and release of funds to various States. If a region-wise review of funds released during 1986-87 is made, it would be seen that northern region with a total of 6 States including the bigger ones like UP, Rajasthan and J&K received Rs. 194.92 lakhs while the North Eastern Region (7 States) received Rs. 44.64 lakhs. The Southern (4 States), Eastern (4 States) and Western (3 States) regions received Rs. 170.18 lakhs, Rs. 99.13 lakhs and Rs. 101.56 lakhs respectively.

[Ministry of Tourism U.O.No. 16/36/16 Part I, dated 28th September, 1987]

#### **Recommendation (S. No. 18. Para 5.9)**

An envisaged in the Seventh Five year Plan, instead of spreading limited resources thin over a large number of circuits/centres, only selected tourist circuits/centres popular with the tourists should be identified and developed in a phased manner. The Committee are unhappy to be informed that there are no clear areas of collaboration between different agencies viz Central, State and private sector. They are sure that in the absence of the coordinating body to monitor the efforts of different agencies and for ironing out differences, there is bound to be overlapping of efforts and resultant distortions. This is borne out by the fact that a sum of Rs. 3.49 lakhs was sanctioned by the Ministry of Tourism in 1983-84 for the construction of toilet block near Sun Temple at Konark and an amount of Rs. 2.61 lakhs therefor was released in 1983-84 itself even though the construction of toilet block could not have been taken up on account of wrong identification of land for the purpose, which in fact, came within the purview of the Archaeological Survey of India and could not be acquired. The project is still not complete after a period of almost three years of the release of funds by the Ministry of Tourism.

### **Reply of the Government**

It will not be correct to say that there is no collaboration between different agencies namely Central, State and private sector. The Ministry of Tourism has identified travel circuits in each State in consultation with the concerned State Government. The tourist centres which fall along these tourist circuits are being developed with the joint efforts of the centre, State and the private sector. The private sector is being given various types of incentives as a motivation for the entrepreneurs to come forward to build tourism infrastructure in the country.

The Ministry of Tourism undertakes regular coordination with organisations like the ASI, Civil Aviation, Railways, Surface Transport, etc. The Ministry has constant inter-action with these organisations to solve problems. A series of meetings were held with the Archaeological Survey of India to resolve problems pertaining to floodlighting of monuments, mounting of sound and light shows and various other matters requiring coordination between the ASI and State Governments. The Ministry of Tourism in collaboration with the Ministry of Surface Transport (Roads Wing) has decided to put up joint wayside passenger-oriented facilities in various States. The Ministry of Tourism is acting as the Nodal Ministry to coordinate the projects with the States on one hand and the Ministry of Surface Transport on the other. The Ministry of Tourism also keeps in touch with the Department of Railways for provision of adequate number of seats on major tourist rail routes to be reserved for foreign tourists, revival of the Great Indian Rover, replacement of coaches on the Palace on Wheels and introduction of more tourists trains. Similarly, the Ministry of Tourism has taken up with the Department of Civil Aviation, Indian Airlines and Air-India matters relating to upgradation of airports, introduction of suitable quota for foreign tourists on routes where there is an acute shortage of space, introduction of excursion fares on more routes, off-season discounts, etc. Other Ministries/Organisations with whom the Ministry of Tourism has constant interaction include the Department of Forests & Environment for opening up more islands in the Andamans and for relaxation on construction up to 200 metres of high tide areas at beaches in Maharashtra, Gujarat and Karnataka; Ministry of Industry to suggest to the IDBI to accord to tourism-related activities the status of export-oriented priority industry to enable availability of funds at a lower rate of interest; Ministry of Home Affairs for simplified immigration procedures and for opening up more areas falling in the restricted area category; Ministry Finance for extension of benefit of project import for purposes of concessional rates of custom/import duties on equipment used by tourism industry, availability of concessional term loans and lowering of the duties structure on liquor, wines and beer; Ministry of Commerce for liberalisation of import policy in respect of airconditioned coaches

and cars, and availability of more number of vehicles to travel agents through the State Trading Corporation.

In cases where issues between the Ministry and other organisations are not resolved, these are taken to the Committee of Secretaries and the Cabinet Secretariat. Certain cases are also taken up with the Prime Minister's Office.

The Ministry of Tourism remains in constant touch with various State Governments for declaring tourism as an industry, expeditious implementation of projects for which financial assistance has been given by the Ministry and liberalisation of rules for serving liquor in the restaurants, particularly at those centres which are frequented by foreign tourists.

As regards the suggestion of the Committee to take up only selected tourists centres for development, the Ministry of Tourism had originally selected 441 tourist centres in different States. In view of the limited resources, only 30 centres out of these have been chosen for intensive development.

