

TOURISM INVESTORS MEET (TIM) 2015

July 22-23, 2015, FICCI, New Delhi



A Report





From left to Right: Shri BM Gupta - CGM, TFCI, Dr. Didar Singh, Secretary General- FICCI, Shri Amitabh Kant - Secretary - DIPP, Govt. of India, Dr. Jyotsna Suri, President - FICCI, Chairperson - FICCI Tourism Committee and Chairperson & Managing Director, The Lalit Suri Hospitality Group, Dr. Lalit Kumar Panwar, Secretary - Ministry of Tourism, Govt. Of India, Shri S.K. Sangar, MD-TFCI Shri Mukesh Kapoor, CGM-Planning, Madhya Pradesh Tourism

The first edition of Tourism Investors Meet was held successfully from July 22-23 at FICCI New Delhi.

The Inaugural session was held on July 22 at FICCI. Dr. **Lalit Kumar Panwar, Secretary Tourism, Government of India** delivered the Inaugural address. Other dignitaries who graced the Inaugural session by their presence were **Shri Amitabh Kant, Secretary, Department of Industrial Promotion and Policy, Govt. of India, Shri Mukesh Kapoor - Chief General Manager - Planning, Madhya Pradesh Tourism, Dr. Jyotsna Suri, President, FICCI, Chairperson - FICCI Tourism Committee and Chairperson and Managang Director, The Lalit Suri Hospitality Group, Dr. Didar Singh, Secretary General, FICCI, Shri S K Sangar, MD, TFCI.**

Total eleven states from India over the period of two days made presentations in front of more than 200 key stake holders from the tourism Industry soliciting Investment in tourism Infrastructure followed by structured face to face business meetings between the states and interested Investors .

The States included **Madhya Pradesh** (Theme State), **West Bengal, Rajasthan, Telangana** (Partner States). The other participating states were **Karnataka, Goa, Andhra Pradesh, Chattisgarh, Punjab, Haryana, Kerala.**

On second day July 23, a special ministerial session was organised which was addressed by **Shri Ashok Gajapathi Raju Pusapati, Hon'ble Minister for Civil Aviation, Government of India** and **Dr. Mahesh Sharma, Hon'ble Minister of State, (IC), Ministry of Tourism, Government of India.** The other dignitaries on the dais were **Dr. Lalit Kumar Panwar, Secretary Tourism, Govt. of India, Shri Malay Mukherjee, Chairman, TFCI, Shri SK Sangar, MD, TFCI, Dr. Jyotsna Suri, President, FICCI, Chairperson - FICCI Tourism Committee and Chairperson & Managing Director, The Lalit Suri Hospitality Group, Dr. Didar Singh, Secretary General, FICCI.**





Shri Ashok Gajapathi Raju Pusapati
Hon'ble Minister for Civil Aviation, Government of India

“Politically, we are a federal structure and in a federal structure the states are also important partner in this endeavour. So, the states, Government of India and economic activity, if we can work as a team probably we can achieve to a substantial measure what we want to achieve or what we set out to achieve. The trick probably is working as a team. In that sense, FICCI has already started interactions with lot of state governments.”

Shri Mahesh Sharma, Hon'ble Minister of State, (IC)
Ministry of Tourism, Government of India

“We at ministries promise you that we are here to address the issues related to the industry, be it investment, infrastructure creation or coming forward with large revenue generating projects or be it implementing of policies of electronic tourist arrival documentation, be it e-ticketing of the monuments, be it making clean and safe environment of tourist destinations, we want to join hands with private stakeholders, with a smile and smile is not possible at gun point or with government restrictions. It comes from the inner core.”



Dr. Lalit Kumar Panwar, Secretary, Ministry of Tourism
Government of India

“One single decision which is a game changer is the E-Visa. By the time we close this fiscal, we will have list of 150 countries who will be given Electronic Travel Visa. Apart from being a game changer, this also improves our image. We want people to come. Tourism is nothing but perception. How do you perceive a particular country? Why everybody wants to go to Dubai or Singapore? Because there is quality of life, good tourism products, safety and security. Our challenge is to make it happen here too, we have to ensure that our perception improves in the world.”



Shri Amitabh Kant, Secretary, DIPP
Government of India

“India is passing through a window of demographic transition which rarely happens in history. There is no sector in India which has the potential to create jobs for young men and women other than tourism. We need completely new innovative incredible India 2.0 which will penetrate global market”





Dr. Jyotsna Suri, President, FICCI, Chairperson - FICCI Tourism Committee and Chairperson & Managing Director, The Lalit Suri Hospitality Group

“While the world tourism is 4.4% India's tourism is growing at 10% p.a., adequate infrastructure to cope with this demand is the need of the hour. With the aim to bridge the gap FICCI conceptualised the TIM as we call it and with the support of Ministry of Tourism and TFCI we have established this platform which will be held annually in Delhi.”

