



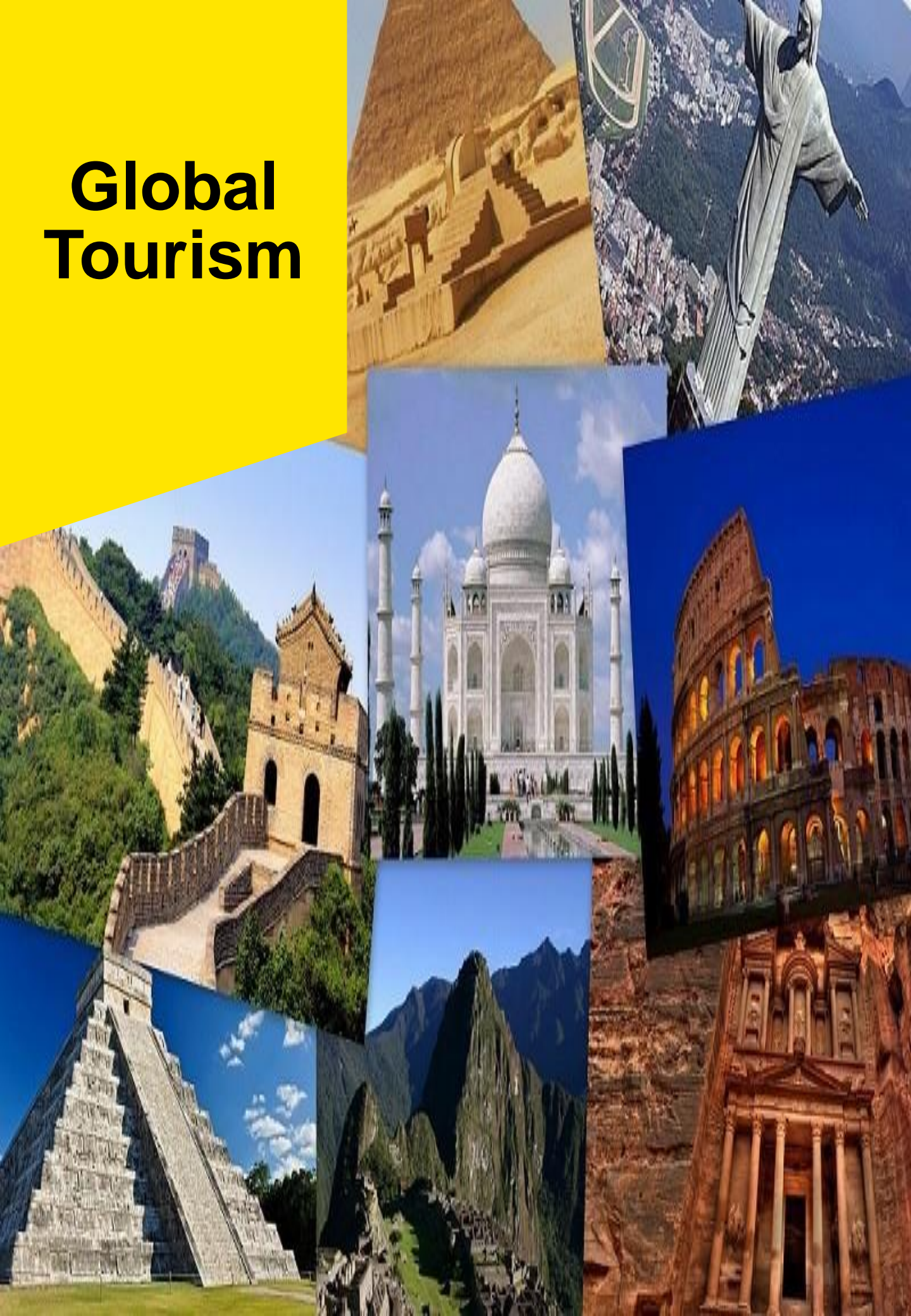
# Tourism

## *One State any Worlds*





# Global Tourism





# Global Overview

**10.4 %**

**USD 8.3 TN**

Travel & Tourism GDP as  
a percentage of global  
GDP

**4.6 %**

Direct Travel & Tourism  
GDP growth in 2017

**1/10**

**313 MN Jobs**

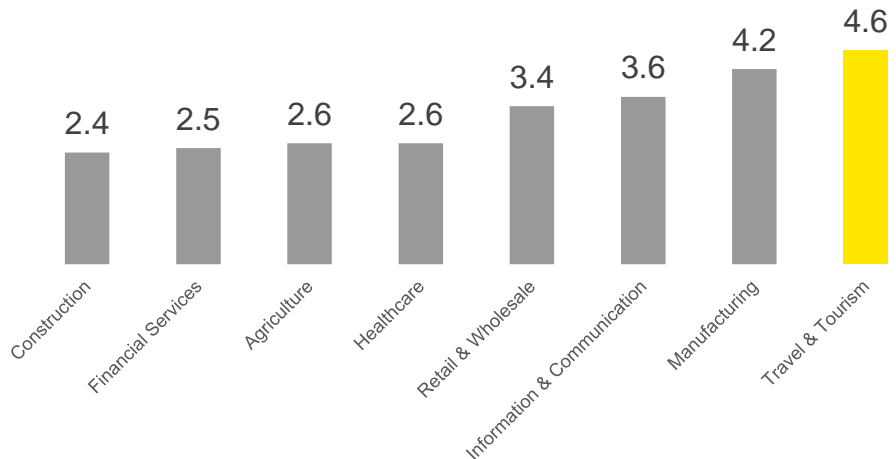
Jobs are supported by  
Travel & Tourism. This is  
9.9% of global employment

**1/5**

Of all global net jobs  
created in last decade  
have been within the  
Travel & Tourism sector



**Sector GDP Growth 2017 (%)**



- Tourism contributes about 3.2% of the world's (GDP)
- About 3.8% of the world's total employment
- In 2017, Travel & Tourism's direct, indirect and induced impact accounted for USD 1.5 trillion exports (6.5% of total exports, 28.8% of global services exports) US\$882 billion investment (4.5% of total investment)