Regarding the scheme relating to the toilet block at Konark, there was no lack of coordination. The Ministry of Tourism had sanctioned an amount of Rs. 3.49 lakhs on the basis of information submitted by the State Government which *inter alia* included the statement that the site selected for the project was free from any encumbrances as the clearance of the ASI had already been obtained. However, it came to light later that the ASI had not granted permission. But the Ministry of Tourism had no reasons to disbelieve the statement made by the State Government at the time of submitting the proposal. The delay in the implementation of the project has been mainly due to delay in getting the clearance from the ASI which has now been obtained and the work is in progress.

[Ministry of Tourism U.O. No. 16/36/86. Part I dated 28th September 1987]

#### **Recommendation (S. No. 19, Para 5.10)**

The Committee do appreciate the enthusiasm on the part of the Ministry of Tourism to provide funds for the development of tourist facilities but would sound a note of caution to steer clear of all the pit-falls and half-cooked projects being taken up without proper study. The Committee recommend that where a number of different agencies are involved in a project, the Government should make one nodal agency accountable for coordinating the efforts. They would also exhort the Central Government to issue unambiguous and clear guidelines demarcating the areas of central assistance and States own responsibilities so as to avoid duplication and overlapping of efforts in the interest of the project being completed without avoidable delay.

### **Reply of the Government**

The Ministry of Tourism entertains proposals for financial assistance only in respect of schemes approved by the Planning Commission. Incomplete schemes, if any, are referred back to the concerned State Government for furnishing the required additional information and thereafter proposals are processed and funds sanctioned. The procedure has been further streamlined and now a detailed proforma has been designed for sending proposals to the Central Government. This proforma takes care of all the essential requirements of the scheme and it eliminates possibility of the State Government sending half-baked proposals. The proforma also makes a clear-cut demarcation between the components to be funded by the Central Government and those, the cost of which is to be borne by the State Government. To avoid duplication, the scope of Central schemes has been clearly defined. The Central Government takes up only those projects which are important from the National/Regional point of view. The projects which are purely of local interest are left entirely to the State Government. In the projects funded by the Ministry of Tourism, there are no other agencies involved except the Central Government and the concerned State Government. However, depending on the nature of the project, clearance are sometimes required from other organisations like the ASI, Planning Commission and CPWD, etc. Regular meetings are held with these organisations to expedite such clearances and to sort out other problems.

[Ministry of Tourism U.O. No. 16/36/86 Part I dated 28th September 1987]

#### **Recommendation (S. No. 22, Para 5.37)**

The Committee are of the view that for the growth of tourism traffic to the State, including Buddhist tourist development and popularisation of the Khandagiri-Udaigiri Caves as also Ratnagiri-Udaigiri and Lalitgiri Caves is of very great significance. The Committee are constrained to note the lack of coordination exhibited in the matter of floodlighting of Khandagiri-Udaigiri Caves. An amount of Rs. 7.29 lakhs for the project was released by the Ministry of Tourism on 16-6-84 which remained unutilised for a period of over two years by the State Government and it was only in October, 1986 that the Government of Orissa informed that it was necessary to carry out landscaping of the Caves also in addition to floodlighting for which a detailed master plan was yet to be finalised. This is yet another example where Ministry of Tourism have released funds without going into the matter in depth. It is indicative of the casual approach and complete lack of coordination and monitoring of effectiveness of the funds released for the development of tourism in Orissa. The Committee expect the work relating to preparation of master plan for floodlighting and landscaping of the Khandagiri-Udaigiri Caves to be completed at an early date.

**Reply of the Government**

The recommendations of the Committee relating to preparation of master plan for floodlighting and landscaping of Khandagiri-Udaigiri Caves to be completed at an early date have been noted for compliance. A sum of Rs. 7.29 lakhs was released by the Ministry of Tourism on 16-6-1984, yet the floodlighting of Khandagiri-Udaigiri caves could have only been taken up with the help and permission of the Archaeological Survey of India, who advised, to a large extent, rightly, to carry out the landscaping of these Caves in order to make it more attractive for domestic as well as foreign tourists. With this view in mind the Ministry of Tourism had given more time to the State Government to complete the landscaping and floodlighting of the Khandagiri-Udaigiri Caves. The Department of Tourism, Government of Orissa has already been requested to expedite completion of the work.

[Ministry of Tourism U.O. No. 16/36/86 Part I dated 28th September 1987]

## CHAPTER V

### RECOMMENDATIONS IN RESPECT OF WHICH FINAL REPLIES ARE STILL AWAITED

#### Recommendation (S. No. 11, Para 3.28)

The Committee would emphasise on the Ministry to ensure that surprise and realistic inspections are carried out periodically by the Hotel and Restaurant Approval and Classification Committee to ensure that the hotels conform to the prescribed minimum standards.

