



**Madhya Pradesh Bhoj (Open) University**  
**Post Graduate**  
**Diploma in Travel & Tourism**

**Paper - I & II**





**M. P. Bhoj (Open) University**

**Post Graduate  
Diploma in  
Travel & Tourism  
PGDTT - 3**

### **Paper-1**

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<b>Unit - 1</b>	<b>□ Tourism Concept</b>	<b>9-30</b>
<b>Unit - 2</b>	<b>□ Profiling the Tourists</b>	<b>31-44</b>
<b>Unit - 3</b>	<b>□ Types of Tours with examples from Indian Scenario</b>	<b>45-74</b>
<b>Unit - 4</b>	<b>□ Tourism Impacts</b>	<b>75-88</b>
<b>Unit - 5</b>	<b>□ Tourism Resources of West Bengal and North Eastern States</b>	<b>89-136</b>

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### **Paper-2**

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<b>Unit - 1</b>	<b>□ Concept of Entrepreneurship</b>	<b>139-163</b>
<b>Unit - 2</b>	<b>□ Types of Enterprise</b>	<b>164-174</b>
<b>Unit - 3</b>	<b>□ Definition of Service</b>	<b>175-186</b>
<b>Unit - 4</b>	<b>□ Procedure and Formalities for starting Small Scale Enterprises</b>	<b>187-201</b>
<b>Unit - 5</b>	<b>□ Assistance to Micro, Small and Medium Enterprises in India</b>	<b>202-210</b>

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# **Paper - 1**

## **Fundamentals of Tourism**



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## **Unit-1 □ Tourism Concept**

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### **Structure**

- 1.1 Introduction**
- 1.2 Meaning and Definitions of tourism**
- 1.3 Nature and Classification of Tourism**
- 1.4 Typology of Tourists**
- 1.5 Demand of Tourism**
- 1.6 Impacts of Tourism**
  - 1.6.1 Economic Impacts**
  - 1.6.2 Social Impacts**
  - 1.6.3 Cultural Impacts**
  - 1.6.4 Environmental Impacts**
- 1.7 Tourism as an industry - Emerging Trends of Opportunities**
  - 1.7.1 Be a part of the World's Largest Growth Industry**
- 1.8 Components of Tourism**
- 1.9 Summary**
- 1.10 Review questions**
- 1.11 References**

### **Learning Objectives**

- Understand what tourism is and its many definitions.
- Know the various impact of tourism.
- Identify current trends in the industry and appreciate how important this industry is to the economy of the world.
- Know the benefits and costs of tourism.
- Learn the components of tourism and tourism management.

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### **1.1 Introduction**

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Tourism is alive with dynamic growth, new activities, new destinations, new technology, new markets, and rapid changes. Record numbers of tourists are traveling

the globe, attracted by an increased variety of tour packages, adventure experiences, and independent itineraries. All of these visitors and the activities they generate change local communities. They have an economic and social impact that cannot be ignored. In today's society, attention must be paid to environmental issues, cultural issues, social issues, and economic issues.

The tourism industry is global and it is large business and will continue to grow. Meeting this growth with well-planned, environmentally sound development is a challenge for planning all over the world, whether it is India, Indonesia, Nepal, the United States, Australia, Thailand, or any country of Europe. The objective of this chapter is to raise issues, provide frameworks, and generate your (reader) thoughtful consideration of the issues.

When we think of tourism, we think primarily of people who are visiting a particular place for sightseeing, visiting friends and relatives, taking a vacation, and having a good time. They might spend their leisure time engaging in various sports, simply enjoying the environment, participating in a convention or some other kind of business or professional activity.

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## **1.2 Meaning and Definitions of Tourism**

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Tourism is a multidimensional, multi-faceted activity. There are many definitions of tourism as there are disciplines and investigators from various academic areas. No definition of tourism is universally accepted. Definitional problems arise partly because of the word tourism is typically used as a single term to designate a variety of concepts, partly it is an area of study in a range of disciplines (history, geography, economics, business, marketing, sociology, psychology etc.) and different conceptual structures within this disciplines lead inevitability to contrasts in perspective and emphasis.

The word 'tour' which is derived from the Latin word 'tornus' (i.e., a tool for describing a circle or turners wheel) and the concept of a 'round tour' or a 'package tour' has its origin in this word itself. The Hebrew clarification of the word 'tour' which is derived from the word 'torah', it indicates an attempt by the traveler to explore something about the site which he/she visits. The word 'grand tour' was used in a limited sense for a journey through France, Germany, Switzerland and Italy. In Sanskrit, come across three terms for travel and tourism and these are: *paryatan* (means going out for pleasure and knowledge), *desatan* (means going out of the country mainly for economic gains), *tirthatan* (means going out to places of religious significance).

In 1976, the *Tourism Society of England's* description was, tourism is the temporary, short-term movement of people to destinations outside the places where they normally



live, work and their activities during the stay at each destination. It includes movements for all purposes. D. Pearce (1992) conceptualizes tourism as an origin-linkage-destination system involving the temporary movement of people from an origin to a destination and usually back home again after at least one overnight stay.

McIntosh and Goeldner (1984) defined tourism as the sum of the phenomena and relationship arising from the interactions of tourists, business, host governments, and host communities in the process of attracting and hosting these tourists and other visitors. Subsequently, the UNWTO in 1995 defined tourism as comprises '*the activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business, and other purposes.*' The term 'usual environment' refers to a place of normal residence or domicile. Tourism, thus, excludes trips within the area of one's own habitation such as a commute between residence and workplace, a trip to gather items for household use, or any trips on a regular basis. The purposes of touristic trips are non-remunerative – they can be for leisure or for business that does not include any earning activity arising from direct sales. The journey must involve an overnight stay and be restricted for a maximum period of one year. Some countries are said to allow foreigners to stay for a period of more than a year as tourists, subject to the fulfillment of certain conditions.

A United Nation Conference on International Travel and Tourism in Rome in 1963 resolve to evolve a new definition of 'international tourist' as 'any person visiting a country other than that in which he has his usual place of residence, for any reason other than following an occupation remunerated from within the country visited.' The definition classified visitors into tourists and excursionists – tourists are temporary visitors staying at least for 24 hours in the country visited and the purpose of whose journey can be described as leisure, business, family, mission, or meeting, while excursionists are also temporary visitors staying less than 24 hours in the destination visited, without making an overnight stay, including travelers on cruises (GEE et al. 1998).

The travel purposes of tourists as defined at the WTO Rome Conference in 1963 are specified as holiday; business; health; study; participation in meeting, mission, or congress; visiting friends and relatives (VFR); and participation in religious, sport, or other activities. Tourists may be non-resident foreigners visiting a country or nationals who are residents aboard making a trip to their country of origin. Crew members of a ship or an aircraft parked, who use the accommodation services of the country visited, may also be called as tourists.

A person is not called a tourist when he or she only:

- Arrives on a contract to take up an occupation or involve himself or herself in any remunerative activity
- Arrives for residing permanently in the country

- Intends to stay for a period more than one year as a student or scholar
- Passes a country as passenger without stopping overnight
- Arrives on a diplomatic visa or on a mission deputed by the government and avails himself or herself of the same status granted by the host government.

The above discussion has been presented at length to reveal the broad concept of tourism. They also reveal the limitations of the present definitions as not final and objective. Holloway (1985) observed that any final definition could be criticized, unless the activities involved are more clearly specified.

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### 1.3 Nature and Classification of Tourism

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In 1976, the *Tourism Society of England's* description was, tourism is the temporary, short-term movement of people to destinations outside the places where they normally live, work and their activities during the stay at each destination. It includes movements for all purposes. *D. Peach (1992)* conceptualizes tourism as an origin-linkage-destination system involving the temporary movement of people from an origin to a destination and usually back home again after at least one overnight stay.

Tourism can broadly be divided into three types, viz. international tourism, national tourism, and internal tourism. International tourism consists of both inbound and outbound tourism. National tourism consists of domestic and outbound tourism, and internal tourism of domestic and inbound tourism. International inbound tourism is the number of visits to a country by non-residents, whereas international outbound tourism is explained as the number of visits by residents of a country to another country.

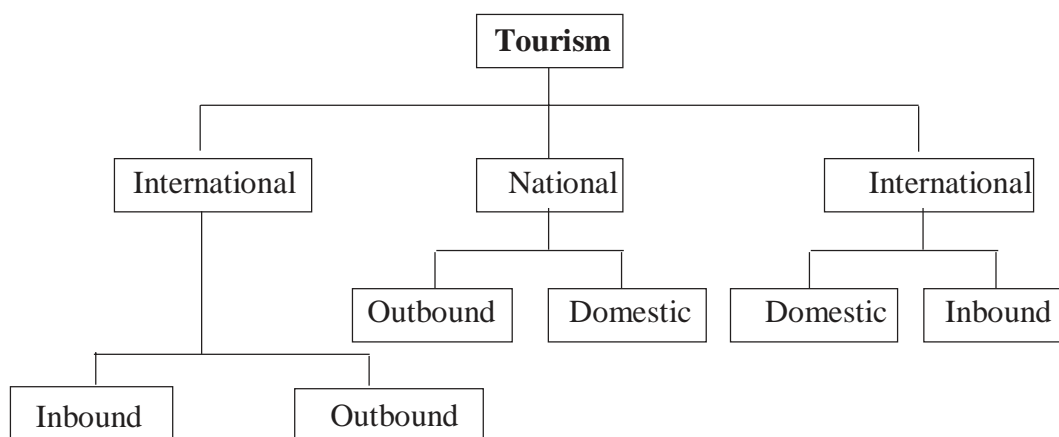


Figure 1.1 Classification of Tourism

Source: Ministry of Tourism, Govt. of India

National tourism is described as residents travelling to other countries (outbound) and nationals travelling in their own country (domestic). Internal tourism comprises the visits both by residents of a country (called domestic tourists) and by non-residents (international inbound tourists) within a country.

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## 1.4 Typology of Tourists

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Authors and researchers have developed several tourist typologies in order to provide a better understanding of tourists' needs and motivations. At present tourist typologies are generally based on the motives of the tourist, and can be classified into two main groups: *interactive tourist typologies* that stress the interaction between tourists and their destinations and tourism environments, and *cognitive-normative typologies* that consider more on psychological elements attached to the tourists themselves.

In 1970, Gray defined two typologies based on the type of travel undertaken. These included :

- **Sunlust:** These tourists travel to familiar destinations having well-developed infrastructure and amenities. That means, travel undertaken for 'rest and relaxation'.
- **Wanderlust:** Tourists desire to visit new destinations, discover different place and culture. That means, tourist 'motivated by the desire to learn'.

Many such typologies have been subsequently proposed. One of the best known and most widely used tourist typologies is formulated by Cohen (1972). Cohen's classification of tourists is given below:

- ☒ **Organised mass tourist:** Highly dependent on an 'environmental bubble' created, supplied and maintained by the international tourism industry. Characterised by all-inclusive, fully packaged holidays. Familiarity dominates; novelty non-existent are highly controlled.
- ☒ **Individual mass tourist:** This will use the institutional facilities of the tourism system (scheduled flights, centralised bookings, transfers) to arrange as much as possible before leaving home; perhaps visiting the same sights as mass tourists but going under their own steam.
- ☒ **Explorer:** The key phrase here is 'off the beaten track' perhaps following a destination lead given by a travel article rather than simply choosing from a brochure. This type will move into the bubble of comfort and familiarity if the going gets too tough.

- ☒ **Drifter:** This type of tourist will seek novelty at all costs: even discomfort and danger. They will try to avoid all contact with 'tourists'. *Novelty* will be their total goal; spending patterns tend to benefit immediate locale rather than large companies.

Equally famous is Plog's (1973) proposition based on a specific scale using the trait personality theory tourists can be classified on the basis of travel behavior:

- **Psychocentrics:** 'Self-centered' tourists who prefer familiar and risk adverse experiences.
- **Allocentrics:** 'Other-centered' tourists who enjoy exposing themselves to other cultures and new experiences, and are willing to take risks in this process.
- **Midcentrics:** 'Average' tourists whose personality type is a compromise between allocentric and psychocentric traits.



Figure 1.2 *Stanley Plog's (1973) psychographic personality typology*

The above typologies are basically conceptual. Besides these, several attempts have been made at creating taxonomies of tourists through empirically derived segments. Thus, market segmentation studies have been an important research area in tourism literature. One important consideration for segmentation studies is: what base, variable or criterion to use for segmenting markets. Over the years, a variety of segmentation bases or variables have been used for tourism market segmentation, which include primarily benefits sought, motivations and activities, demographic, psychographic (e.g., novelty-seeking, sensation-seeking) and other behavioral variables. Apart from these, some product-related variables like destination attractiveness attributes (Cho, 1998),

tour selection attributes (Hsu and Lee, 2002), lodging preference attributes (Chen, 2000) as well as variables like purpose of trip (Kaynak and Yavas, 1981), emotions (Bigneç and Andreu, 2004), tourist information search (Fodness and Murray, 1997), travel attributes, travel choices (Beckens *et al.*, 2003) have also been used to segment residents and visitors.