**Shri S K Sangar, Managing Director
Tourism Finance Corporation of India Ltd.**

“As compared to sluggish global growth, Indian economic outlook improved considerably during 2014-15 and particularly in mid of 2014. The foreign tourist arrivals in India were 22.57 million during 2014 as compared to 19.95 million during 2013 recording a growth of 13.12%. The FEE - Foreign Exchange Earning from tourism during 2014 FEE was 1,22,083 cr as compared to 1,07,671 cr in 2013. As per WTTC report for India, the total contribution of travel and tourism to GDP was INR 7642.5 billion that is 6.7% of the GDP in 2014.

This meeting is aimed at providing platform between the investors and the government to understand each other's perspective and improve the ease of doing business in tourism.”



Dr. Didar Singh, Secretary General, FICCI

“FICCI specialises in and as you can see we have set up B2G meeting which means business with government. We have 11 state governments that are here and there will be a series of discussions and connectivity over the two days where I hope that we will be actually generating both interest as well as business as we go along.”



Key Takeaways

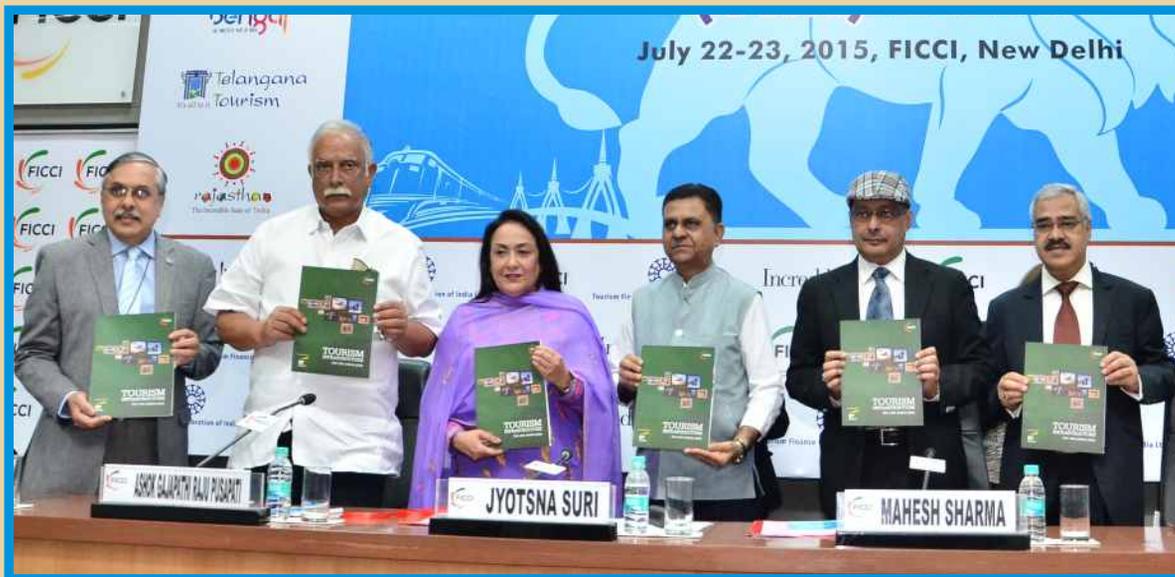
- The tourism sector recorded satisfactory performance during 2014. The foreign tourist arrivals in India were 22.57 million during 2014 as compared to 19.95 million during 2013 recording a growth of 13.12%. The FEE - Foreign Exchange Earning from tourism during 2014 FEE was 1,22,083 cr as compared to 1,07,671 cr in 2013. Domestic tourists in India were around 12.82 million during 2014 as compares to 11.45 million in 2013. As per WTTC report for India, the total contribution of travel and tourism to GDP was INR 7642.5 billion that is 6.7% of the GDP in 2014. In 2014 the total contribution of the travel and tourism to the employment including jobs, indirectly supporting industry was 8.7% of the total employment in India.
- Tourism and travel sector is estimated to create 78 jobs per million rupee of investment as compared to 45 jobs in manufacturing sector for similar investment. As per Survey of World Economic Forum in 2013, India ranks 65th in the overall travel and tourism competitiveness but ranked dismal 132nd in terms of visa restrictiveness. To address this issue, the Government of India has decided to extend visa on arrival facility, currently available for 43 countries to 150 countries in stage wise manner which is expected to improve the tourism competitiveness of India and to boost foreign tourist arrivals in the country which were 7.5 million in 2014.
- In another move to boost FTAs along with domestic tourist arrivals the budget proposes to carry out restoration work in 9 world heritage sites across India - churches, convent of old Goa, Hampi in Karnataka, Elephanta Caves near Mumbai, Kumbhalgarh and other hill resorts in Rajasthan, Leh Palace in Laddakh, Varanasi in UP, Jalianwala Bagh in Amritsar and Qutubshahi tombs in Hyderabad.
- According to World Tourism Organisations study a foreign tourist spends average of about 18 days in India. Since 97% of Foreign tourist traffic is coming by air. It is very crucial to liberalise the civil aviation sector. It is very important because the growth of tourism Sector is directly linked with Civil Aviation Sector.
- India needs to reposition itself through a proper communication strategy. We need completely new innovative incredible India 2.0 which will penetrate global market.
- India needs to set itself as a MICE destination of the world. Exhibitions are huge area of business across the world. Singapore, Malaysia, Hong Kong these are destinations which have become large because of conventions and exhibitions. They enable tourists to keep coming for 365 days a year. Therefore, India needs to create large exhibitions and convention centres across each one of our cities.
- To address the issue of dearth of skilled workers in this sector Government have sanctioned 100 crore project in Noida to set up the Indian Culinary institute and also one at Tirupati. Five more culinary institutes will be established in coming 5 years to produce good staff, good F&B helpers, kitchen assistants etc. Capacity building is very high on the priority list of Ministry of Tourism.