#### Reply of the Government

The Hotel and Restaurant Approval and Classification Committee had classified 399 hotels up to 1.6.1987. Out of these hotels, periodical inspection of 161 hotels has been carried out. Similarly, out of 172 approved restaurants as on 1.6.1987, 33 restaurants have been reinspected. The periodical inspection of hotels/restaurants is carried out to ensure that the prescribed standards are maintained by the concerned hotels/restaurants. In case any deterioration of the standards is noticed, hotels/restaurants are asked to rectify same within a definite time frame.

However, on the advice of the Estimates Committee, the procedure for classification/inspection is being revised so as to make it more realistic and to ensure that hotels do conform to the prescribed minimum standards.

[Ministry of Tourism U.O. No. 16/36/86 Part I dated 28th September 1987]

#### Recommendation (S. No. 13, Para 4.6)

The Committee note that there is a proposal to import 100 coaches for the use of tourists in the country. The Committee would, however, like the Government to go in for coaches of requisite quality, built indigenously rather than going in for imported ones, unless they come to the conclusion that coaches of required standard and quality are not available within the country.

#### Reply of the Government

The Ministry of Tourism is aware of the desirability of providing tourist infrastructural facilities like surface transport from the indigenous source. However, the coaches presently manufactured indigenously do not meet the internationally accepted standards and expectation of the foreign tourists.

Thus, Ministry of Tourism endeavours to provide facilities that could be matched with the facilities available in other countries for tourists. It is in this context that the Ministry of Tourism has floated a proposal to import 100

airconditioned coaches as a one-time exercise. It is hoped that such import would provide the necessary motivation to indigenous industry to improve the quality of their coaches.

[Ministry of Tourism U.O. No. 16/36/86 Part I dated 28th September 1987]

**Recommendation (S. No. 15, Para 4.17)**

So far as the augmentation of the railway facilities in Orissa is concerned, the Committee would like the Ministry of Railways to assess the needs in consultation with the Government of Orissa and take action accordingly. In this connection the question of introducing a day train from Calcutta to Bhubaneswar also merits consideration.

**Reply of the Government**

The suggestion made by the Committee has been noted and the Ministry of Railways have been requested to examine the proposal in consultation with the Government of Orissa at the earliest possible. They have also been requested to examine the question of introducing a day train from Calcutta to Bhubaneswar.

[Ministry of Tourism U.O. No. 16/36/86 Part I dated 28th September 1987]

NEW DELHI ;

March 18, 1988

Phalguna 28, 1909 (S)

**CHANDRA TRIPATHI**

*Chairman,*

*Estimates Committee*

## APPENDIX

(*Vide* Introduction)

### *Analysis of action taken by Government on Forty-Second Report of Estimates Committee (8th Lok Sabha)*

I.	Total number of Recommendations	—	31
II.	Recommendations which have been accepted by Government (Sl. No. 1, 3, 6, 7, 8, 9, 10, 14, 16, 17, 20, 21, 23, 24, 25, 26, 27, 28, 29, 30, 31)	—	21
	Percentage to total	—	67.23%
III.	Recommendations which the Committee do not desire to pursue in view of Governments' replies (Sl. Nos. 5, 12)	—	2
	Percentage to total	—	6.45%
IV	Recommendations in respect of which Governments' replies have <i>not</i> been accepted by the Committee (Sl. No. 2, 4, 18, 19, 22)	—	5
	Percentage to total	—	16.13%
V.	Recommendations in respect of which final replies are still awaited (Sl. Nos. 11, 13, 15)	—	3
	Percentage to total	—	9.69%

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## C O R R I G E N D A

Taken

56th Action/Report of Estimates Committee (1987-88)  
on Ministry of Tourism - Tourism in Orissa.

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<u>Page</u>	<u>Para</u>	<u>Line</u>	<u>For</u>	<u>Read</u>
11	1.48	1	exphasise	emphasise
15	2.20	2	traffie	traffic
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		2	higlighted	highlighted
19	Oper. Aus.	2	air India	Air India
25	Recom.	5	the Committee	The Committee
27	4	1	have noted	have been noted
29		3	delete 'as'	
30	3	6	course	courses
34		7	freed back	feedback
35		1	IDTC	ITDC
36	Recom.	6	benefis for	benefits from
37	Recom.	18	consideraiton	consideration
38		6	year	years
39		12	operaptors	operators
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42		last	in respect or/in respect of	