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## 1.5 Demand of Tourism

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Tourism demand has been defined in numerous ways, including ‘the total number of persons who travel’ or wish to travel, to use tourist facilities and services at places away from their places of work and residence (Mathieson and Wall, 1982:1). Other studies have defined it as ‘...the relationship between individuals’ motivation [to travel] and their ability to do so (Pearce, 1995: 18). In contrast, more economic-focused definitions of demand are concerned primarily with ‘the schedule of the amount of any product or service which people are willing and able to buy at each specific price in a set of possible prices during a specified period of time’ (Cooper *et al.*, 1993: 15).

There are three principal elements to tourism demand :

1. *Effective or actual demand*, which is the number of people participating in tourism, commonly expressed as the number of travelers. It is normally measured by tourism statistics – typically, departures from countries and arrivals at destinations.
2. *Suppressed demand*, which consists of the population that cannot travel because of circumstances (e.g. lack of purchasing power or limited holiday entitlement). It is sometimes referred to as potential demand. Potential demand can be converted to effective demand if the circumstances change. There is also deferred demand, where constraints (e.g. lack of tourism supply such as a shortage of bedspaces) can also be converted to effective demand if a destination or locality can accommodate the demand.
3. *No demand*, which is a distinct category for the population who have no desire to travel, and those who are unable to travel due to family commitments or illness.

An interesting study by Uysal (1998) summarized the main determinants of demand – economic, socio-psychological and exogenous (i.e. the business elements). The useful overview shown in Figure 1.2 is not intended to provide an exhaustive list of factors, but rather to give examples of factors that are likely to affect demand. It provides a general context for tourism demand, but does not adequately explain how and why people decide to select and participate in specific forms of tourism. This is associated with the area of consumer behavior and motivation.

**Table 1.1** *Determinants of Tourism Demand*

<b>Factors</b>	<b>Main Components</b>
<b>Economic determinants</b>	<ul style="list-style-type: none"> <li>● Income;</li> <li>● <i>Gross domestic product per capita</i>;</li> <li>● Private consumption;</li> <li>● Consumer price index;</li> <li>● Tourism prices;</li> <li>● Transportation costs;</li> <li>● Cost of living in the country of destination;</li> <li>● Marketing and promotional expenditure;</li> <li>● Exchange rate differentials</li> <li>● Relative prices among competing destinations;</li> <li>● Marketing effectiveness;</li> <li>● Physical distance; etc.</li> </ul>
<b>Psycho-sociological determinants</b>	<ul style="list-style-type: none"> <li>● Demographic factors;</li> <li>● Past experience;</li> <li>● Amount of leisure time;</li> <li>● Amount of travel time;</li> <li>● Cultural similarities;</li> <li>● Travel preferences; etc.</li> </ul>
<b>Exogenous determinants</b>	<ul style="list-style-type: none"> <li>● Technological progress;</li> <li>● Degree of urbanisation;</li> <li>● Special Factors: mega-events,</li> <li>● Recession;</li> <li>● Accessibility,</li> <li>● War, terrorism;</li> <li>● Restrictions, rules and laws; etc.</li> </ul>

*Source: Uysal, 1998*

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## 1.6 Impacts of Tourism

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Impact studies emerged in the 1960s with much emphasis on economic growth as a form of national development, measured in terms of “Gross National Product (GNP),” rate of employment, and the multiplier effect (Krannich, Berry & Greider, 1989). The 1970s saw the impacts of tourism ventures on social-cultural issues (Bryden, 1973). Environmental impacts of tourism became the sole concern of tourism researchers in the 1980s (Butler, 1980). 1990s tourism impact studies are an integration of the effects of the previous determined impacts, leading to a shift from “Mass Tourism” to “Sustainable Tourism” in the form of Eco-tourism, heritage tourism, and Community tourism (Jurowski, Uysal, & Williams, 1997).

Tourism is an industry with enormous economic impacts. It is also an industry that has many environmental and social consequences. A thorough understanding of each component of the tourism phenomenon is essential so that those involved with planning, management, and policy determination have a basis for decision-making.

Among tourism impact studies, the development of a tourism impact assessment scale has also been one of the important topics espoused by scholars starting about two decades ago (Chen, 2000). Pizam (1978) brought up tourism impact attributes; research started using various resident attitude-related attributes to postulate-perceived tourism impacts. Several researchers (Liu & Var, 1986; Liu, Sheldon & Var, 1987) further distilled these attributes into fewer identical impact domains. After that, Lankford and Howard (1994) found two factors from a 27-item tourism impact scale. McCool and Martin (1994), who investigated mountain residents’ attitudes toward tourism, revealed four factors including impacts, benefits, equity, and extent. However, Burns (1996), who surveyed 102 inhabitants from 14 villages in the Solomon Islands, noticed that respondents’ greatest concern was tourism’s socio-cultural impact with regard to the demonstration effect and different cultural values of tourists.

According to the Inter-organization committee (1994), in general, there is consensus on the types of impacts that need to be considered (social, cultural, demographic, economic, social psychological). Also, political impacts are often included. However, the Inter-organization committee (1994) concluded that the Social Impact Assessment (SIA) practitioner should focus on the more significant impacts, use appropriate measures and information, provide quantification where feasible and appropriate, and present the social impacts in a manner that can be understood by decision makers and community leaders. In addition to investigations of scale development, scholars have facilitated discussions on the issues of perceived economic, social, cultural, and environmental impacts as a result of the presence of tourism. In the next section, the major positive



and negative impacts of tourism development is discussed and summarized in Table 1.2.

### **1.6.1. Economic Impacts**

Tourism can create jobs, provide foreign exchange, produce return on investment for emerging economics, bring technology, and improve living standards. The most prominent benefits used to promote tourism development are the economic benefits that communities can expect to derive from an increase in tourism activity. As per the WTTC report of 2005, tourism generates 4.7 trillion US Dollar in economic activity and over 221 million jobs (direct and indirect). The number of jobs that tourism generates is 8 per cent of the total employment and 11 per cent of the world's total gross domestic product. Though tourism has various types of economic impacts on destinations, they can be broadly be categorized into six groups and are given below:

#### **Employment Opportunities**

The tourism industry has tremendous capacity to generate three types of job opportunity, namely, direct, indirect and induced. The detail types of employment given below:

- (a) Direct Employment: It creates as a result of visitors' expenditure on providing direct services to them; e.g., jobs at tourism organizations, hotels, airlines etc.
- (b) Indirect Employment: It creates within the sector supporting the frontline personnel to provide service to tourists; e.g., jobs at laundry, flower shops etc.
- (c) Induced Employment: It creates as result of expenditure by local residents from the money earned from tourism; e.g., jobs at retail outlets etc.

Many jobs created by tourism are in remote areas where job opportunities do not exist or are scare, for example, in hill stations many families depend on tourism for their livelihood. Local hotels, attractions, restaurants, transport, etc. provide direct employment to the residents. Tourism provides a broad spectrum of jobs ranging from highly trained managers in multi-national tourism organization, five star hotels and resorts to waiters, guides etc.

#### **Tax Revenue**

Tourism activities are an important source of taxation revenue. Many taxes are hidden, i.e. they are a part of package or included in the cost of the airline ticket so that tourists are unaware of such taxes. Tourists also generate taxation revenue through the purchase of tourism offerings which are subject to sales tax, service charges, value added tax etc. However, tourism industry contributes to government revenue through the below



points:

- Airport taxes, fees and levies
- Entrance fee at attractions
- Hotel and restaurants registration fees and licenses; for example, liquor license.
- Tourism business registration and license fees
- Corporate income tax on profit
- Local tax like property tax
- Personal income tax
- Service tax and parking charges
- Import duty on items directly import for tourism industry like foreign liquor, import duty from tourists on goods purchased from foreign country.
- Value added tax on goods purchased

### **Foreign Exchange and Balance of Payment**

Tourism industry has emerged as one of the largest foreign earner in India. Foreign exchange earnings from tourism are computed by the Reserve Bank of India as part of its exercise to collect balance of payment statistics. Tourism is the only export trade that earns large amounts of foreign exchange without reducing national resources and without exporting any material. Inbound tourism is the largest source of foreign exchange earnings and tourism has been rightly called an invisible export. The foreign currency spent in a host country becomes an invisible receipt for the country, and it has massive impact on GDP and national income. Similarly, when citizens of a country go abroad and use national currency to avail themselves of services, their payments become invisible payments. For example, a US citizen visiting India brings invisible receipts, whereas an Indian spending in Malaysia makes invisible payments. Thus, the balance value of receipts against payments during a financial year is called the balance of payments on the tourism account.

### **Investment and Development**

A destination becomes popular with initial investment, and subsequently, the tourism business starts picking up. This results in an increase in personal income. Increase in business and rise in the income level attracts more investment in ancillary industries in the region. In economic term, it is known as the accelerator effect. Tourism sometimes

can become a primary industry for the development of many ancillary industries such as handicrafts, textiles, horticulture, floriculture, and agriculture, including dairy, poultry etc. Infrastructure is one of the basic requirements for successful tourism at the destination. Tourism stimulates infrastructural development like roads network, airports, sanitary system etc. which not only benefit for the tourists but the hosts as well and improves their quality of life.

### **Increased Gross Domestic Product**

Both the international and domestic tourism combined generate up to ten per cent of the world's gross domestic product (GDP). This figure varies country to country. In a developing country, there is an increase in GDP every year. Governments encourage the development of tourism because of the income it can generate specially in terms of foreign exchange earned. The income generated by tourism has a positive impact on a country's GDP, balance of payments, and government revenue. However some of these figures may be misleading unless they are corrected for leakages.

### **Tourism Multiplier**

Multiplier is an economic term used for analyzing the total income and employment generated from initial tourist expenditures. The income multiplier is expressed as a ratio of total income to the initial spending or injection of money by tourists. Tourist spending can be of three types:

- (a) *Direct Spending*: This type of spending by the tourists for availing themselves of services such as accommodation, transport, food, and shopping.
- (b) *Indirect Spending*: It is by the business entrepreneurs on a acquiring goods and services.
- (c) *Induced Spending*: It is by the residents of income earned directly or indirectly from tourism.

While, it is a multifaceted procedure to compute the aggregate income after each circulation, the multiplier effect is calculated by taking the leakages into consideration. This happens when money is spent on buying goods and services from another economy or when money is put into savings.

### **1.6.2. Social Impacts**

Tourism involves temporary stay at the destination that promotes social exchange. Exchange of opinions and feelings between the host and the guest on various social aspects makes tourism a socio-cultural event. This event of interface leads to changes

in value systems, lifestyles, individual and group behavior, social relationship, and a social structure as a whole. The social impacts of tourism can be both positive and negative. Tourism increases traffic congestion and crowdedness in the public area, and brings social problems. Tourism also contributes to social ills such as begging, gambling, drug trafficking, and prostitution, as well as the uprooting of traditional society, and causes deterioration of the traditional culture and customs of host countries (Ahmed & Krohn, 1992, Var & Kim, 1990). Tourism contributes to an undesirable increase in the consumption of alcohol, increased traffic congestion, and overcrowding because of visitors (Backman & Backman, 1997). However, tourism brings more opportunities to upgrade facilities such as outdoor recreation facilities, parks, and roads, but brings crowdedness in theaters, movies, concerts, and athletic events (Lankford & Howard, 1994; Liu & Var, 1986). Though tourism has various types of social impacts on destinations, and these are given below:

### **Congestion**

Tyrrell and Spaulding (1980) determined that the residents of the state of Rhode Island saw congested roads as well as parking and shopping areas as a problem caused by tourism. Several other studies also found that residents perceived that traffic was a major problem created by tourism activities (Long et al, 1990; Keogh, 1990; Prentice, 1993). However, residents' perceptions of the congestion caused by a major world event were less than predicted (Soutar & McLeod, 1993). A concept that is closely related to congestion is that of carrying capacity, it means determining the maximum capacity which a building, an infrastructure or a facility could sustain with regards to its number of users. The residents in British Columbia, Canada, disagreed with statements that suggested that the government should determine and enforce the carrying capacity of the island (Belisle & Hoy, 1980).

### **Local service**

Along with tax revenue and employment opportunities, residents have differing views on the effects of tourism on local services. An early study by Sethna and Richmond (1978) found that residents in the Virgin Islands agreed that the money acquired from tourism contributed to the improvement of public services. Likewise, residents in Cape Cod perceived a positive effect of tourism on local services (Pizam, 1978). The Rhode Island study found that only government officials perceived an increase in the cost of police services (Tyrrell & Spaulding, 1980). An important finding in the aspect of services was made by Murphy (1983), who examined the differing views of residents, administrators, and business owners. He found that three groups differed in their perception of the impact of tourism on local services. Allen et al. (1993) discovered

that tourism development increases sensitivity to change of public services, but concluded that satisfaction with, and the availability of, services was more a function of population size than tourism impact. One study found a relationship between satisfaction with local services and tourism development. As development increased, satisfaction with public services decreased. However, research results on the whole suggest that residents feel that tourism improves local services (Keogh, 1989).