- An approval has been sought from Ministry of HRD to have a National Tourism University which will be called National Tourism and Hospitality University to be set up in Noida on the same campus where we have National Council of Hotel management, Culinary School, Institute of Tourism Management. The National Tourism and Hospitality University which will be the apex body for the entire human resource requirement of country and will have collaboration with the top industries in the world.
- In the Inter Ministerial Coordination Committee any issue pertaining to Tourism industry can be flagged at the level of cabinet secretary who can pose it to the Hon'ble Prime Minister. The prime issue which has already been addressed are fiscal irritants and the repayment of loan taken for the purpose of investment.
- A 500 cr mega project called 'Swadesh Darshan' has been launched to create the infrastructure keeping in mind the three A's of tourism Access, Accommodation and Amenities. The objective of Swadesh Darshan is nothing but the growth of domestic tourism products on thematic circuit based like Desert circuit, Coastal circuit, Island circuit, Buddhist circuit, Ramayan circuit, Krishna Circuit, Ganga circuit.
- The Amusement Parks & Theme Parks needs special care and relief in terms of tax structure to be given as they also form an integral part of Tourism Industry.
- For the highways, it has been started with a big way in "Hunar se Rozgar tak". In these scheme the government will give training to Dhaba workers and also incentive of about Rs. 200—300/- per Dhaba to be given for those workers who attend the training programme
- The Hon'ble Minister of tourism has announced Medical & Wellness Tourism Promotion Board to boost Medical Tourism In India.



Release of FICCI-EY Report

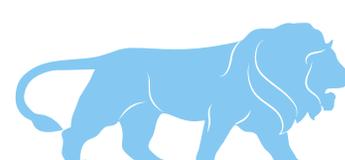


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FICCI –EY Knowledge paper – “Tourism Infrastructure The Role States Play” was released at the Special ministerial Session at Tourism Investors Meet , 2015.

The Knowledge paper highlights the following key recommendations for the development of Tourism Infrastructure in the country .

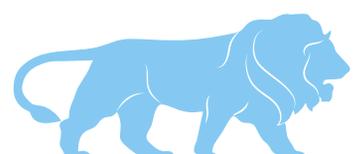
- **Tourism policy:** One of the basic initiatives is to have a dedicated state tourism policy which outlines how the states would like to project themselves. The policy also includes focus areas of the government, specific interventions proposed/planned, new/existing incentives to developers/private players and vision for development of tourism in the state, among others. A robust and comprehensive tourism policy is the first step towards achieving the desired tourist inflow for any state.
- **Connectivity:** The State Governments are focusing on inter as well as intra state connectivity. Improvement of regional connectivity is the need of the hour. The suggested steps could be speedy launch of the proposed high speed passenger trains, constructing new and improving existing rural roads, identifying air strips to be converted into small commercial airports, converting existing domestic airports into international airports and setting up heliports in select key states which experience more foreign tourist inflow. Inland waterways can be another area to explore for improving the connectivity between cities and states.