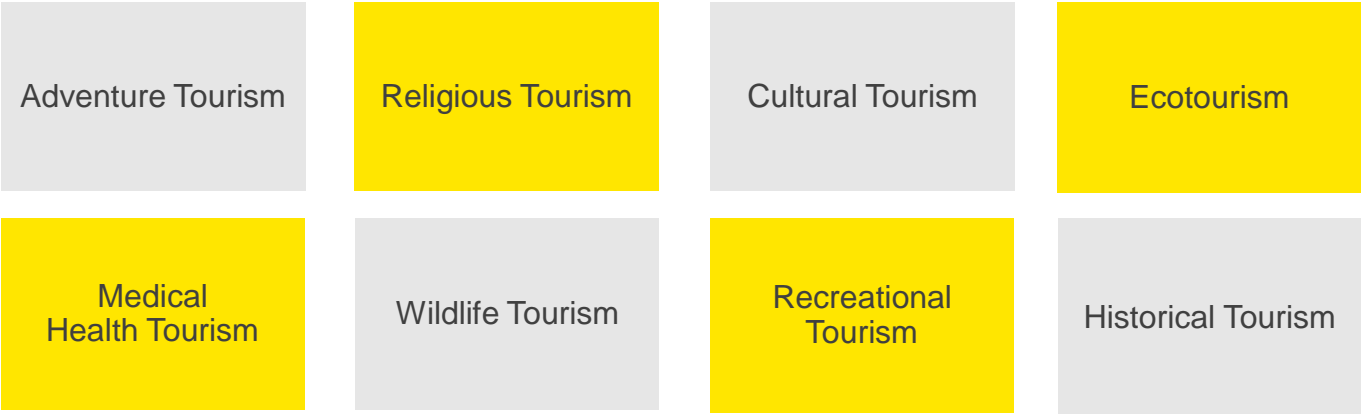
Asia Pacific fastest-growing region in tourism sector

**Largest &  
Fastest  
growing  
Economic  
sector in the  
World**

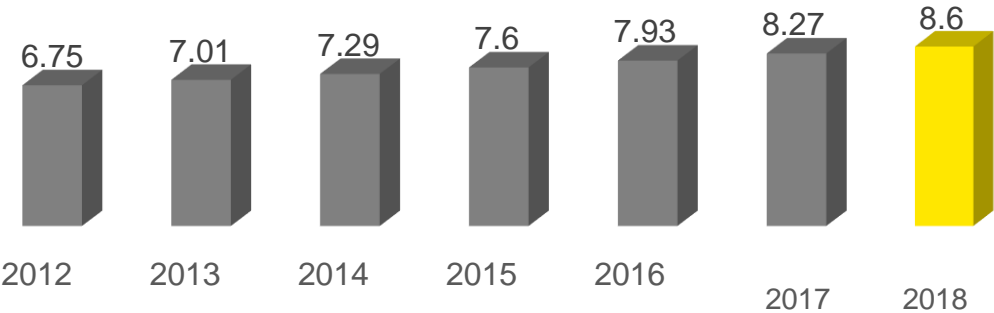
Source: <https://www.wttc.org/research/economic-research/economic-impact-analysis>

# Global Overview

## Types of Tourism



Total contribution of travel and tourism to the global economy from 2012 to 2018 (in trillion USD)

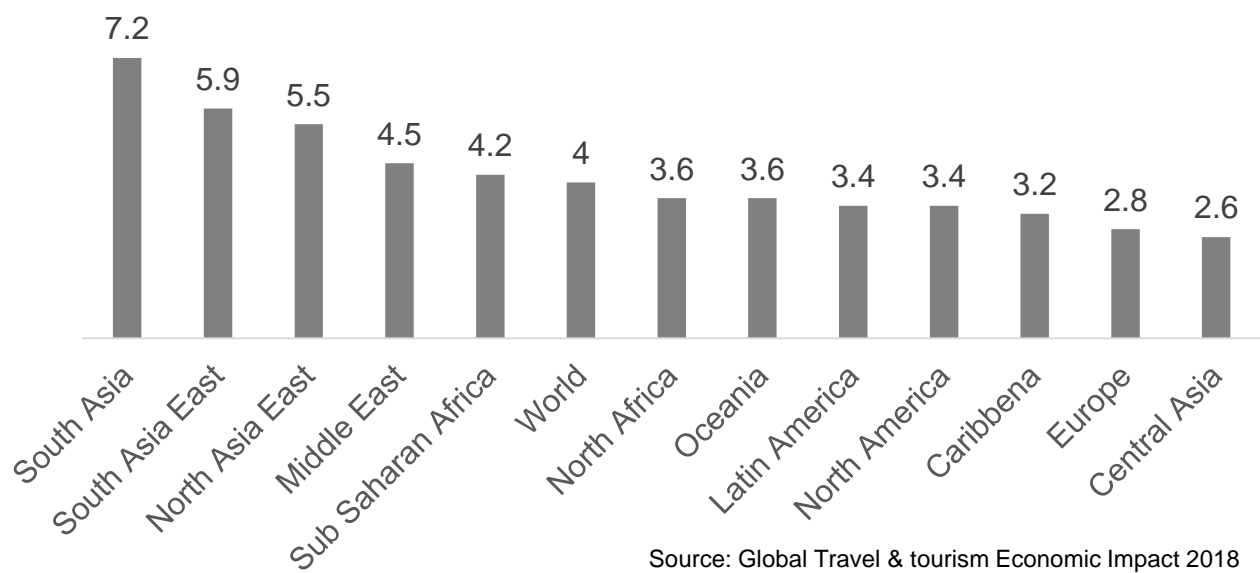


Source: World Travel & Tourism Economic Impact 2018  
2018 is Estimated number



# Global Overview

2018 Direct T&T GDP Contribution Growth (in %)



Top 3 Countries, Total Travel & Tourism contribution to GDP (2017)



- It is a major category of international trade in services
- In Worldwide export category, tourism ranks third, in many developing countries, tourism is the top export category.
- The market share of emerging economies increased from 30% in 1980 to 45% in 2016, and is expected to reach 57% by 2030