### **Increasing Social Problem**

Crime is conceptualized here as any anti-social behavior including increased sale or consumption of drugs and alcohol, as well as behavior considered immoral by the society as a whole. Smith's study (1992) of Pattaya, Thailand supported the view that tourism development brought prostitution, drug abuse linked to many tourist deaths, sex related disease and injuries, and police corruption.

### **1.6.3. Cultural Impacts**

Even though tourism contributes to the renaissance of traditional arts and craft (Var & Kim, 1990), tourism has frequently been criticized for the disruption of traditional social and culture structures and behavioral patterns. Destination areas that have embraced tourism for its economic benefits have witnessed heightened levels of crime, and dislocation due to rising land costs and loss of the cultural heritage of local people, particularly youth. Tourism has been charged with the degradation of socio-cultural factors. Acculturation takes place when two or more cultures come into contact for a sustained period and ideas are exchanged (Liu & Var, 1986). In the case of relatively undeveloped countries, however, local cultures and customs tend to be overwhelmed by more developed cultures, especially western ones (Liu & Var, 1986; Weaver & Lawton, 2001). Moreover, some attraction operators will actually modify local standards to suit tourists' expectations.

### **Preservation of local culture**

There is some debate over whether tourism preserves or destroys cultures, but the primary position is that the impact is mixing up with positive and negative. However, claim that tourism revitalizes cultures. Studies have shown that tourism contributes to the renaissance of traditional art, crafts, dance and music (McKean, 1977). Tourism has been criticized as being responsible for the depletion of the diversity of non-western cultures (Turner & Ash, 1975). This position is supported by the documentation of rapid and dramatic changes in social structure, land use patterns, and value systems in traditional Indian and Mexican cultures (McKean, 1976). Anthropologists have written about the changes in style and form of traditional arts and crafts caused by the commercial demands of tourists for native wares (Schadler, 1979).

## **Cultural Exchanges**

Along with social interaction, tourism brings people from different cultural backgrounds together and results in a cultural exchange. Cultural impacts refer to long term changes in arts and crafts, religion and rituals, community structure etc. Residents of the Virgin Islands viewed the interaction with tourists as positive consequences of tourism activities. Likewise, residents of Hawaii and North Wales found the cultural exchange between residents and tourists to be valuable, and generally rated tourists as nice and considerate. Residents in Hawaii and North Wales appeared to desire to meet tourists from other countries (Liu et al., 1987). Belisle and Hoy (1980) concluded that residents felt that the exposure to cultural differences to be a positive effect of tourism. Other researchers have found that resident attitudes approved of tourists (Keogh, 1989).

### **1.6.4. Environmental Impacts**

The environment is a powerful resource of tourism as it plays a major role in attracting tourists to the destination. Tourism causes both positive and negative impacts and impacts are greater if the environment is underdeveloped or fragile. Some people believe that tourism helps create a greater awareness and appreciation for the need to preserve the environment to capture its natural beauty for tourist purposes, and increase investments in the environmental infrastructure of the host country (Var & Kim, 1990). Tourism is also thought to be a clean industry, without the pollution problems associated with other types of economic development. Tourism has been charged not only with the degradation of socio-cultural factors but also with degradation of the environment and these are given below:

#### **Pollution**

Air pollution is primarily a result of emissions from vehicles and airplanes. In rural areas, air pollution due to tourism is minimal, but in congested areas, emissions harm vegetation, soil, and visibility. Water resources are a prime attraction for tourism and recreational developments, and they frequently suffer negative impacts (Andereck, 1995). Water pollution is primarily a result of waste water generated by tourist facilities and run off. Water pollution occurs on inland lakes and streams and in the marine environment. Much of this pollution, such as septic tank seepage, lawn fertilizer, road oil, and run off from disturbed soil, is not serious (Gartner, 1987).

#### **Solid waste**

The tourism industry produces large quantities of waste products. Hotels, airlines, attractions and other related businesses that serve tourists throw away tons of garbage a year. The problem seems to be particularly troublesome in third world countries with less sophisticated solid waste management programs and technologies (Andereck, 1995). Lankford and Howard's (1994) study showed that the majority of respondents felt that tourism brings more littering and waste problems.

## Wildlife

Even though in recent years wildlife-oriented tourism has increased (Vickerman 1988), our understanding of tourism effects on wildlife is limited. Most research looking at the impact of tourism on wildlife has generally focused on a limited number of larger mammals and birds in natural environments. For some species, parks and preserves are now the only sanctuary. Unfortunately, for species that require large territories or engage in migratory behaviors, these relatively small areas of protected land are not enough. Residents in North Wales also agreed that tourism plays a major role in ecological degradation (Sheldon & Var, 1984). This segment felt, however, that long-term planning could control the environmental impact of tourism.

**Table 1.2. The Major Positive and Negative Impacts of Tourism**

<i>Positive Economic Impacts</i>	<i>Negative Economic Impacts</i>
<ol style="list-style-type: none"> <li>1. Provides employment opportunities</li> <li>2. Generates supply of foreign exchange</li> <li>3. Increases income</li> <li>4. Increases gross national products</li> <li>5. Improves an infrastructure, facilities and services (sewage system)</li> <li>6. Raises government revenue (tax)</li> <li>7. Diversifies the economy</li> </ol>	<ol style="list-style-type: none"> <li>1. Causes inflation of land value</li> <li>2. Increases demand for local products, raising price on food and other products</li> <li>3. Diverts funds from other economic development projects</li> <li>4. Creates leakage through demand for imports</li> <li>5. Results in seasonal employment</li> <li>6. Displaces traditional patterns of labor</li> <li>7. Involves costs of providing the construction and maintenance of infrastructure</li> </ol>
<i>Positive Social Impacts</i>	<i>Negative Social Impacts</i>
<ol style="list-style-type: none"> <li>1. Creates favorite image of the country</li> <li>2. Provides recreational facilities for residents as well as tourists</li> <li>3. Facilitates the process of modernization</li> <li>4. Provides opportunities education</li> </ol>	<ol style="list-style-type: none"> <li>1. Creates resentment and antagonism related to dramatic differences in wealth</li> <li>2. Causes overcrowding, congestion, traffic jams</li> <li>3. Invites moral degradation resulting in increased crime, prostitution, drug trafficking</li> <li>4. Causes conflicts in traditional societies and in values</li> </ol>

<i>Positive Cultural Impacts</i>	<i>Negative Cultural Impacts</i>
<ol style="list-style-type: none"> <li>1. Encourages pride in local arts, crafts, and cultural expressions</li> <li>2. Preserves cultural heritage</li> </ol>	<ol style="list-style-type: none"> <li>1. Create demonstration effect whereby natives imitate tourists and relinquish cultural traditions.</li> <li>2. Encourage the tranquilization of crafts</li> </ol>
<i>Positive Environmental Impacts</i>	<i>Negative Environmental Impacts</i>
<ol style="list-style-type: none"> <li>1. Justifies environmental protection (marine reserve) and improvement</li> <li>2. Protects wildlife</li> <li>3. Encourages education of value of natural based tourism</li> </ol>	<ol style="list-style-type: none"> <li>1. Fosters water pollution, air pollution and solid waste</li> <li>2. Tramples delicate soil and beaches</li> <li>3. Destroys coral and coastal dunes</li> <li>4. Disrupts flora and fauna (wildlife, plant life wetlands)</li> </ol>

*Source:* This list of tourism impacts was drawn from the literature on the impacts of tourism (Andereck, 1995; Ap & Crompton, 1998; Crandall, 1994; Farrell & Runyan, 1991; Gunn, 1988; Mathieson & Wall, 1984; Murphy, 1985; Tosun, 2002; Weaver & Lawton, 2001; Witt, 1990)

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## **1.7 Tourism as an Industry - Emerging Trends of Opportunities**

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Travel and tourism is the largest service industry globally in terms of gross revenue and foreign exchange earnings. It is also one of the largest employment generators in the world. It has been a major social phenomenon and is driven by social, religious, recreational, knowledge seeking and business interests and motivated by the human urge for new experience, adventure, education, and entertainment. Tourism is both cause and consequence of economic development. It has the potential to stimulate other sectors in the economy owing to cross-synergistic benefits and its backward and forward linkages.

World Travel & Tourism Council (WTTC) predicts that the travel and tourism industry in India will grow by 7.5 per cent in 2015, fueled by visa reforms. As per the WTTC in 2014, the industry contributed INR 7,642 billion and 36.7 million jobs to the Indian economy. During 2015, the industry's GDP contribution is forecast to grow by 7.5 per cent and employment by 1.8 per cent. This demonstrates the sector's enduring ability to generate economic growth and create jobs at a faster rate than the national economy, which is due to grow by 6.7 per cent in 2015. By the end of 2015, the travel and tourism sector will contribute INR 8,215 billion, seven per cent of India's GDP, and



37.4 million jobs, almost nine per cent of total employment, once all direct, indirect and induced impacts are taken into account.

In an exclusive with **Express Travel World**, **David Scowsill**, president and CEO, WTTC, said, “India has an excellent opportunity to benefit from visa reforms and infrastructure improvements under the new government. India’s travel and tourism economy is due to grow by 7.5 per cent in 2015, which is the highest level of growth of any of the major economies in the world. But the overall contribution of India’s travel and tourism sector to the overall economy is still relatively low (6.7 per cent of GDP, against a global average of 9.8 per cent). This shows the depth of the problem that India has faced but also the opportunity.” Scowsill also added a word of caution that with inbound growth there needs to be systematic and simultaneous infrastructure development. While expressing his views, he felt that while the recent Budget announcement of greater investment in high-speed rail infrastructure is a positive step, there is still much greater potential for high-speed rail connectivity between destinations, leveraging the massive railway network. He also touched upon the sensitive issue of taxation. He added that, “India has high luxury taxes in hotels and complicated taxes on travel and tourism services and products generally – which should be addressed. However, I would also urge India to step up its Incredible India campaign globally to help counter-balance some of the negative perceptions about tourism particularly the safety of women which is a global concern.” WTTC also felt that the recent insistence upon biometric data for visitors from France and United Kingdom will have far reaching impacts on travel to India from these countries.

Further, WTTC’s research also warns that nearly 1.6 million jobs are at risk in India’s travel and tourism sector, if governments and private sector companies do not act now to address the talent shortage in the sector. The sector could employ 1,584,000 fewer people and contribute INR 548 billion less in GDP to the economy over the next ten years, when compared to current WTTC growth forecasts, if the government and private companies fail to implement policies which promote proactive and careful talent management. Scowsill continued, “According to WTTC forecasts, travel and tourism has the potential to contribute 46 million jobs to the Indian economy by 2025. But this growth will not happen by itself, and needs careful management, particularly in the area of human capital development. Failure to plan properly for talent requirements leads to lower growth, reduced investment, less innovation and declining competitiveness – for both countries and companies.”



### **1.7.1 Be a Part of the World's Largest Growth Industry**

Tourism is the world's fastest growing industry, experiencing many consecutive years of continuous growth. It is also the fourth largest industry worldwide. The number of international travelers (tourists travelling outside their home country) has grown by about 29 percentage between 2001 and 2009. According to the United Nations World Tourism Organization (UNWTO), international tourist arrivals will reach 1.6 billion by the year 2020. The WTO also forecasts that in this same period, Travel and Tourism industry growth will benefit all regions of the world. Many new destinations have developed in untraditional regions of the world, such as in Latin America, Eastern Europe, Asia, the Middle East and Africa.

Tourism is a very serious business. Many people do not understand the importance of tourism top their community's overall economic well-being. International tourism is the world's largest export earner and an important factor in the balance of payments of many countries. Tourism is an 'export' for any country that hosts or receives foreign visitors. Many other opportunities of tourism industry given below:

**Jobs opportunity:** The Tourism Industry employs over 200 million people worldwide. Many tourism jobs are in small or medium-sized, family-owned enterprises. Research shows that job creation in tourism is growing one-and-a-half times faster than in any other industry. Tourism jobs and businesses are often created in the most underdeveloped regions of a country, helping to balance economic opportunities. Travel agents or consultants no longer work only in a travel agency. Companies, organizations, associations, educational institutions and societies all need the knowledge and skills of professional travel experts.

**Infrastructure Development:** Tourism industry stimulates investments in new infrastructure, most of which improves the living conditions of local residents as well as tourists. Tourism development projects can include building or improving airports, roads, marinas, sewage systems, water treatment plants, as well as the restoration of cultural monuments, museums, and nature centers.

**Tax Revenues:** Tourism is a major economic generator, and tourists pay taxes both directly to places of lodging and indirectly through sales taxes or value added taxes. The tourism industry provides governments with hundreds of millions of dollars in tax revenues each year through accommodation and restaurant taxes, airport users' fees, sales taxes, park entrance fees and employee income tax.

Undoubtedly, tourism industry offers plenty of opportunities for operating or working in a successful travel consultancy.

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## **1.8 Components of Tourism**

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Service providers offer the basic component of the tourism business. They consist of providers of transportation, accommodation, and amenities. Tourism is a sophisticated business that depends on the linkages of these components. Each intermediary element plays a vital role in the network of the tourism business. Therefore, the components of tourism and its systems, processes, relationships, and outcomes are studied to understand the roles and functions. Tourism is managed with systems approach, whose aim is to simplify the complexities of tourism activities into a number of smaller components.