- **Tourist facilities:** One of the key requirements for the foreign tourists is the easy availability of the visa offices/ centres at all the key destinations experiencing high foreign turnout. Apart from ensuring basic facilities such as drinking water and sanitation, efforts should be channelized towards provision of parking and way side facilities.
- **MICE (Meetings, Incentives, Conferences and Exhibitions) sector:** There is an increased focus in many states on the MICE sector as an engine of growth for the business tourism sector. The availability of a number of options across all the cities connected through international airports is line with the demand. However, a separate strategy needs to be devised to take steps towards leveraging the MICE sector in cities which are currently not internationally connected since they face stiff competition from the other cities. Apart from connectivity, the availability of world-class infrastructure is another area of intervention such as setting up international level convention centers. Incentives and subsidies to attract investors may be proposed as part of the MICE strategy.
- **Accommodation facilities:** India has some of the best luxury hotels in the world however there are some unexplored destinations which need to upgrade their service levels as well as number of hotels. Introduction of theme based resorts and hotels are options to be explored further in such destinations. Some popular themes could be golf resorts, wild life resort, green/ clean technology resorts, etc.
- **Collaboration with other governments:** The states need to collaborate and explore opportunities to attract tourists by offering comprehensive services and solutions. This could be done by partnering with other states or countries and offering custom made services and experiences to tourists. To create an enabling environment, the states need to explore possibilities by initiating dialogue with key states/ countries and creating roadmaps for successful implementation.



Inaugural & Ministerial Session





State Presentations



*Shri Mukesh Kapoor, Chief General Manager, Planning
Madhya Pradesh Tourism*



*Shri Rajat Bose, Managing Director
West Bengal Tourism Development Corporation
Govt. of West Bengal*



*Shri Sumeet Singh, Executive Director- Hotels
Telangana Tourism*



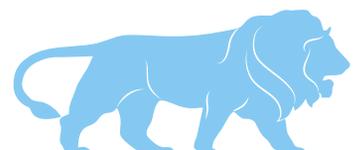
*Shri Sanjay Pande, Additional Director
Department of Tourism, Government of Rajasthan*



Smt. G Satyavathi, Director, Tourism, Govt. Of Karnataka



Shri G. Kamala Vardhana Rao, Secretary, Kerala Tourism





*Shri Ameya Abhyankar, Director,
Department of Tourism, Government of Goa*



*Smt. Anjali Bhawra, Principal Secretary
Tourism, Government of Punjab*



Shri B.M. Gupta, CGM, TFCI



*Dr M Beena, Managing Director
Kerala State Industrial Development Corporation*



*Shri Madhu Sudan, Officer on special Duty
Govt. Of Andhra Pradesh*



*Shri Mukesh Rao, Divisional Manager
Haryana Tourism*



*Shri Aghya Paul
Manager, Infrastructure & Government Service, KPMG
on Behalf of Chattisgarh Tourism*



B2G Meetings Madhya Pradesh



B2G Meetings West Bengal



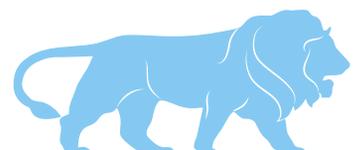
B2G Meetings Telangana

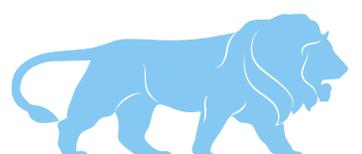


B2G Meetings Rajasthan



B2G Meetings Other Participating States



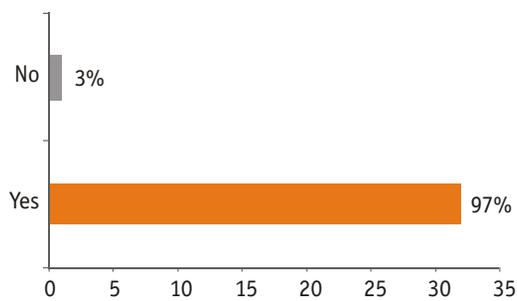


Feedback Analysis

Investors Feedback Analysis

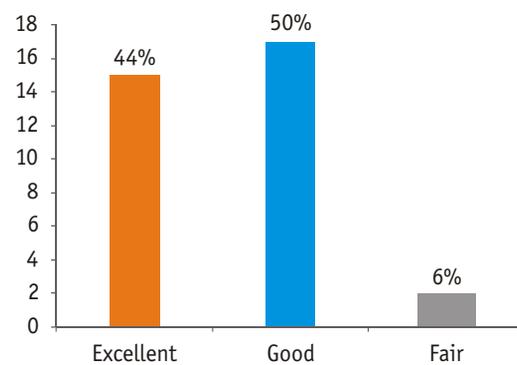
100% Fulfilment of The Pre Scheduled Business Meetings