# Tourism in India



# India Overview

Land of  
Natural  
Beauty



## World Ranking (out of 185 Countries)

**7**

In 2017

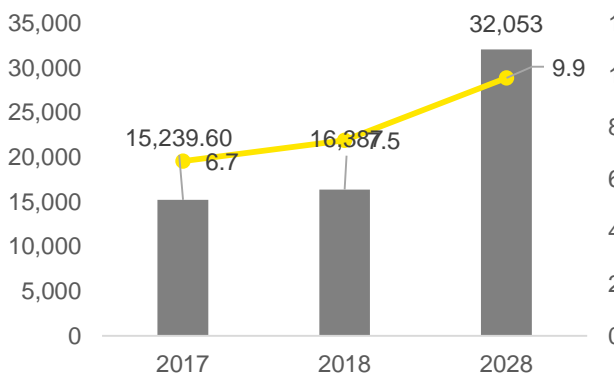
**99**

Contribution to GDP in 2017

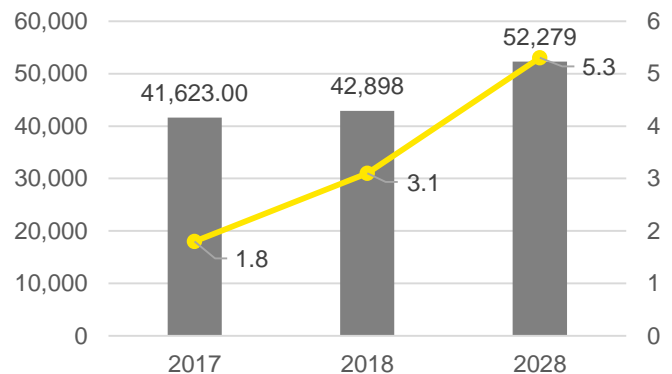
**6**

Growth in 2018

### Contribution to GDP



### Contribution to Employment



■ Total contribution to GDP ● Percentage Rise

■ Total Employment ● Percentage Rise

Source : GDP in INR Bn and Employment '000

## Visitor Exports

Visitor exports generated INR1,777.1bn (USD27.3bn), 5.8% of total exports in 2017. This is forecast to grow by 5.5% pa, from 2018-2028, to INR3,316.4bn (USD50.9bn) in 2028

## Investment

Travel & Tourism investment in 2017 was INR2,706.1bn, 6.3% of total investment (USD41.6bn). It should rise by 6.7% pa over the next ten years to INR5,546.3bn (USD85.2bn) in 2028

Source : Travel & tourism Economic Impact 2018, India, <https://www.wttc.org/-/media/files/reports/economic-impact-research/countries-2018/india2018.pdf>

# Economic Contribution of Travel and Tourism

Travel and tourism is the largest service industry in India

## Direct

### Commodities

- ▶ Accommodation
- ▶ Transportation
- ▶ Entertainment
- ▶ Attraction

### Industry

- ▶ Accommodation services
- ▶ Food & beverages services
- ▶ Retail trade services
- ▶ Transportation services
- ▶ Cultural, sports & recreational services

### Spending Source

- ▶ Residents' domestic T&T suppliers
- ▶ Household goods spending
- ▶ Businesses' domestic travel spending
- ▶ Visitor exports
- ▶ Individual government T&T spending

## Indirect

- ▶ T&T investment spending
- ▶ Impact of purchase from suppliers

## Induced

- ▶ Food & Beverages
- ▶ Recreation
- ▶ Clothing
- ▶ Housing
- ▶ Household goods

GDP

Employment

- Direct contribution to GDP **3.7%**
- Total contribution to GDP **9.4%**

- Direct **39.0%**
- Induced **10.9%**
- Indirect **50.1%**

- Business Spending **94.6%**
- Leisure Spending **5.4%**

- Foreign Spending **12.8%**
- Domestic Spending **87.2%**

% of Direct  
T&T GDP

- Direct contribution to Employment **5%**
- Total contribution to Employment **8%**

Contribution of T&T in 2017

Source : Travel & tourism Economic Impact 2018, India, <https://www.wttc.org/-/media/files/reports/economic-impact-research/countries-2018/india2018.pdf>



# Government Initiatives

## Incredible India



Aim of promoting India as a destination of choice for the discerning travellers & campaign projected India as an attractive tourist destination by showcasing different aspects of Indian culture and history like yoga, spirituality, etc.

## Atithi Devo Bhava



The aim was to teach the stakeholders the importance of tourists and tourism places. The program brings awareness in the people towards the preservation of our culture, heritage and hospitality & to train the taxi drivers, guides, police and other people who directly interacting with the tourists.

## Swadesh Darshan



To develop circuits having tourist potential in a planned and prioritized manner & to promote cultural and heritage value of the country. Also aims to create awareness among the local communities about the importance of tourism.

## Pilgrimage Rejuvenation and Spiritual Augmentation Drive



PRASAD aims to development and beautification of pilgrimage sites to tap the growth of domestic tourists, to provide better facilities to pilgrims/tourists & developing world-class infrastructure in the religious destination.

## National Tourism Policy

### Tourism as a National Priority

- ▶ To provide effective linkages & close coordination between departments & Ministry of Tourism
- ▶ Plan & implement a professionally managed integrated communication strategy to the 'National Tourism awareness Campaign'

### Digital Technology for Marketing

- ▶ Internet is a crucial channel via which tourism organisations can promote their destinations & products
- ▶ Gains cost effective global distribution & new opportunities for self financing between public entities & private operators