These components are interrelated with a systems approach to focus on different perspectives of tourism. For example, Goa is a fully developed tourist destination with the dynamic functioning of all the components. The success of Goa as an international tourist destination may be attributed to the interrelationship of basic factors such as the attractiveness of the place, transportation (accessibility), and a whole range of amenities or facilities. There has to be a good mix and balance between the basic 5 A's that are essential to a successful destination. These are accommodation, accessibility, activities, amenities, and attractions.

### **Attractions**

What is there to see? Tourists are motivated to leave their normal place of residence (origin) and travel to destinations. What they are actually travelling to can be considered the attraction base of the destination area. A tourist attraction is a place of interest that tourists visit, typically for its inherent or exhibited cultural value, historical significance, natural or built beauty, or amusement opportunities.

Some examples include historical places, monuments, zoos, museums and art galleries, botanical gardens, buildings and structures (e.g. castles, libraries, former prisons, skyscrapers, bridges), national parks and forests, theme parks and carnivals, ethnic enclave communities, historic trains and cultural events. Many tourist attractions are also landmarks.

### **Accessibility**

Transport is needed to physically move tourists from where they live to where they are visiting. Globally, air transport dominates the movement of international visitors. In India rail transportation play a crucial role and in Australia roads and private motor vehicles serve as significant forms of access. No destination can function well unless there is a means of getting there, such as an airline, railway line, port or road transportation. Lack of adequate accessibility is frequently cited as one of the major obstacles to tourism development and investment in a destination.

## **Accommodation**

All destinations need accommodation nearby otherwise tourists will have nowhere to stay or sleep. This seems basic enough but investors will only invest in accommodation infrastructure if there is sufficient economic return. Many areas of India are blessed with excellent attractions and are readily accessible but (for a whole range of reasons) lack tourist accommodation. In recent years the market has seen a propagation of accommodation types from basic camping, home stay facilities in hill stations, and backpacking facilities to mega-resorts.

## **Amenities**

Amenities are the services that are required to meet the needs of tourists while they are away from home. They include public toilets, signage, retail shopping, restaurants and cafes, visitor centers, telecommunications and emergency services. Because many of the amenities are government services delivered by local, state and national agencies, a high degree of co-operation is needed, particularly where tourist services may be seen to be competing with the needs of local residents. Travel agents who are specialists in various destinations have to ensure that they remain constantly updated on such amenities.

## **Activities**

Having reached the destination, what do you then do? Enjoy a game of golf? Go scuba-diving? Take a jungle trek? A river cruise? Destinations are working harder than ever to widen their range of activities in order to get people to stay longer and spend more time and money in their localities. Again, this means more competition and hence more opportunities for agents to sell products.

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## **1.9 Summary**

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This unit is an introduction to the concept, demand, impacts and components of tourism. The unit has focused on the measurement of tourism to understand the conceptual dimension of tourists and tourism. Tourism demand and various tourism impacts including are outlined to give a thorough understanding of the tourism phenomenon.

Tourism industry, which is one of the fastest growing industries in the world, is directly and indirectly providing employment to millions of people around the world. Tourism is a combination of industries including transportation, accommodation, attractions, activities, and amenities or entertainment. The vibrant tourism industry provides a

career area with many opportunities for those who understand it. This vast industry is growing at a rapid pace.

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## 1.10 Review Questions

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1. Define tourism. Explain various types of tourism.
2. What is meant by tourism impact? Explain various impacts with possible examples.
3. What is meant by the components of tourism? Explain the operating sectors of the tourism industry.
4. Briefly explain about the growth and development of tourism industry.

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## 1.11 References

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## **Unit - 2 □ Profiling the Tourists**

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### **Structure**

- 2.1 Introduction**
- 2.2 Objectives**
- 2.3 Typology of Tourism**
- 2.4 Forms and Types Of Tourism**
- 2.5 Travel Motivators**
  - 2.5.1. Non-Destination Motivators**
  - 2.5.2. Destination Specific Travel Motivators**
- 2.6 Summary**
- 2.7 Answers to Check Your Progress Exercise**
- 2.8 Reference / Bibliography**
- 2.9 Review Questions**
- 2.10 Suggested Readings**

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### **2.1 Introduction**

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In the present you will be provided comprehensive understanding about the typologies of tourism along with its emerging trends.

Without a tourists motivation to travel there would be no travel industry. It is very important for the industry to understand what motivates tourists to visit a particular destination or attraction. Studying tourists' motivations and typology provides insight to help destination managers in regards to product development, image creation, promotional activity design, and destination positioning. Identifying tourist's motivations, typology and reasons of their trip also gives destination managers information to assist with decisions concerning the quantity and quality of services to provide visitors.

For the industry manager/authorities it is also imperative to seek out the new and emerging trends of tourist's behaviour, their tastes and the kind of touristic activity they are interested in. In this Unit we will try and understand travel motivators, tourism types and how can a country / Industry managers utilise them optimally. We will also try and look into the present day and emerging trends of tourism industry and how they can be made best use of in marketing country or a destination.

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## 2.2 Objectives

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After going through the present Unit you will be able to:

- Apprehend the relevance of communication for managerial jobs,
- understand various types of communications, and
- learn about the skills to manage communication.

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## 2.3 Typology of Tourism

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The debate on tourism often conceptualizes tourist motives in terms of push and pull factors, the former referring to the socio-psychological and individual elements of these motives and the latter to the destinations and their features (*Crompton, 1979, Dann, 1981, Cohen, 1984, Witt and Wright, 1992*). The everyday environment and its physical, mental and cultural features are examined in the context of push factors, as are the individual and societal structures that create a (temporary) need to get away from home. As far as the pull factors are concerned, interest is focused on tourist destinations, their representations and the processes constructing them.

Tourists are classified and categorized in various ways in the literature (*Pearce, 1982, Cohen, 1984, Dann and Cohen, 1991, Lowyck et al., 1992*). The physiologies published in early 19th century Paris can be seen as distinct “ancestors” of present-day tourist typologies. These physiologies were to be found in popular paperback literature, which described human personalities and features that one could observe and meet in the commotion of the metropolis. As in the case of tourist typologies, the object of interest, human character, was associated to a certain environment deemed to be characteristic of each type (*Benjamin, 1973*).

Unlike physiologies, however, most of our tourist typologies are based on the motives of the tourist, and as such can be classified into two main groups: *interactive tourist typologies* that stress the interplay between tourists and their destinations and tourist environments, and *cognitive-normative typologies* that consider more the psychological elements attached to the tourists themselves (*Murphy, 1985*). Perhaps the two best known and most widely used of the tourist typologies are those formulated by *Erik Cohen (1972) and Stanley Plog (1973)*. Cohen’s classical typology is an example of the interactive group, whereas that of *Plog (1973)* is of the cognitive-normative type. *Cohen (1972)* categorizes tourists according to the general nature of the environment they prefer: safe and usual or unknown and different. He identifies four types: *drifters, explorers, individual mass tourists and organized mass tourists*.

**Plog (1973)**, classified tourists into three types on the basis of the psychological dimensions of their personality. **Allocentrics** are individualistic, active and adventurous travelers, **psychocentrics** are the opposite, conservative and passive tourists who choose common, popular and safe destinations and activities, while the **Mid-centrics** are intermediate to the previous two and according to Plog constitute the most common or average tourist type. Mid-centrics are hybrids that need some sense of individualism at their destination but with organized travel arrangements and safety ensured by the use of a travel agent. Due to the variable seasons of travel, two kinds of tourism have come about; **summer and winter tourism**. The facilities and services which tourists demand have created new ideas and much improvement in entertainment and activities in this industry.

Williams (**Stephan Williams 2001**) lists four kinds of tourists in the field of tourist typology, which are listed as below:

1. Packaged tourists.
2. Small group or individual tourists.
3. Individual travelers and exploratory.
4. Drifters.

The reasons for travel form a continuum (**Dann and Cohen, 1991**), and the categorization of tourist types in practice is problematic, especially if a type is seen as equivalent to an individual. As **Cohen (1988)** states, there is no such person as the tourist (**Richter, 1995**). What he means is that the tourism is a multivalent activity and there is more than one type of tourist-on-the-move. But there is another perspective to the relationship between tourist and person apart from Cohen's. Like the types of social action described by **Max Weber (1978)**, instrumentally rational, value-rational, effectual and traditional, tourist typologies should be seen as ideal types, which cannot be necessarily identified in "reality" as such. A specific tourist type is not necessarily equal to an individual tourist. It is possible, and even probable, that during the same journey and within the same destination, the motives and activities of tourists would be cast within more than one conceptual category of any tourist typology. The motives of tourists and the types of tourist change in space and time.

Tourism from long ago has its specific forms in human society regarding the basic of motivation of traveling and dislocation and through the time it has reached its evolution. We can understand these improvements in the tourism industry by studying the industrial revolution which brought up new aspect in living and transportations.

Today, income of tourism business has been placed fourth after agriculture, industry and urban services and the experts are predicting that by year 2020 tourism industry

will be the most profitable industry in the world, which it will be called the invisible industry that the cities are its economical centers. With the increasing improvement of tourism industry, the custodians of this industry should have plans to improve and construct new facilities, adequate plan for the entertainment of tourists so they can have a higher income from this industry. India as of an ancient country with a great culture and a lot of historic sites and variety of climates is in the world, but unfortunately for some reasons, this country is not using its potential at all and this is very shameful and distressing. One way to expand and develop this industry in any country is to know the needs of tourists and their intention of visiting the country. With this knowledge of these necessities will be able to make adequate preparation for visitors so they can enjoy their visits and recommend others to visit different tourism destinations.

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## **2.4 Forms and Types of Tourism**

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Today people are feverishly participating in tourism. This may include short trips during the week, weekend breaks or longer journeys during holidays. Old age pensioners have a dream of retiring to a place where the weather is good and the prices low. Without any outside pressure, millions of people flock to destinations of their own free will. Long lines of cars, crowded buses and trains and jumbo jets go all over the world. As a result the beaches become too small, shops and restaurants too crowded, porting facilities and the environment degraded and worn down with years of being admired and used, and the world shrinks. For an increasing number of people work is no longer the main purpose of life and this encourages tourism. Modern tourism is one of the most striking phenomena of our times and tourism offers us an opportunity to learn, to enrich humanity and to identify what may be termed as goals for a better life and a better society. But conservationists want to change things. They want to arrest the spread of the “landscape eaters” who have transformed the countryside with their mass migration.

Forms and types of tourism emerge within the context of changing social values. For example, in modern society, the value of ‘being’ has been superseded by the value of ‘having’. Possession, property, wealth, egoism and consumption have become more important than community, tolerance, moderation, sensibility and modesty. As a result, in all parts of the world :

- economy is characterised by increasing concentration of wealth, division of labour and specialisation,
- environment is being treated as if resources are renewable,
- the limits of eco-system are stretched without considering the negative aspects, and



- peoples' rights are constantly eroded to meet the needs of the power system, etc.

Forms of tourism emerge from different fields of tension such as: work/rest, awake/asleep, exertion/relaxation, income/expenditure, job/family, freedom/necessity, risk/security. Similarly, dirt, noise, rush, pollution and trouble etc. are all key expressions of such tension. The possibility of going away is very important in such a context.

The desire for tourism is therefore determined socially. Governments promote tourism, people talk about their holidays, unions sponsor holidays, health insurance covers visits to spas, tax rebates are given for holiday homes and corporations reward employees with travel instead of bonus money. Seasonal pressures strengthen the urge to get away from home. Annual vacations, the media, literature and fashion all strengthen the holiday mania. The tourism industry whets the appetite with tantalising offers of entertainment and pleasure. The commercialisation of recreation functions within the well-established principles of a free market economy. In the past, in the erstwhile socialist countries holiday homes and limited foreign travel were subsidised for workers. In India we still have a transport subsidy called the Leave Travel Concession and most companies provide holiday homes for their workers, but tourism is primarily a private enterprise. A study of tourist brochures indicates the successful design of a tourist visit:

- 1) Create a holiday mood by emphasising informality, abandonment, serenity, freedom, pleasure.
- 2) Show time, standing still, romanticism and relaxation, peace and space.
- 3) Show something beautiful that is not available at home. And typical holiday symbols like the sun, a beach umbrella, a palm fringed coastline etc.
- 4) Show people from other cultures, always beaming, happy, friendly and idle.

All four ingredients from the tourism mix. However, in today's context the different types of tourism are as follows:

- **Rest and Recuperation:** Taking a rest from everyday life; relieve the stress of societies that have shifted from manual to sedentary work. Tourism as diversion or compensation to holiday destinations is what may be called holiday or vacation travel which is focused on resorts and beach holidays, both domestic and international.
- **Escape:** Tourism as a mass flight from everyday reality to an imaginary world of freedom. This flight takes place within the movements from centres to peripheries or in other words a North-South migration.