97% responded that all (100%) their meetings took place



Quality of the B2G meetings

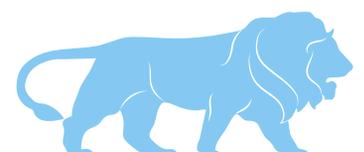
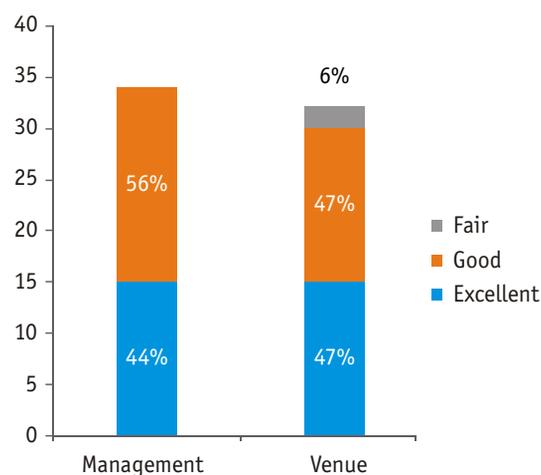
Rating on a Scale of Excellent, Good & Fair



Overall Impressions: Management & Venue Facilities

The respondents rated on a scale of Fair, Good & Excellent

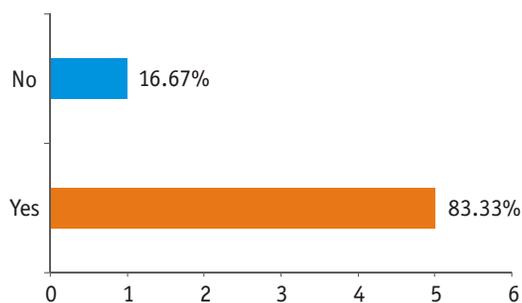
Overall Impression at TIM 2015



State Government's Feedback Analysis

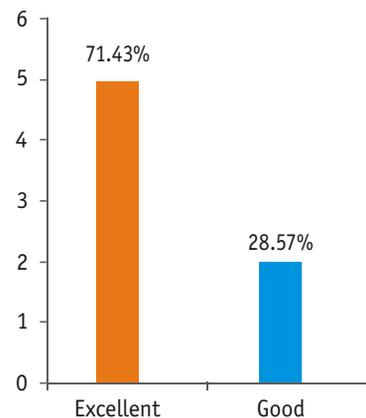
100% Fulfilment of Pre Scheduled Business Meetings

Majority number of participating states (83%) responded that all (100%) their meetings took place



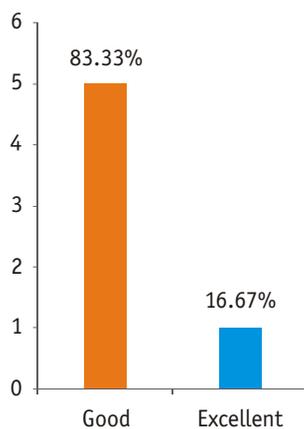
Quality of the B2G meetings

Rating on a Scale of Excellent, Good & Fair. Everybody (100%) were satisfied.



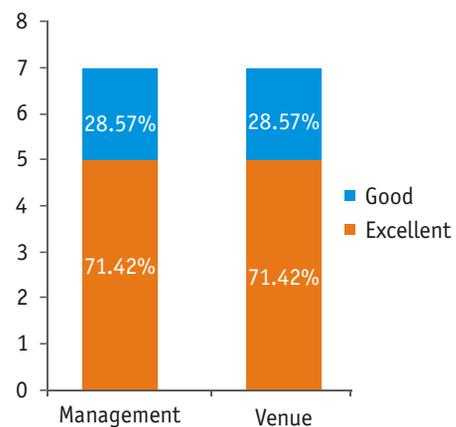
Achievement of the Business Objective

An overwhelming response from the participating states mentioning all meetings were fruitful



Overall Impressions: Management & Venue Facilities

The respondents rated on a scale of Fair Good & Excellent



Thank You Partners

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Tourism Finance Corporation of India Ltd.

Theme State



The heart of
Incredible India

Partner States



Dinner & Cocktails Host - Day 1



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