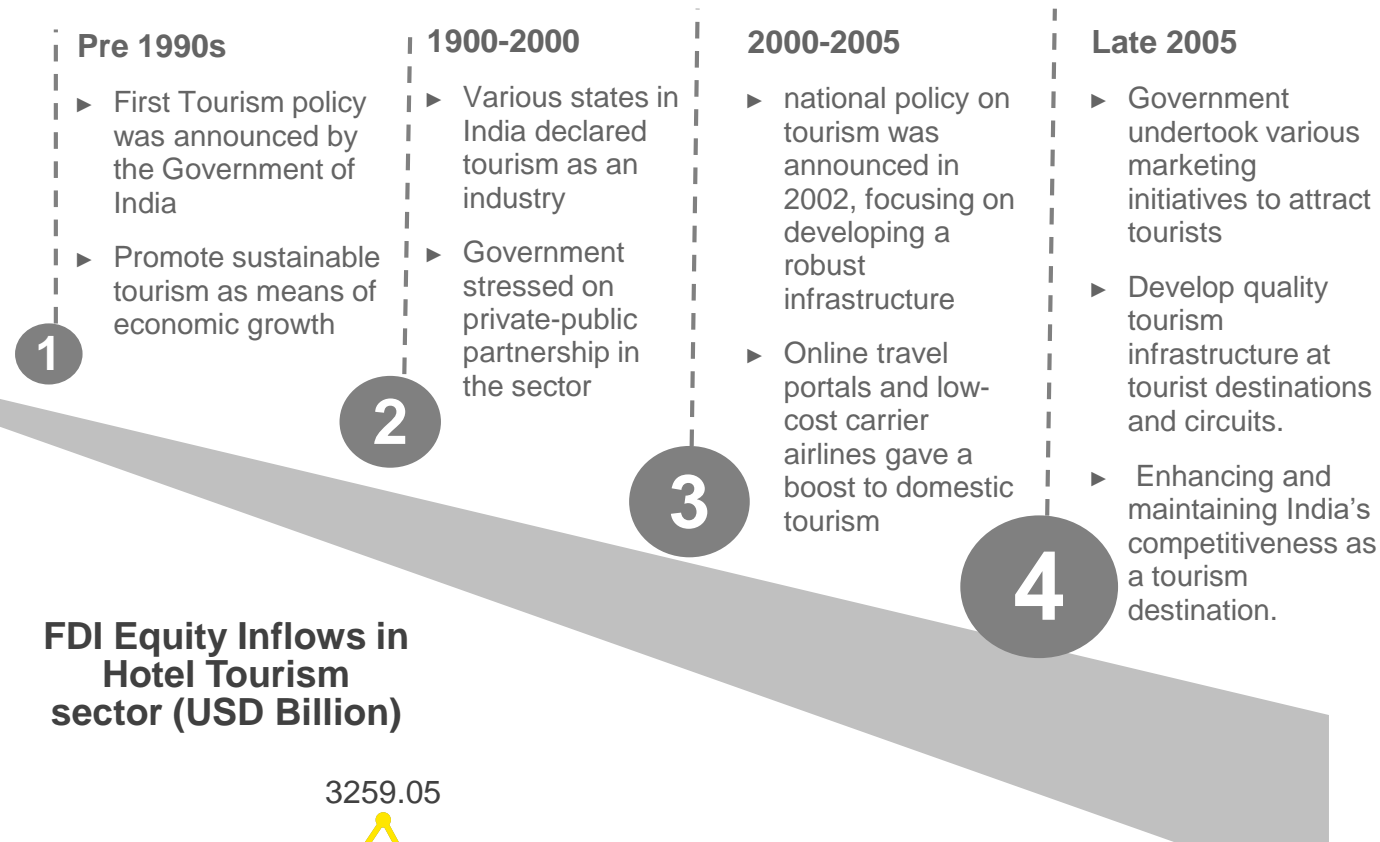
### Enhancing India's Competitiveness as a Tourist Destination

- ▶ Improve the standard of facilities & service at the nation's international & major domestic ports by employing professional property management agencies
- ▶ Need for creation of special tourism police force to provide travellers security through a sprit of courtesy & hospitality

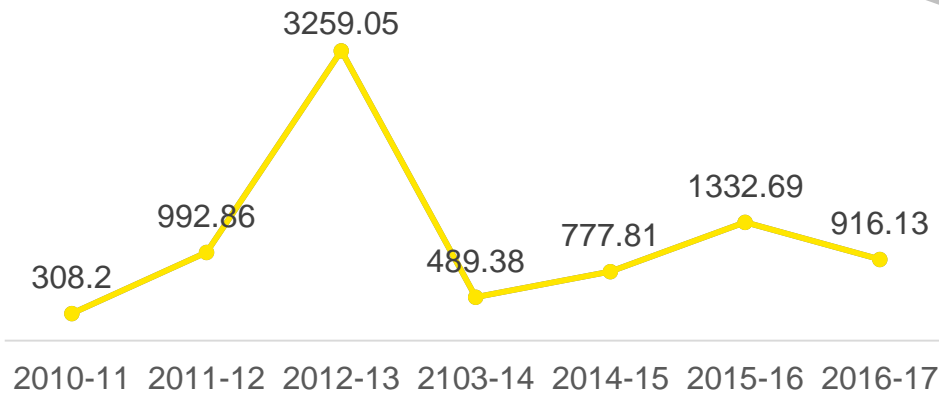
### Creation of world Class Infrastructure

- ▶ Inter state highways & improvements to rural roads directly support tourism development
- ▶ Introduction of special tourist trains, railway hotels, more trains like Shatabdi & Rajdhani with special tourism & hospitality focus

# Evolution of Indian Tourism Sector



**FDI Equity Inflows in Hotel Tourism sector (USD Billion)**



Source: <https://community.data.gov.in/fdi-equity-inflows-in-hotel-tourism-sector-from-2000-01-to-2016-17/>

## Major Investors





# Tourism in Karnataka



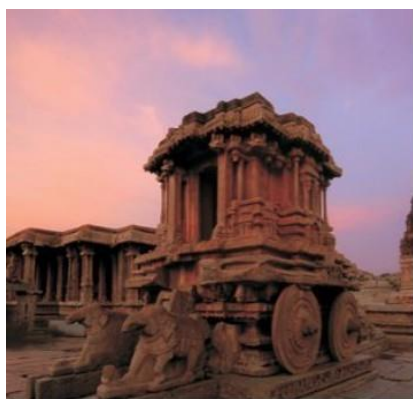


# Karnataka Overview

- Ranks 4 in India in tourism
- Largest number of tourist destinations in India
- Coorg won an award for being India's Favourite Emerging Tourist Destination
- ₹700-crore worth tourism investment at the 38<sup>th</sup> edition of Pacific Asia Travel Association Travel Mart (PATA)
- Mysore, popular tourist hub, exhibits an influence of the Raj era
- Hampi Utsav celebrates the grandeur and elegance of the Vijayanagar era
- More than 100 million tourists in the last five years
- 25 wildlife sanctuaries and five national parks
- Nearly 5.35 lakh tourists,(including foreigners) visited Hampi during 2016-17
- Rough Guides Magazine of England has reported stating that Karnataka is one among the Top 10 Valuable Tourist destination in the World