- **Communication:** Spending quality time with family and friends, make new friends and acquaintances. This is mass tourism, in herds, enjoying the facilities of tourism enclaves.
- **Culture and Education:** Such Tourism is based on sight-seeing tours to experience and see other countries of the world though not necessarily in depth. Travel to experience the arts or history of a location or travel to immerse oneself in the language, society, or culture of a region. It generally focuses on traditional communities who have diverse customs, unique form of art and distinct social practices, which basically distinguishes it from other types/forms of culture. Cultural tourism includes tourism in urban areas, particularly historic or large cities and their cultural facilities such as museums and theatres.
- **Pilgrims and Religious Tourism:** One of the wide spread tourism is religious tourism. The religious attraction and ceremonies of people is much related to their culture. Some religious have special places for doing the required ceremonies.
- **Health:** The intention of these trips is to go to places that they can provide all medical and health care services for the tourists. The centers which have the ability to offer these services, they will be very successful to attract a lot of visitors. Visit spas, go to saunas, undergo cures for chronic ailment, visit health clubs for workouts or do yoga i.e. travel for health are some examples of this type of tourism.
- **Special Interest Tours:** It is organised as per the special interests of the tourists ranging from medical, historical, archaeological and other interests to golf or fishing.
- **Adventure and Wild Life:** A form of nature-based tourism that incorporates an element of risk, higher levels of physical exertion, and the need for specialized skill. Far away from modern civilisation, with bearers and porters and mules, camels, elephants or jeeps, mixing trekking and hiking and camp life with the luxury of a first class hotel.
- **Convention or Business Tourism:** To mix leisure with work, holding convention or meetings at tourist destinations. The trips which are taken for commercial and commerce reasons are named business tourism. Participation in these activities and visiting the different national or international exhibition makes some opportunity for those participators to visit the city and its tourist attraction places.
- **Sport Tourism:** Today sport is the most favorite activity in the society, which traveling for playing games or watching the games is followed. The traveling which is for sports activity is called sport tourism.

- **Political Tourism:** This has been defined as diplomatic traveling of state or countries officials to participate in international assemblies and conferences, national and burial ceremonies of state leaders, political leaders and ceremonies of independence of the countries and swearing- in ceremonies.
- **Mass Tourism:** Large-scale tourism typically associated with ‘sea, sand, sun’ resorts and characteristics such as transnational ownership, minimal direct economic benefit to destination communities, seasonality, and package tours.
- **Responsible Tourism / Ecotourism:** Responsible Tourism maximizes the benefits to local communities minimizes negative social or environmental impacts, and helps local people conserve fragile cultures and habitats or species.
- **Sustainable Tourism:** Tourism the meets the needs of present tourist and host regions while protecting and enhancing opportunities for the future

Different *forms of tourism* also give rise to different types of tourists.

- 1) The *ridiculous tourist*, who is dressed in funny clothes and views everything through the lens of a camera.
- 2) The *naive tourist*, who is inexperienced in travel, always asks unnecessary questions and has no language skills.
- 3) The *organised tourist*, who feels at home with a guide and a group of fellow tourists.
- 4) The ugly tourist who behaves as if he owns the world.
- 5) The *uncultured tourist* who is a beach bum and spends his time lazing and eating.
- 6) The *rich tourist*, who can afford anything, likes to show prosperity and enjoys being waited upon.
- 7) The *exploiting tourist*, who spends a holiday at the cost of people and takes advantage of their culture, hospitality and poverty.
- 8) The *polluting tourist*, who demands that for his comfort everything can be flattened or destroyed.
- 9) The *alternative tourist*, who explores the few untouched comers of the world thus opening the way to mass tourism.

### Check Your Progress - 1

1) Write a detailed note on the typology of tourism according to different researchers?

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2) Write the meaning of any three of the following?

- a) Adventure and Wild Life Tourism
- b) Pilgrims and Religious Tourism:
- c) Responsible Tourism / Ecotourism
- d) Rest and Recuperation Tourism

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## 2.5 Travel Motivators

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Any kind of research on human motives is a very difficult task. More so, when intangible aspects like travel motive is concerned. The underlying motive for almost any type of tourist activity is escape – sometimes physical, sometimes mental. However, tourists can have multiple motives for travel. For example, a business traveller extends his trip to visit his conference destination to get rid of the stress he underwent. In this case escape is coupled with work. In fact, one destination can see different travel motivation by different groups. For example, one group of tourists can be visiting Guwahati for spiritual purposes to visit Kamakhya Devi temple, another group can be visiting it for its tea gardens and yet another to shop for Assam silk. It is this multi-facetedness of destinations that has to be realised and used by marketers for increasing sales keeping in view the motivators.

There are *destination related motivations* and *non-destination related motivations*. In other words, there are motivators that are not affected or related to the destination. Tourists either have no choice in choosing it or they are bound to it. In such situations, the cause of travel, rather than the destination, is the determining factor.

### 2.5.1. Non-Destination Motivators

Some of the non-destination related travel motivators are listed below.

**a) Business:** This is one of the most important and all pervasive of tourism motivators. According to *Coltman, M.M.* (1989) about 85% of all air travel is business related. Business travel is not all location/destination specific. It is also one demand that will seldom change to circumstances except in cases of wars etc.

**b) Visiting friends and Relatives (VFR):** This is perhaps the most important of non-destination motivators after business travel. In India, this accounts for a large share in the domestic travel market. It provides a major escape to an entire chunk of middle class whose concept of holiday still means visiting relatives.

**c) Educational Travel:** This is also largely not a destination specific motivator. For the developing countries, US, UK and Australia are major educational markets and for the underdeveloped countries, even India can be major a educational centre. A student though is not a tourist in the perfect sense of the word but as long as she or he does not work at a job, they are contributing to the economy the way tourists do.

### 2.5.2. Destination Specific Travel Motivators

These motivators are those that give the tourist the liberty to choose the destination they want to visit. Destination can be compared, analysed and chosen from at their own will. Destination related travel could have a lot casual factors. They include things as curiosity about other cultures, places, people, religion, cultural, social, natural and manmade environment and other such things. It can also include search for adventure, romance or even self-identity through spirituality like for example visiting Rishikesh etc. The category of motivators related to destination is very large and very difficult to classify. In fact, as more and more ideas of tourism are developing, this category is becoming more complex.

*Beach and Ragheb (1983)* developed a model called the Leisure Motivation Scale, which sought to classify motivators into four types based on the work of Maslow. The four types were as follows :

<p>(i) <b>Cultural</b></p> <ul style="list-style-type: none"> <li>• Sight Seeing</li> <li>• Experiencing new culture</li> </ul>	<p>(iv) <b>Tourist</b></p> <p>Status</p> <p>Exclusivity</p> <p>Fashionability</p> <p>Obtaining a good deal</p> <p>Ostentatious spending opportunities</p>
<p>(ii) <b>Physical</b></p> <ul style="list-style-type: none"> <li>• Reservation</li> <li>• Sun</li> <li>• Exercise &amp; Health</li> <li>• Sex</li> </ul>	<p>(v) <b>Personal Development</b></p> <p>Increased Knowledge</p> <p>Learning a new skill</p>
<p>(iii) <b>Emotional</b></p> <p>Nostalgia</p> <p>Romance</p> <p>Adventure</p> <p>Escapism</p> <p>Fantasy</p> <p>Spiritual fulfillment</p>	<p>(vi) <b>Personal</b></p> <p>VFR</p> <p>Make new Friends</p> <p>Need to satisfy others</p> <p>Search for economy if on limited income</p>

a) The **intellectual component**, which assesses the extent to which individuals are motivated to engage in leisure activities which involve – mental activities such as learning, exploring, discovery, thought or imagery.

b) The **social component**, which assesses the extent to which individuals engage in leisure activities for social reasons. This component includes two basic needs - the need for friendship and interpersonal relationships, while the second is the need for the esteem of others.

c) The **complete mastery component**, which assesses the extent to which individuals engage in leisure activities in order to achieve master, challenge and compete. The activities are usually physical in nature.

d) The **stimulus avoidance component**, which assesses the desire to escape and get away from over stimulating life situations. It is the need for some individuals to avoid social contact, to seek solitude and calm conditions; and for others it is to seek rest and to unwind themselves.

One has to recognise that the motivators that make people travel are not universal in

nature, as said earlier, the marketers have to realise this aspect and then optimally utilise their skills to tap the components. In their work on **Consumer Behaviour in Tourism (1999)** **Swarbooke** and **Holmer** discussed the typology of motivators in tourism. Their classification is as follows :

Here, one must remember that pilgrimage is a very strong motivator for travel, and from the most ancient times the *Char Dham Yatra* can be cited as an appropriate example. It is still the strongest motivator in domestic travel and in many cases, like Haj, for international travel also. Similarly, for inbound travel to India Buddhism offers a big tourist market for the industry in South-East Asia and Sikh pilgrimage destinations for the NRI Sikhs settled abroad. Destinations like Varanasi, Haridwar or the temple towns in Southern India are strong motivators for Hindus settled abroad or the people from Nepal.

**Jost Krippendorf** in his paper “**The Motives of the Mobile Leisureman – Travel Between Norms, Promise and Hope** (published in **Sustainable Tourism**, edited by **Lesley France**, 1997) mentions that “many things remain hidden in the subconsciousness and cannot be brought to light by simple questions”. Dealing with the research in this area he states that “many of the quoted motives are nothing but empty boxes, which every individual may fill with quite different contents”. According to him: “Subjective wishes are thus condensed, simplified, registered and presented in the given answer formulas and statistics. Though this is probably the only way of measuring holidaymakers’ motives, the reality is much more complex than appears from the results of various studies. There are always several motives that prompt a person to travel.” **Krippendorf** lists eight motivators behind travel. According to him travel is:

- a) recuperation and regeneration,
- b) compensation and social integration,
- c) escape,
- d) communication,
- e) freedom and self-determination,
- f) self-realisation,
- g) happiness, and
- h) for broadening the mind.

Travel motives also depend on the social status, attitudes and the monetary situation.

## Check Your Progress II

1) Write a short note on the Non-Destination travel motivators?

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2) Write the short note why understanding of tourism motivators are imperative for the tourism professionals?

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## 2.6 Summary

Tourism has emerged as one of the fastest growing sectors of our economy and marketers need to realize its potential. Tourism with its multifaceted activities requires multi-dimensional marketing. In order to have an understanding of tourism one need to know about the typology and motivators of tourism. Successful marketing is dependent on knowing the customer and understanding the market. On the flip side, tourism is also seeing the utilization of latest marketing trends which have earlier helped other tangible and intangible sectors. In the end, marketers ought to realize the potentiality of the tourism markets and the travel motivators to help develop the industry or to enlarge their market share.

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## 2.7. Answers to Check Your Progress Exercise

### Check Your Progress - I

- 1) Write your answer taking into the consideration Section 2.3.
- 2) a. Read Section 2.4.  
b. Read Section 2.4.



- c. Read Section 2.4.
- d. Read Section 2.4.

### **Check Your Progress - II**

- 1) Read Section 2.5.1
- 2) Read Section 2.5.

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## **2.8. Reference / Bibliography**

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- 1. Mill and Morrison (2012), *The Tourism System*, Kendall Hunt Publishing Company, Dubuque, Iowa.
- 2. Seth P.N Seth Sushma (2010), *An Introduction to Travel & Tourism*, Sterling Publication, New Delhi.
- 3. Seth, P.N., (2012), *Successful Tourism Management (Vol- 1 & II)*, Sterling Publication, New Delhi.
- 4. Cooper, Fletcher et al (2010), *Tourism Principles and Practices*, Pearson Education Limited, New Jersey.
- 5. Charles R. Goeldner & Brent Ritchie, J.R. (2009), *Tourism, Principles, Practices, Philosophies*, John Wiley and Sons, New Jersey.

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## **2.9. Review Questions**

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- 1. Write a descriptive note on the typology of the tourists?
- 2. Elaborate the destination and non destination motivators with the help of suitable example?

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## **2.10. Suggested Readings**

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- 1. Burkart and Medlik (2001), *Tourism: Past, Present and Future*, Heinemann, London
- 2. Mill, R.C., (1990), *Tourism: The International Business*, Prentice Hall, New Jersey.
- 3. Walker and Walker (2011), *Tourism Concepts and Practices*, Pearson Publication, New Jersey.
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*and Issues*, Channel view Publication, Bristol.