**319**

**Largest number of tourist destinations in India**



**Heritage Tourism**



**City Tourism**



**Punith Yathra**



**Beach Tourism**



**Nature Tourism**



**Adventure Tourism**

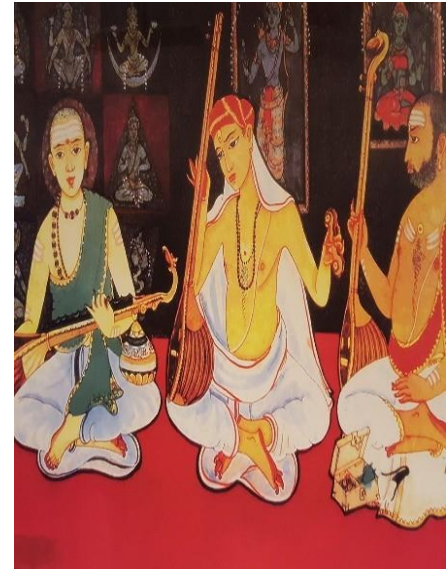


# Karnataka- Tradition

## Art & Culture



Culture of Karnataka is so vibrant that it adds new flavour to its very existence. The local customs, dances and practices add new vibe to the state. It is a state of distinct art & culture with diverse linguistic and religious ethnicity. Yakshagana, a classical folk play, is one of the major theatrical forms of Karnataka. Both Hindustani and Carnatic music are famous. Mysore painting is an important form of classical South Indian painting. It is known for elegance, muted colours, and attention to detail.



## Cuisine



Karnataka's cuisine includes a wide range of vegetarian and non-vegetarian dishes that reflect influences from the neighbouring regions and communities. It is characterized by distinct textures, flavours and taste. The state's vast culinary repertoire encompasses the earthy and unique flavours. State has a rich culinary heritage. Regional food habits broadly differ depending on locally available ingredients.





# Karnataka- One State, Many Worlds

## Heritage

- Hampi
- Pattadakal
- Badami
- Aihole
- Gol Gumbaz
- Chitradurga
- Banavasi
- Barkur
- Halebidu
- Halasi
- Kalvedurga
- Somanthpur
- Srirangapatha

- Jog falls
- Gokak Falls
- Coorg
- Kodachadri
- Mulliyana Giri
- Agumbe
- Nandi Hills
- Kudremukh
- Chikmagalur
- Kemmanagundi
- Shivanasamudra
- Hebbe Falls

## Nature



# Karnataka- One State, Many Worlds

- Dandeli
- Bandipur
- Bannerghatta
- Dubare Reserve Forest
- Ranganathittu Bird Sanctuary
- Adichunchangiri Bird Sanctuary
- Bhadra Wildlife Sanctuary
- Nagarhole National Park



## Wild Life



## Adventure

- Dandeli
- Nandi Hills
- Kumara Parvatha
- Mulliyana Giri
- Kalavara Durga
- Shivaganga Hill
- Devarayanadurga
- Kemmanagundi
- Yana
- Kabini
- Sharavati
- Bheemashwari





# Karnataka- One State, Many Worlds

## Pilgrimage

- Gokarna
- Murudeshwar
- Udupi
- Dharmasthala
- Sringeri
- Kollur Mookambika
- Kukke Subrahmanya Temple
- Melukote
- Horanadu Annapoorneshari
- Ghati Subramanya
- Kotilingeshwara



- Shravanabelagola
- Karkala
- Venur
- Gommatagiri



- Hazarat Tawakkal Mastan
- Jama Masjid
- Zanana Masjid
- Ek Minar Mosque
- Khawaja Bande Nawaz Durgah





# Karnataka- One State, Many Worlds

## Mysore Dasara

*One festival, many experiences*

September 21<sup>st</sup> - 30<sup>th</sup>, 2017

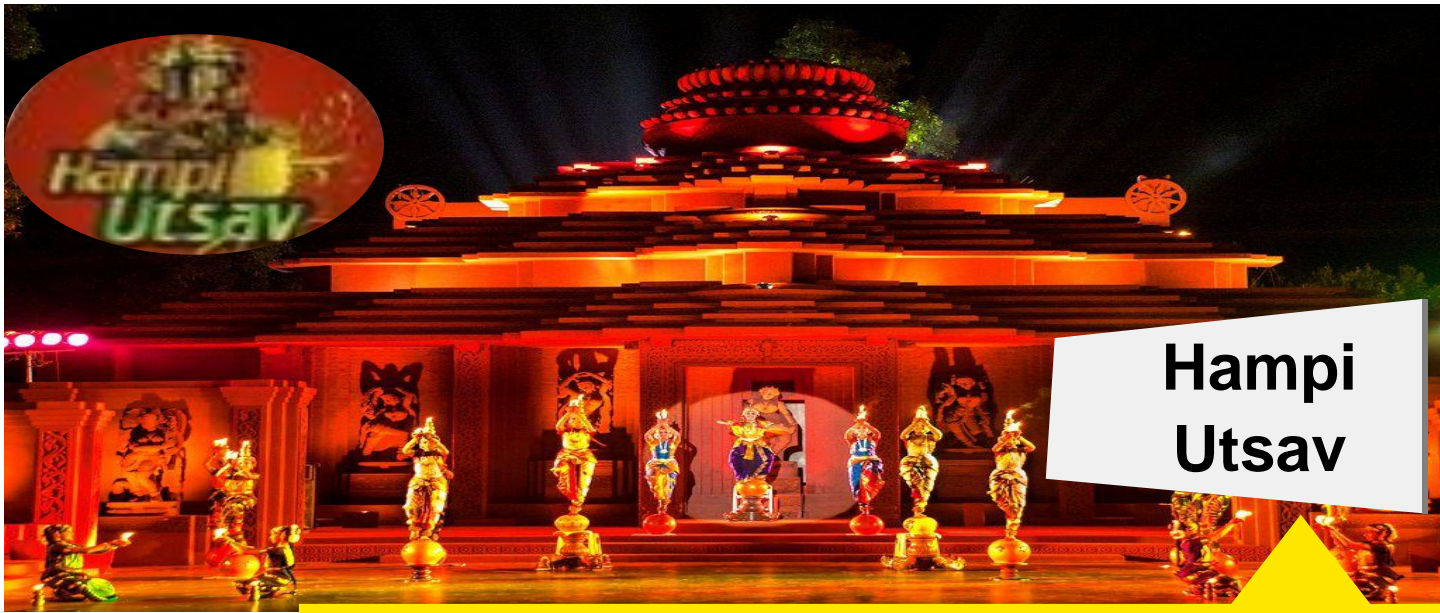
Mysore Dasara is the state festival of Karnataka. It is a Royal Festival Celebrating victory of Truth over Evil. "Where royalty, art & culture meets. Celebrating the tradition for 407 years, where goddess is seated on the golden throne with elephants in the grand procession. Where all come together to revel the past, experience the present & remember it for future, 133 year old Monument will tell an incredible story of Mysore Dasara". Mysore is an enthralling destination for travelers, especially during Dasara.

## Bangalore Karaga

Bengaluru Karaga is one of the oldest festivals celebrated in the heart of Bengaluru. It is a well-known tradition of 'Vahnikula Kshatriyas' community in southern Karnataka. It is believed that Draupadi, the Pandava's wife, took the form of Shakthi devi, she created a huge army of soldiers called the Veerakumaras for defeating Asura. Karaga Draupadi is worshipped as an incarnation of Adiparashakti and Parvathi



# Karnataka- One State, Many Worlds



The largest festival at Hampi. It is a cultural event of UNESCO World Heritage Site, Hampi, presenting elephants, as well as local lads and horses wearing spectacular outfits pointing out military fashion of the Golden Era. The grandeur and elegance of the Vijayanagar era is almost brought back to life, through these festivities. It is scheduled for 3 days during the first week of November. The celebrations typically packed with shows of music, dance puppet shows fireworks and a pomp procession as the grand finale showcasing the cultural richness of the place.



## Kadambotsava

Kadambotsava is the famous cultural festival of Banavasi (Uttara Kannada District). It is held every year. During the event, artists from different places in South India showcase their music, dance and art forms. Kannada literature 'Pamapa Award' will also be presented on the occasions. Priority given for young talents in cultural programmes

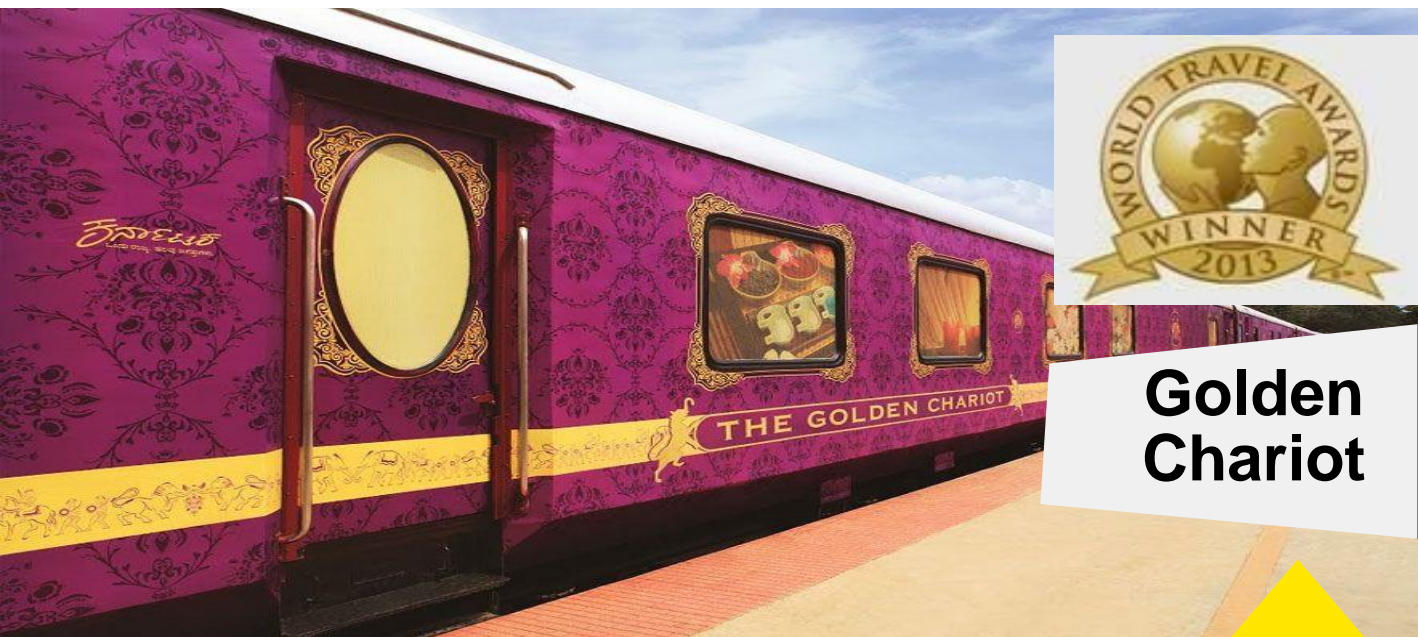


# Karnataka- One State, Many Worlds

## Jungle Lodges/Resorts



Jungle Lodges and Resorts (JLR) is a responsible wildlife & eco tourism company with a strong commitment to use tourism as a genuine tool for conserving the environment & wildlife also educates people by letting them experience wildlife and fragile habitats. JLR's resorts and camps are located in some of Karnataka's ecologically sensitive yet amazing natural destinations. JLR offers various wildlife viewing and outdoor activities as part of its packages like jeep safaris into the forests, elephant rides, boat and coracle rides, guided treks, white-water rafting, kayaking, canoe tours, elephant interactions, water sports, snorkelling, para-sailing etc.,



## Golden Chariot

The only luxury train in South India, "Golden Chariot" offers an insight into treasure trove of archaeological wealth, abundant bounty for wildlife seekers and a kaleidoscope of culture. Designed & operated on the lines of World famous Palace On wheels Train Tour. It is a Southern Splendor. It offers luxuriously furnished Air-Conditioned Saloons of 4 sleeping chambers(Cabins), Two Dining Cars, One Bar Lounge ,Business Centre, Mini Gymnasium & Ayurvedic Spa

# Health, Medical & Wellness Tourism

- Karnataka has the highest number of approved health systems and alternative therapies in India.
- Karnataka has emerged as a hot spot for health care tourism.
- ISO certified government-owned hospitals, private institutions which provide international-quality services
- Bangalore is a mix of traditional systems like Ayurveda and yoga and modern medical expertise
- In Bangalore there are a multitude of agencies responsible for the city's healthcare delivery system.