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## **Unit - 3 □ Types of Tours with examples from Indian Scenario**

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### **Structure**

- 3.1 Introduction**
- 3.2 Objective**
- 3.3 Typology of Tourism**
- 3.4 Heritage**
  - 3.4.1 Indian Architecture**
  - 3.4.2 Indian Sculptures**
  - 3.4.3 UNESCO World Heritage Sites in India**
- 3.5 Natural Site**
  - 3.5.1 Natural Sites**
- 3.6 Beach**
- 3.7 Business**
  - 3.7.1 India as an Emerging MICE Destination**
- 3.8 Religious**
  - 3.8.1 Pilgrimages**
- 3.9 Adventure (Hiking, Skiing, River Rafting, Mountaineering etc.)**
  - 3.9.1 Adventure Tourism**
  - 3.9.2 Features of Adventure Tourism**
  - 3.9.3 Initiative of Ministry of Tourism to Promote Adventure Tourism in India**
- 3.10 Wildlife**
  - 3.10.1 Jim Corbett National Park**
  - 3.10.2 Kaziranga National Park**

- 3.10.3 Manas National Park**
- 3.10.4 Kanha National Park**
- 3.10.5 The Gir National Park**
- 3.10.6 Sunderbans National Park**
- 3.11 Desert Safari**
- 3.12 Ethnic**
- 3.13 Golf tours**
- 3.14 Special Interest**
  - 3.14.1 Special Interest Tourism**
  - 3.14.2 Gastronomic/Culinary Tourism**
  - 3.14.3 Wellness & Yoga Tourism**
  - 3.14.4 Bollywood Tourism**
  - 3.14.5 Backpacking**
  - 3.14.6 Luxury Rail Tourism**
  - 3.14.7 Vineyards Tourism**
  - 3.14.8 Shopping Tourism**
  - 3.14.9 Bird watching Tourism**
  - 3.14.10 Wedding Tourism**
- 3.15 Summary**
- 3.16 Review Question**
- 3.17 Suggested Readings**

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## **3.1 Introduction**

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India is a land of immense diversity in terms of geographical, physiological, social and cultural, ethnic etc. All these significant elements make India as an incredible tourism destination. It is second largest populated country in the world having area of 32, 87, 782 square kilometres with 15200 kilometres of frontiers and 6,000 Kilometres of

coastlines. Physical diversity of the country comprises into four part i.e., Great Mountain of Himalayas, Gangetic Plain and desert and southern peninsula included eastern and western ghats. The Indian peninsula is separated from mainland Asia by the Himalayas. The Country is surrounded by the Bay of Bengal in the east, the Arabian Sea in the west, and the Indian Ocean to the south. Since ancient time India is great centre of socio-cultural exchange due to silk route connectivity with rest part of world. India was explored by many travelers like Alexander the Great, Fa-hien and Hieun Tsang, Ibn Batuta and Al-Beruni, Vasco De Gama, then regime of Mughals to French, Dutch, British, etc. have created significant impacts on social and cultural environment that time. India is melting-pot of different cultures and tradition. India shares its border with Pakistan, Afghanistan, China, Bhutan, Nepal, Bhutan, Bangladesh and Myanmar. Sri Lanka is separated by Gulf of Mannar and Palk Strait. Based upon the analysis of Indian Government's two marketing campaigns 'Eternally Yours' (1997) and 'Incredible India' (2002) Bandhyopadhyay and Morais (2005:1012) have argued that India's tourism authorities have had a tendency to focus on five major themes: personal enlightenment and wellness; cultural diversity reflected in the variety and complexity of its geography and the diversity of its society, the cultural richness demonstrated through the country's diverse architecture and vibrant cultural/religious festivals; the natural beauty of exotic wildlife and scenery; and royal treatment provided with modern comforts.

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## **3.2 Objectives**

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The purpose of this chapter to acquaint about the contemporary and emerging trends of Indian tourism with the following objectives:

- To understand about the different typology of tourism.
- To evaluate the Potential Indian Tourism.
- To know more about niche tourism i.e., Golf and special Interest

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### 3.3 Typology of Tourism :

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The different types of tourism are as follows:

1. Religious Tourism	16. Dark Tourism.
2. Business Tourism	17. E-Tourism.
3. Leisure and Holiday	18. Disaster Tourism
4. Visit Friends and Relatives (VFR)	19. Event Tourism
5. Heritage & Cultural Tourism	20. Tribal Tourism
6. Wellness & Medical Tourism	21. Film Tourism
7. Special Interest Tourism.	22. Culinary & Wine Tourism
8. Ethnic Tourism	23. Tea Garden & Estate Tourism
9. Sports Tourism	24. Railways Tourism
10. Golf Tourism	25. Wedding Tourism
11. Adventure Tourism	26. Cemetery Tourism
12. Eco-Tourism	27. Dark Tourism.
13. Wildlife Tourism	28. Hill Station Tourism.
14. Rural Tourism	29. Disaster Tourism
15. Senior Citizen Tourism	30. Event & Festival Tourism

*Source: Compiled by the author*

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### 3.4 Heritage

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The History of India begins with the birth of the Indus Valley Civilization, more precisely known as Harappan Civilization. It flourished around 2,500 BC, in the western part of South Asia, what today is Pakistan and Western India. India is a vibrant tourism destination which includes diversity of its people and their faiths, cultures, customs and languages that intermingling amicably to make Incredible India. Being the oldest civilizations of the world a treasure trove of arts and architecture; philosophy, spirituality, forms of dances and music; mesmerizing historical landmarks. The history of India is a showcase of rich cultures and heritages which exhibits through its monuments, art and sculptures, different dances forms, ethnic cuisines, religions, fair and festivals India. This is visible in all aspects - music, dance, painting, sculptures, and architecture.

### 3.4.1 Indian Architecture

Though the Indus Valley sites of Harappa, Mohenjo-daro, and Lothal provide substantial evidence of extensive town planning, the beginnings of Indian architecture are more properly to be dated.

- (i) ***Buddhist Architecture:*** The advent of Buddhism in India, in the reign of Ashoka (c. 270-232), and the construction of Buddhist monasteries and stupas. Among the many highlights of Buddhist art and architecture are the Great Stupa at Sanchi and the rock-cut caves at Ajanta, the most significant cave is near modern Aurangabad, Maharashtra and Bodh Gaya (Mahabodhi temple), the place of the Buddha's enlightenment.
- (ii) ***Mughal Architecture:*** The Architecture flourished during the Mughal dynasty which is an outstanding landmark in the development and refinement of the Mughal style. The grand buildings like Taj Mahal. Red Fort, Fatehpur Sikri, Akbar Tomb at Sikandra, *Diwan-I-Am* (hall of public audience) , the *Diwan-i-Khas* (hall of private audience), at Agra and the *Moti Masjid*(Pearl Mosque), Jama Masjid and Red Fort at Delhi. were constructed by mughal rulers like Babar, Humayun, Akbar, Shahjahan. The most famous of his gardens is the Shalimar Bagh and Nishat Bagh on the banks of Lake Dal in Kashmir.
- (iii) ***Fort Architecture:*** The oldest surviving palaces date from the mid-fifteenth century and are found at Chittorgarh and Gwalior. Jaisalmer, Bikaner, Jodhpur, Udaipur and Kota represent the maturity of the Rajput style. Rajputs were great patrons of art and architecture, the finest examples being their forts and palaces. In contrast to the perfect symmetry of Mughal architecture, Rajput palaces are complex compositions. Generally, most palaces were built as inner citadels surrounded by the city and enclosed by a fortified wall.
- (iv) ***South Indian Temple Architecture:*** The 7th to the 18th century South Indian temple architecture, also known as Dravida Style architecture are found in Tamil Nadu, Karnataka (formerly Mysore) and Andhra Pradesh states. These temples are Shore Temple at Mahabalipuram, Meenakshi temple at Madurai, The Great Living chola temple at Thanjavur, Tamil Nadu, The rock-cut temples of Pattadakal at Karnataka. Most of these are important UNESCO World Heritage Site.
- (v) ***Colonial Era Architecture:*** During the colonial rule, architecture became an emblem of power, designed to endorse the patron. Dutch, French, Portuguese and British invaded India and developed architectural styles

reflective of their inherited and adopted homes. The India Gate, Rashtrapati Bhavan, Parliament House, Victoria Memorial in Calcutta, Pondicherry, Se Cathedral and St. Francis Xavier Church in Goa, Cellular Jail, Andaman & Nicobar Islands, etc.

### **3.4.2 Indian Sculptures**

Indian sculpture, the sculptural traditions, forms, and styles of the civilizations of the Indian subcontinent. Indian sculpture was always distant human forms that were used to teach people about the truths of the Hindu, Buddhist, or Jain religions. Indian sculpture outspreads from the Indus valley civilization of 2500 to 1800 BC, during that time small terra-cotta statuettes were created. The great circular stone pillars and carved lions of the Mauryan period (3rd century BC) gave way to established Indian symbolic sculpture in the 2nd and 1st centuries BC, in which Hindu and Buddhist refrains were already well-established.

#### **● Indian Dances & Music:**

Indian dance ritual has been inclined by religion. Indian dance style was considered as performing art and it nurtured to achieve their full height. The dance was an essential part of Vedic rituals. Bharat Natyam, Kathakali, which are popular dances of south India. Kathak is famous dance form of north India. Manipuri, Bihu, very popular dance form of eastern India.

*Music* has been greatly influenced by religion of a country. The raga is the grandeur of Indian music basis of melody. These music includes Classical, (Carnatic, and Hindustani) Folk, Baul Bhajan, Rabindra Sangeet, Thumri, Dadra, Ghazal, Qawwali, Chaiti, Kajari, Sufi. Folk music like Rabindra Sangeet (Music of Bengal), Bihu of Assam, Dandiya in Gujrat, Ganasangeet, Uttarakhandi Music, Lavani, Rajasthan etc.. there are many musical instruments in india which have evolved with varying musical instruments. These instruments are Sitar, Veena, Tabla, Dholak, drums, Taanpura etc.

#### **● Indian Paintings:**

Indian painting has a very remarkable history in Indian art. The earliest Indian paintings were the rock paintings of pre-historic times like Bhimbetika. These painting includes Mughal painting, Rajput painting, Mysore painting, Tanjore painting, Madhubani painting, Pattachitra etc.



### 3.4.3 UNESCO World Heritage Sites in India

*There are 32 World Heritage Properties in India out of which 25 are Cultural Properties and 7 are Natural Properties. These properties inscribed on the UNESCO World Heritage List.*

#### UNESCO World Heritage Site India

##### Cultural Sites:

S. No.	UNESCO World Heritage Site	Year
1.	Agra Fort	(1983)
2.	Ajanta Caves	(1983)
3.	Buddhist Monuments at Sanchi	(1989)
4.	Champaner-Pavagadh Archaeological Park	(2004)
5.	Chhatrapati Shivaji Terminus (formerly Victoria Terminus)	(2004)
6.	Churches and Convents of Goa	(1986)
7.	Elephanta Caves	(1987)
8.	Ellora Caves	(1983)
9.	Fatehpur Sikri	(1986)
10.	Great Living Chola Temples	(1987)
11.	Group of Monuments at Hampi	(1986)
12.	Group of Monuments at Mahabalipuram	(1984)
13.	Group of Monuments at Pattadakal	(1987)
14.	Hill Forts of Rajasthan	(2013)
15.	Humayun's Tomb, Delhi	(1993)
16.	Khajuraho Group of Monuments	(1986)
17.	Mahabodhi Temple Complex at Bodh Gaya	(2002)
18.	Mountain Railways of India	(1999)
19.	Qutub Minar and its Monuments, Delhi	(1993)
20.	Rani-ki-Vav (the Queen's Stepwell) at Patan, Gujarat	(2014)
21.	Red Fort Complex	(2007)

- |     |                            |        |
|-----|----------------------------|--------|
| 22. | Rock Shelters of Bhimbetka | (2003) |
| 23. | Sun Temple, Konârak        | (1984) |
| 24. | TajMahal                   | (1983) |
| 25. | The Jantar Mantar, Jaipur  | (2010) |

#### **Natural Sites**

- |     |   |        |
|-----|---|--------|
| 26. | Great Himalayan National Park Conservation Area | (2014) |
| 27. | Kaziranga National Park                         | (1985) |
| 28. | Keoladeo National Park                          | (1985) |
| 29. | Manas Wildlife Sanctuary                        | (1985) |
| 30. | Nanda Devi and Valley of Flowers National Parks | (1988) |
| 31. | Sundarbans National Park                        | (1987) |
| 32. | Western Ghats                                   | (2012) |

**Source:** The United Nations Organization for Education, Science and Culture (UNESCO)

Website - <http://whc.unesco.org/en/statesparties/in>

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## **3.5 Natural Site**

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There are 32 World Heritage Properties in India out of which 25 are Cultural Properties and 7 are Natural Properties.

### **3.5.1 Natural Sites**

- (i) ***Khajjar:*** Khajjar is located at the foot of Dhauladkar in Himachal Pradesh, in the lap of Himalayas and is 2000 meters above sea level. A attractive panoramic view of the densely populated forests and the meadows and snowy peaks of Himalayas can be captured. This hill station would be laden with beautiful flowers which makes it resemblance to Switzerland.
- (ii) ***Rohtang Pass:*** Rohtang Pass is one of the most popular 13000 feet high tourist destination in India, attracting thousands of tourists with its fascinating beauty where one can go skiing as it snows for almost all the months of the year.
- (iii) ***The Chandertal Lake:*** The Chandertal lake is located between Lahaul and Spiti, at an altitude of 4300 metres above sea level. It is also known as the

‘moon lake’ as it’s the source of river Chandra and the crystal clear waters of Chandertal lake.

- (iv) ***Dal Lake:*** Dal lake, the landmark of the Kashmir valley, also known as paradise on earth which is one of the charming tourist destination of India. The legendary Mughal Gardens on the lake’s shoreline to remind Jahangir’s reign and the colourful shikaras, houseboats in the lake are some major attraction in Dal Lake.
- (v) ***The Valley of Flowers:*** The Valley of Flowers is a UNESCO World Heritage Site located in the foothills of Himalayas, in Uttarakhand. The park is bliss with rich flora and fauna. Having with several species of exotic flowers.
- (vi) ***Majuli:*** Majuli is a picturesque small island in Assam. Earlier, it was extend across an area of about 1,250 square kilometers. The River Brahmaputra has eroded a huge part of this island, which is left now is a 400 square kilometers of area. It is an attractive tourist place for bird watching colorful tribal festivals.
- (vii) ***Loktak Lake:*** Loktak Lake is world’s only floating lake and largest fresh water lake, in the Manipur.. The floating heap of vegetation and organic matter give the lake a floating appearance. The lake is also cover some part of Keibul Lamjao National Park, which famous for Sangai.
- (viii) ***Matheran:*** Matheran is the smallest and beautiful hill station at an altitude of about 2600 feet above sea level in Maharashtra which is situated in the Western Ghats. It is about 90 km from the city of Mumbai. The short train journey is only way to reach Matheran.
- (ix) ***Backwaters of the Kerala:*** Kerala is branded as “God’s Own Country” for its beautiful natural wealth. Allepey is an exotic tourist destination for the tourists to experience the natural beauty of Kerala. The backwaters surrounded by houseboat with ayurvedic therapy and delicious cuisines of the Alleppey make it wonderful destination.

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## 3.6 Beach

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India has a coastline of 7,517 km bounded by Indian Ocean or the three great sea’s Arabian Sea at southwest, Bay of Bengal at southeast and the Laccadive Sea to the south. The sea coastline of Indian states are home to some of the best beaches in the world such as Exotic beaches of Goa, beautiful beaches of Kerala and virgin beaches of Andaman & Nicobar Islands. These black, golden and white sandy beaches of Indian Coastline offers one of the best tourist attraction along with adventures water Sports

include Canoeing, Catamaran, scuba diving and snorkeling. Beaches are the best creation of nature, where the tourists can experience Sun, Sand and Sea and to relax and take pleasure in natural surroundings. Beaches of Goa and Kerala, Andaman and Lakshadweep island are considered in finest beaches of India.

### Indian Coastal Area

West Coast	East Coast	Island Coast
1. Gujrat	1 West Bengal	1. The Great Andaman Island
2 Maharashtra	2. Odisha	2. The Nicobar Island
3 Goa	3. Puducherry	3. Daman Deu
4 Karnataka	4. Andhra Pradesh	4. Lakshadweep Islands
5 Kerala	5. Tamil Nadu	

- (i) ***Beaches of The Andaman Island:*** The Great Andaman Island is one of the most beautiful beaches of Asia. Havelock Island is the largest Islands of Great Andaman as well as Best Beach in Asia with other remarkable beaches like Radhanagar Beach, Vijaynagar Beach, Bejoy Nagar and Elephant Beach.
- (ii) ***Beaches of Goa:*** Goa beaches are extents from north Goa to south Goa. Calangute and Baga Beaches are two close beaches which travelled by foreign and domestic tourists at North Goa. Water & Adventure Sports like windsurfing, parasailing, sailing, along with superb nightlife, full-moon parties and amazing cuisines are the best way to enjoy at such beaches. Other popular beaches in Goa are Anjuna, Candolim Beach Palolem beach, and Sinquerim beach.
- (iii) ***Beaches of Kerala:*** Kovalam is the most beautiful beach of Kerala also known as the paradise of the south, situated at the Thiruvananthapuram city. Kerala has also some other admirable beaches among the travelers are known as Lighthouse Beach, Hawah Beach and Samudra Beach. Alappuzha Beach and Muzhappilangad Beach. Muzhappilangad is the only Drive-in Beaches in Asia.
- (iv) ***Beaches of Konkan Region:*** Diveagar Beach is situated on the Mumbai-Goa Highway in the coastal region of Konkan. The Konkan region of Maharashtra is known for its long coast line with few of the finest white-





sand beaches and palm trees like Ganpatipule beaches, kashid beach, Murud Janjira beaches.

- (v) ***Beaches of Tamil Nadu:*** Marina Beach of Coromandel coast is one of the significant tourist attraction of the city along with the Bay of Bengal in Tamil Nadu and famous for its sea foods and delicious cuisines, handicraft shop. Some other attractive beaches in Tamil Nadu are Elliots Beach, Golden beach and beaches of Kanyakumari.
- (vi) ***Beaches of Odisha:*** Puri Beach is one of the key attractions along with renowned Jagannath Temple. Puri Beach is also known for its wonderful sand arts and the annual Puri Beach Festival.
- (vii) ***Beaches of Puducherry:*** The Promenade Beach is one of the famous beach among the tourist in Puducherry. Various other beaches of Pondicherry are Paradise beach along the Pondicherry- Cuddalore Highway and Auroville beach located on the beautiful East Coast Road.
- (viii) ***Beaches of Andhra Pradesh:*** Ramakrishna Beach is the magnificent beach of Visakhapatnam on the East Coast line of India. This beach is common for leisure activities like swimming, sun bathing and beach volleyball. Other exotic beaches of Andhra are Suryalanka Bheemunipatnam, Manginapudi, and Rishikonda beach in Vizag.
- (ix) ***Beaches of West Bengal:*** The Digha Beach of Kolkata is one of the most popular beach of Bay of Bengal and admired by foreign and domestic tourists. Recently Digha is emerge as one of the exotic weekend beach destination for its good sea views, hotel & restaurants, local foods and fine beaches. New Digha, Shankarpur and Chandaneshwar are other beaches in Digha.
- (x) ***Beaches of Karnataka:*** Karwar is seaside town on the west coastline of the India and situated on the banks of the Kali river in Uttara Kannada district of Karnataka. Karwar Beach is the major tourist attraction among other beautiful beaches such as Devbagh Beach, Casurina Beach and Binaga Beach. Kurlle Ambat is the famous dish of Karwar along with its port, flora and fauna and the amazing Kali river bridge.
- (xi) ***Beaches of Gujrat:*** The famous AhmedpurMandvi Beach is located near to Diu on the coastline of the state of Gujarat. Mandvi Beach is one of the 14 beautiful beaches in Gujarat, others are Dwarka, Gopnath and tithal beach. Tithal beach is well famous for its black sand and a popular tourist destination of the town of Valsad

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## **3.7 Business**

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After Liberalization Policy, 1991, India has become liberal towards business policy especially for private sector. This resulted more entrepreneurs come forward to start new businesses. The increase in Business Tourist is the growth driver of Hospitality Industry. Business tourism Business tourism involves the travel and accommodation of people who are travelling for reasons of employment or professional interest. This includes meetings, seminars, conferences, exhibitions, trade shows and corporate hospitality. Rogers (2003) suggests that although business and conference tourism is a modern phenomenon mostly developing over the past fifty years, the notion of travelling for meetings, politics, commerce or trade is an ancient practice dating back to the Romans or even earlier. Events and MICE Tourism is new vertical in Indian tourism recently. MICE acronyms Meeting, Incentives, Conference and Exhibition. Recently MICE is rapidly growing area in business travel. Indian perspective, incentives is the largest component of MICE activities are undertaken by the Indian corporate world. The world-class infrastructure and information technology, convention centers, airports and professional manpower and team spirit with dedicated Indian hospitality make it possible with customization as per a visitor's requirement.

Business Tourism can be alienated into:

- Travel for business, Attend meetings with business delegates and clients in India and abroad.
- Incentive Travel - For motivating companies employees to visit business trip in India and abroad.
- Travelling for attending Conference and exhibition - intended for attending large scale meetings.

### **3.7.1 India as an Emerging MICE Destination**

According to ICCA (International Congress and Convention Association), India ranks 27th in the MICE market with a share of US\$4.8 billion worldwide. With the union and state governments' efforts in improving the country's infrastructure with state-of-the-art convention centres. The Ministry of Tourism is planning to invest in convention centres in the country. For making brand India as a MICE destination the government has implemented a policy of sanctioning a fund of ` . 5 crore to every state government for opening one convention centre through Public Private Partnership (PPP) models. India has exclusive combination of culture, history, tradition, beauty, luxury, and modern facilities like world-class hotels that would appeal to the business travellers. Vigyan Bhawan, Pragati Maidan, India Habitat Centre, The Ashok, New Delhi; International Convention Centre, Hyderabad; and Le Meridian, Cochin are forerunners in the Indian MICE tourism industry, facilitating International business meetings and conferences.



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## 3.8 Religious

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India is one of the most religiously diverse nations in the world, with religion playing a central role in the lives of most Indians. 80% of the people in India are Hindus, considered one of the oldest religious and philosophical systems in the world. Islam is practiced by 13.4% of all Indians, Christianity by 2.4%, and Sikhism by 1.86%. Buddhism and Jainism both arose on the Indian subcontinent and have a world-wide presence; in addition, Zoroastrianism and Judaism have a long history in India, but their present-day numbers are small. Religious Tourism is divided into the following major categories:

### 3.8.1 Pilgrimages

In any religion of India pilgrimage has matter of faith trust and spiritual value and significances. People of different religion visit their pilgrimages to show their faith respective sacred sites which have their own religious significance. In India there are many pilgrimage centres different religion and beliefs.

#### Important Religious Pilgrimage Centres of India

<b>Hindu Pilgrimages</b>	<i>CharDhamYatra</i> - Badrinath, Kedarnath, Gangotri, and Yamunotri.  Varanasi/Kashi, Allahabad/Prayag, Haridwar-Rishikesh, Mathura-Vrindavan, and Ayodhya. Jagannath Puri. Tirumala -Tirupati, home to the Tirumala Venkateswara Temple; Sabarimala home to Swami Ayyappan. Shakti Peethas, of Goddess - <i>Kalighat</i> and <i>Kamakhya</i> . Jyotirlingas, Allahabad, Haridwar, Nashik, and Ujjain.
<b>Islamic Pilgrimages</b>	Hazratbal in Srinagar, Dargah of Moinuddin Chishti, Ajmer, Haji Ali Dargah, Mumbai,
<b>Sikhism Pilgrimages</b>	Golden Temple, Amritsar, Patna Sahib (Bihar), Paonta Sahib (Himachal Pradesh), Anandpur Sahib (Punjab), Baba Bakala (Punjab), Gobindwal Sahib (Punjab), Taran Taran (Punjab), Sirhind (Punjab), HemKund Sahib (Uttar Pradesh), Nanded Sahib (Maharashtra).

<b>Christian Pilgrimages</b>	Goa. St. Francis Xavier, St. Thomas Mount. Place where St. Thomas was martyred., Vailankanni. 16th-century Marian apparition site., Thodupuzha. Divine Mercy Shrine of Holy Mary: - Marian apparition site., Nashik, Maharashtra, Shrine of the Infant Jesus.
<b>Buddhist Pilgrimages</b>	<p><i>Bodh Gaya:</i> the place of his Enlightenment (in the current Mahabodhi Temple). <i>Sarnath:</i> (formally Isipathana) where he delivered his first teaching. <i>Kusinara:</i> (now Kusinagar, India) where he died.</p> <p><i>Sravasti:</i> Place of the Twin Miracle, showing his supernatural abilities in performance of miracles. Sravasti is also the place where Buddha spent the largest amount of time, being a major city in ancient India.</p> <p><i>Rajgir:</i> Place of the subduing of Nalagiri, the angry elephant, through friendliness.</p> <p><i>Sankasia:</i> Place of the descending to earth from Tusita heaven (after a stay of 3 months teaching his mother the Abhidhamma).</p> <p><i>Vaishali:</i> Place of receiving an offering of honey from a monkey. Vaishali was the capital of the Vajjian Republic of ancient India.</p>
<b>Jain Pilgrimages</b>	<p><i>North India:</i> Hastinapur, Taxila, and Ashtapada.</p> <p><i>South India:</i> Shravanabela gola, Moodabidri, Humbaj, Anantnath Swami Temple near Kalpetta.</p> <p><i>Eastern India:</i> Shikharji, Pawapuri, Champa, Pundravardhan.</p> <p><i>Western India:</i> Palitana, Girnar, Mount Abu, Mahavirji, Shankheshwar, Mahudi.</p> <p><i>Central India:</i> Vidisha, Kundalpur, Sonagir.</p>
<b>Zoroastrian Pilgrimages</b>	<p>Iranshah Atash Behram, Udvada.</p> <p>Desai Atash Behram, Navsari.</p> <p>Dadiseth Atash Behram, Mumbai. Vakil Atash Behram, Surat. Modi Atash Behram, Surat. Wadia Atash Behram, Mumbai. Banaji Atash Behram, Mumbai. Anjuman Atash Behram, Mumbai.</p>

**Source:** [https://en.wikipedia.org/wiki/Pilgrimage\\_places\\_in\\_India](https://en.wikipedia.org/wiki/Pilgrimage_places_in_India) retrieved on 15 June 2015.