## 1 Narayana Hrudayalaya , Bangalore

Known for its cardiac care service with 3000 beds, and an 80 bed ICU. Nearly 15-20% of the patients treated at the facility are medical tourists.

*Narayana Nethralaya* super specialty eye hospital.

## 2 Apollo Hospitals, Bangalore

One of the pioneers of medical tourism. It has 300 beds and houses state-of-the-art facilities. 'Platinum Wing' which focuses exclusive international patient

## 3 Fortis Hospitals

76 hospitals, and over 12,000 beds, 600 primary care centres, 191 day care specialty centres, 230 diagnostic centres, and 23,000 staff. Approximately receives 40-50 medical tourists per month

## 4 Manipal Hospital, Bangalore

Facility was started by one of the oldest and most prestigious medical colleges in the state, large hospital with 650 beds. Increase in the number of international patients coming to avail the facility.

## 5 Sri Sathya Sai Hospital- Bangalore

It is a super speciality health care putting into practice the principles of human values as laid by Sri Sathya Sai Baba. It is one of those few hospitals in the world where patients get unmatched treatment by a dedicated team of highly qualified medical professionals at free of cost



Hospitals for  
Orthopedics,  
Oncology,  
Neurology,  
Gynecology



# Golf: Transforming Karnataka into a Green State

15 golf courses, of which 11 are 18-hole courses, tee-off leisure and relaxation industry in the State





## Vision

To make Karnataka one of the top two states in the country in terms of domestic footfalls by creating a world class tourism infrastructure, thematic circuits, sustainable tourism practices, encouraging private partnerships & investment to provide a conducive business environment, branding & positioning to Karnataka tourism nationally & internationally & becoming one the largest direct & indirect employment generator sector in the state

**Increase tourism contribution to GSDP from current 14.8% to 20%**

- Increase per user spending by crossing selling new tourism products at destination such as water sports, river cruise & MICME
- Create incentives plans to attract domestic & foreign investment into the sector for the development of new destination, product , service & infrastructure

- Set up Heritage & festival authority to make Karnataka a preferred tourism destination, nationally & internationally, through branding & promotional activities & other activities during festival
- Organise travel Marts & Exhibitions to attract more tourism promoters & Operators to the state & engage multiple stakeholders in development of tourism

**Make Karnataka one of the top two states in India in terms of domestic footfalls**

**Provide about 65 Lakh tourism industry job in the state**

- Encourage increased CSR spending from Private sector for development of tourism through activities such as skill development & Sustainability programmes
- Make tourism an aspirational career choice by enhancing training & professional education with necessary infrastructural support & programmes

- Develop infrastructure to ensure last-mile connectivity to all significant tourism destination & provide adequate facilities for communal & public transport
- Build world class tourism information database with analytical capabilities for up to date market information to identify areas & opportunities for interventions

**Build world class tourism infrastructure to position Karnataka as a world class tourism destination**



# Major Initiatives by Karnataka Government

Karnataka State Tourism Development Corporation set up in the year 1971 to provide basic needs of accommodation and transport facilities to the visiting tourists at tourist destinations

Jungle Lodges & Resorts Ltd Set up in 1980 to promote Eco & Adventure Tourism owns 18 resorts across the state

**Karnataka Exhibition Authority, Mysore** set up in 1981 to promote art, culture, literature, science and technology of Karnataka through exhibitions/ fairs

Karnataka Tourism Vision Group has been constituted for advising Department of Tourism

Providing concessions and subsidies to investors and operators in the tourism sector including mega tourism projects under **New Tourism Policy 2015-20**

Enabling investment in state tourism sector through Karnataka Tourism Trade Facilitation Bill

Orders for establishment of Karnataka Tourism Infrastructure Ltd for comprehensive development of tourist facilities and to take up Flagship/PPP model projects

Cauvery Tourism development authority has been formed for the comprehensive Development of Tourism facilities in Mysuru, Mandya, Chamarajanagara and Kodagu districts

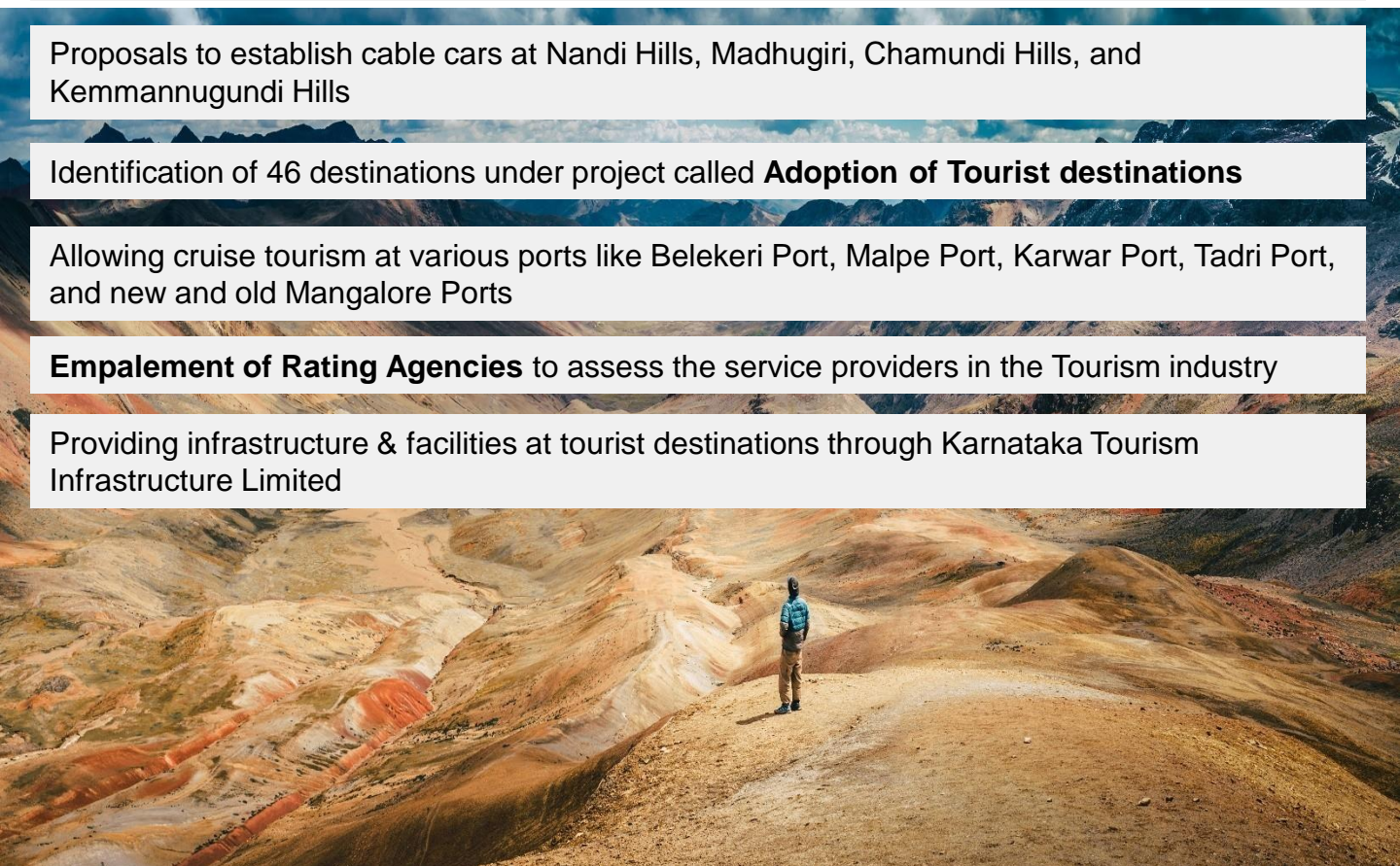
Proposals to establish cable cars at Nandi Hills, Madhugiri, Chamundi Hills, and Kemmannugundi Hills

Identification of 46 destinations under project called **Adoption of Tourist destinations**

Allowing cruise tourism at various ports like Belekeri Port, Malpe Port, Karwar Port, Tadri Port, and new and old Mangalore Ports

**Empalement of Rating Agencies** to assess the service providers in the Tourism industry

Providing infrastructure & facilities at tourist destinations through Karnataka Tourism Infrastructure Limited



### Investment Promotion Subsidy

- ▶ The actual quantum of investment subsidies eligible for a project would depend on the extent the equipment is being utilized for providing tourism related activities

### Stamp Duty & Concessional Rate

- ▶ 50% - 100% payment on Stamp Duty to be exempted
- ▶ A concessional rate of INR 1.00 per INR 1,000

### Transfer of Land on Lease Basis

- ▶ For development of tourism infrastructure projects, government land could be leased to the private developer / entrepreneur for a period of 30 years, renewable by another 30 years on a case to case basis

### Land Conversion Fees

- ▶ 75 % - 100% of the land conversion fee to be exempted for converting the land from agriculture use for development of Tourism

### Exemption on Entry Tax

- ▶ 100% exemption on entry tax on plant & machinery and capital goods for development of Tourism Projects

### Reimbursement of Entertainment Tax

- ▶ The payment of Entertainment Tax by Entertainment Parks that are classified as Ultra Mega Projects and Super Mega Projects shall be reimbursed

### Exemption on Luxury Tax

- ▶ Exemption on actual room charges of INR 5,000 or below per day, no luxury tax would be payable

### Exemption on Motor Vehicle Tax

- ▶ New vehicles purchased by tourism project proponents in Karnataka, for carrying out tourism related activities shall be exempted from payment of Motor Vehicle Tax

### Interest-Free Loan

- ▶ 100% of Value Added Tax shall be sanctioned as interest free loan for Mega, Ultra Mega, Super Mega projects

### Development Rights for Heritage Buildings (DRHB)

- ▶ Development of heritage buildings for tourism related activities shall be eligible for the award of development rights certificate from the local body concerned

### Concessions for Homestays

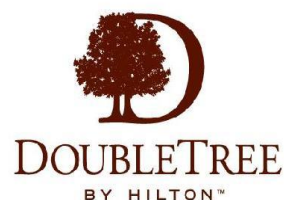
- ▶ Exemption from Luxury Tax on actual room charges of INR 5000 and below per day
- ▶ Payment of electricity and water charges at domestic tariffs
- ▶ Property tax rates as prescribed for residential purposes



## Key Players



Member ITC's hotel group



**THE RITZ-CARLTON**



# Investment Opportunities

Development of Resort, Adventure Sports Facilities, Urban Entertainment Centre and Food Court at Anekal	Bangalore Urban
Botique Resort at Sakaleshpur	Hassan
Water Sports Camp/Complex at Shantisagar Lake, Davangere	Davanagere
Adventure Sports Facilities at Kere Thonnur Lake	Mandya
Eco-Resort and Adventure Sports Facility at Jog	Shimoga
Development of Eco Resort along with House Boats, Restaurants and Water Sports Facilities at Marawante	Udupi
Development of Heritage Hotel/Resort at Hampi	Bellary
Development of Highway Amenities at Agumbe	Shimoga
Development of Resort/Hotel and Wayside Amenities at Belur (Yagachi)	Hassan
Development of Heritage Hotel/Resort at Pattadakal	Bagalkot
Development of Star Category Hotel at Badami	Bagalkot
Development of Resort at Belur (Halebidu Road)	Hassan
Development of Resort at Ilavala, Mysore	Mysore

These project will be administered by Karnataka Tourism Infrastructure Ltd





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