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### **3.9 Adventure (Hiking, Skiing, River Rafting, Mountaineering etc.)**

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#### **3.9.1 Adventure Tourism**

Adventure is a daring act of physical and mental strength to do something unique with perfection and confidence to get thrill and excitement. Adventure tourism exploration or travel to remote exotic areas. Adventure tourism is rapidly growing in popularity as a tourist seeks different kinds of vacations. Any constructive activity which tests the endurance of both a person and his equipment to its extreme limit is termed as Adventure. Adventure tourism is niche tourism product. The definition of Adventure Tourism would vary according to different types of people. The term can confuse most people, but the best possible definition states that it involves some type of outdoor activities around the natural environment with the outcome of the activity remaining unknown.

#### **3.9.2 Features of Adventure Tourism**

- i. Uncertain outcome
- ii. Exciting and Stimulating
- iii. Emotion
- iv. Absorption and Concentration
- v. Escape from Reality And Separation
- vi. Danger and Risk
- vii. Challenge
- viii. Exploration and Discovery
- ix. Originality

**Source:** Adapted from Oltean, F., Turismul de Aventura – Oportunitate pentru antreprenori, Oeconomica Journal, 2010, pp. 3

### Forms of Adventure Tourism

Land based Adventure	Water based Adventure	Air based Adventure
Mountaineering	White Water River Rafting	Para-gliding
Hiking	Kayaking	Para shooting
Skiing	Surfing	Skydiving
Mountain Biking & Cycling	Snorkeling	
Horse Riding	Wind surfing	
Bungy Jumping	Scuba Diving	
Safaries	Canyoning	

*Source:* Compiled by the author

- (i) **Hiking:** Hiking destinations in India is broad and vast. When it comes to hiking in India, India has plenty of places where this activity is possible. Hiking is a good way to experience and appreciate the outdoors and get in touch with nature. Tiger Hill Himalayas and Mount Kanchenjunga, Har ki Doon valley Garhwal, Dhauladhar range and Pir Panjal Mountains. Manali Himachal Pradesh, Singhalia Ridge Trail Darjeeling is the epicenter of adventure tourism in India and is one of the breathtaking views and top hiking destinations in India.
- (ii) **Skiing:** The abundance of mountains and snow during the winters means that skiing has become one of the most thrilling adventure sport pursued by people from all ages. The Himalayas provide an excellent skiing experience owing to their great height which makes for long descents. Heliskiing is also gaining popularity in places like Manali and Gulmarg. Some of the most popular skiing locations in India are Gulmarg, Pahalgaoan, in Jammu and Kashmir, Manali, Kufri, Solang nala in Himachal Pradesh and Munsiyari, Auli in Uttarakhand.
- (iii) **River Rafting:** Rafting the term comes from English to mean cork and appeared in the U.S. after 1950. The major river like Brahmaputra, Ganges, Yamuna and the Kali are the means to enjoy exciting river rafting experiences by the tourists. India has unique sites for river rafting adventurous. The Ganga at Rishikesh is prominent rivers location to rafting. A 16 km stretch rich with whirlpools having rapids range from grade 1 to grade 4 from Shivpuri to Lakshman Jhula in Rishikesh. The rocky Teesta River has been rated at Grade 4, flows in Sikkim, Darjeeling, and Kalimpong Hill Region, with rapids and varying intensity. Bhagirathi River has 150 kms of white water rafting adventure. The raft run is down the lower

Bhagirathi gorge and is graded between levels 3 and 4. Rapids like “Elephant rock”, “The Chute”, “Sharp S”, “Confluence rapids” are encountered till Bhagirathi’s confluence with the Alaknanda at Devprayag to form the Ganga.

- (iv) **Mountaineering.** Mountaineering is quite favorable adventure activity in India, since the entire northern and north-eastern borders are the Himalayas, the highest mountain range in the world. Under the mountaineering climbing routes are normal to high peaks and alpine areas of high altitude. Himachal Pradesh, Jammu and Kashmir, Uttarakhand, Sikkim, Arunachal Pradesh are some important sites for mountaineering in India. Mountaineering is highly popular in India because of its Himalayan ranges, the highest mountain range in the world. The Himalayas offer ideal locations for rappelling and rock climbing, and the valleys and gorges are thrilling and offer higher levels of challenges.

### **3.9.3 Initiatives of Ministry of Tourism to Promote Adventure Tourism in India**

The special attention is being given for the development of Adventure Tourism in the country. The Ministry of Tourism has also issued Guidelines for Approval of Adventure Tour Operators, which is a voluntary scheme, open to all bonafide adventure tour operators. The Ministry of Tourism has also formulated a set of guidelines on Safety and Quality Norms on Adventure Tourism as BASIC MINIMUM STANDARDS FOR ADVENTURE TOURISM ACTIVITIES. These guidelines cover Land, Air and Water based activities which include mountaineering, trekking hand gliding, paragliding, bungee jumping and river rafting. Central Financial Assistance is being extended to various State Governments/ Union Territory Administration for development of Tourism Infrastructure in destinations including Adventure Tourism destinations These include facilities for trekking, rock climbing, mountainreering, aero-sports, winter/ water related sports, trekker huts, wildlife viewing facilities etc Financial assistance for purchase of water sports equipment consisting of kayaks, canoes, paddle boats, fibre glass boats, hoyercrafts, water scooters, etc. are also provided to State Governments.

#### **Training Institutes of Adventure Tourism In India**

1. The Indian Institute of Skiing & Mountaineering has been made fully operational in Gulmarg from January 2009.
2. The National Institute of Water Sports, another organistion of Ministry of Tourism based in Goa, is getting a new building and facilities upgraded for training in water sports activities.
3. The Ministry is working with the Indian Mountaineering Federation and Adventure

Tour Operators Association of India to explore positioning India as an Adventure Destination.

*Source:* Ministry of Tourism, Government of India.

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### **3.10 Wild life**

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India is famous for its endangered wildlife in all over the world. Indian wildlife and vegetation is exclusive rich diversity for nature tourists. India also has 23 tiger reserves, 350 mammal species, 2200 birds species and more than 32,000 species of insects. Several species of fish, amphibians and reptiles are also find in different parts of India. Wildlife parks and sanctuaries of India are the major attraction for tourists from all over the world.

#### **3.10.1 Jim Corbett National Park**

The Corbett National Park is nestling in the foothills of the Himalayas, which covers an area of 1318 sq. kms. Diverse landscape and flora makes this park habitat of natural attraction. This was first national Park of India established in the year 1936. The prestigious “Project Tiger” was launched in 1973. The major attraction of Corbett is the Majestic Indian Tiger. Apart from Tigers, Corbett is endowed with variety of wildlife species like Leopards, leopard cat, elephant, jungle cat, fishing cat, Himalayan black bear, hog deer, chital, sambar, wild boar, barking deer etc.

#### **3.10.2 Kaziranga National Park**

Kaziranga National Park in Assam India, which is home of the one horn Indian Rhinoceros, declared a World Heritage Site, by UNESCO in 1985, Kaziranga National Park lies in the Brahmaputra River, elephant grass and shallow swamps scattered with large areas of semi-evergreen forest. It is bounded by the Mikir Hills on the South and the Mighty Brahmaputra river on the north. The other wildlife are wild buffaloes, Asiatic Elephant, Indian Bison, wild boars, barasingha (Eastern swamp deer), leopards, tigers, Jackal, hoollock gibbons, capped langur, rock python, and monitor lizards.

#### **3.10.3 Manas National Park**

Manas National Park is situated in Assam, which is also UNESCO World Heritage Site. This park is home of endangered animals like Tiger, Leopard, Clouded Leopard and some of the smaller cats like Marbled, Leopard, Pigmy Hog, Golden Langur. It has remarkable diversity of forest vegetation within the confines of the park. Other wildlife are Great Indian Rhinos, Indian Elephant, Indian Wild Buffalo, Red Panda and Capped Langur. Manas has uncountable species of birds. Like Assamese Myna, Indian Lorikeet,

Crossbill, Malkoha, kalij Pheasant, Orange-bellied Blue Magpie, Blue-headed Flycatcher, Great Indian Hornbill.

#### **3.10.4 Kanha National Park**

The Kanha National Park is situated in Madhya Pradesh, Rudyard Kipling's Jungle Book inspired from this park. This is the largest wildlife reserve in Asia. It was the first 'Project Tiger Reserves' in India which have their own success story, with the doubled tiger population since 1976. The other wildlife attractions in the park are tiger, gaur, wild dogs, chousingha, nilgai, sloth bear, sambhar, chital, hard ground barasinga-(12-horned deer), barking deer, hyena, jungle cat and leopard.

#### **3.10.5 The Gir National Park**

The Gir National Park is in Junagadh, Gujrat and home of Asiatic Lions. Today they are four independent populations of Asiatic Lions in and around Gir totaling around 275. The other major attraction of this park has Leopards, Chital, Sambhar, Blue Bull, Jungle Cat, Jackal and Striped Hyena, Chausingha, Chinkara and Wild Boar.

#### **3.10.5 Sunderbans National Park:**

The word 'Sunderbans' has derived its name from the Sunderi tree which is the native to this estuarine mangrove delta. Sunderbans National Park is a UNESCO World Heritage Site, covers an area of 2,585 sq km wildlife sanctuary. The world's largest deltas and the mangrove forest formed by the meeting of three rivers- the Ganga, the Brahmaputra and the Meghna also extends into Bangladesh. The major attraction of this park are Tigers, Spotted deer, Monkeys, Wild Boars, Fishing cat, Common grey mongoose, Pangolin, Small Indian civet, Crocodiles, Gangetic Dolphin, Olive Ridley turtles, Indian python, crabs.

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### **3.11 Desert Safari**

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India desert safari is most popular rides with camel, and 4x4 wheel drive vehicles like jeep, land cruisers on the sand dunes of Rajasthan amongst domestic and foreign tourists. Desert Safari, also known as Dune Bashing. Dune bashing means explore the sand dune in Desert. Rajasthan, comprising of the Great Indian Desert in the tremendous west, lures them from different corners of the world. The desert life of the state attracts many people and leap by this fascination those come especially for desert safari. Desert safari in India can take many forms, like camel safari, elephant safari, horse safari, jeep safari, etc. However, the best amongst these is the camel safari that takes you to the

deepest cores of the desert. Jaisalmer is a tourist hotspot in Rajasthan and is known for the Jaisalmer desert safari , beautiful camels and golden monuments which have earned it the name ‘the Golden City.’

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### **3.12 Ethnic**

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India has rich with its cultural diversity, magnificent heritage and unique history, is a world renowned cultural tourism destination. The central point of India’s magnetism as it’s diverse cultural background. “Ethnic tourism” defined it as tourism “marketed to the public in terms of the ‘attractive’ customs of indigenous and often exotic peoples” Smith (1977, p. 2). Ever since, the concept and its consequences have been to links between tourism and ethnicity, and the impacts of ethnic tourism. The word “aboriginal tourism” (Getz and Jamieson, 1997 and Mercer, 1995) and “indigenous tourism” (Butler and Hinch, 1996 and Ryan and Aicken, 2005) are sometimes used interchangeably with “ethnic tourism” to refer to essentially the same experience. However, aboriginal tourism or indigenous tourism unambiguously involves indigenous people, whereas in ethnic tourism the people on whom the tourism activities are based are not necessarily indigenous. Ethnic tourism is “travel motivated by search for the first hand, authentic and sometimes intimate contact with people whose ethnic and /or cultural background is different from the tourists”. Ethnic tourists are motivated by the aspiration to see something different where interest is the crucial factor. The tourists want to experience actual practices different culture, and may involve personally with indigenous communities. It encompasses cultural, heritage, fairs & festivals anthropological, tribal traditions and customs, rural and agri-tourism and similar others forms of tourism. Ethnic tourism may be promoted as a tool for poverty alleviation as well as sustainable form of tourism for the preservation and conservation of culture and heritage in India.

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### **3.13 Golf Tours**

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#### **Golf Tourism**

Golf tourism is described by such trips undertaken by golfers as a players and spectators as golf lover n different important golf courses in India. Such golf tournaments as an emerging nice tourism product to attraction golf destinations which are professionally plan and manage by for Travel agents and tour operators in India recently. Ministry of Tourism, Government of India acts as a catalyst for the promotion of Golf Tourism in the country.

There has been a recent surge in the interest levels amongst youth for golf tourism in the country. Nowadays Sports tourism is gaining interest in India, after completion of



Commonwealth Games 2010. India has many golf courses of world class standards. With the rapid golf events held in India also attract domestic and international tourists. With international tourists expected to grow in the next few years, it is important that India has the right product to meet the need of the visitors. In order to tap this growing interest in golf tourism, Ministry of Tourism is creating a comprehensive and coordinated framework for promoting golf tourism in India, capitalizing on the existing work that is being carried out, and building upon the strength of India's position as the fastest growing free market economy. In India, the Golf tours as a theme travel in India cover many place slike Delhi, Mumbai, Jaipur, Bangalore, Chandigarh, Coimbatore, Ooty, Chennai, Kolkata, Pune, Hyderabad, Gulmarg and Srinagar.

#### **Some of the Oldest Golf Course/Clubs in India**

1.	Gulmarg Golf Course located at Gulmarg in Kashmir
2.	The Shimla Golf Club, located, at Naldhera in Himachal Pradesh
3.	Shillong Golf Course, Shillong in Meghalaya
4.	The Calcutta Golf Club, Kolkata
5.	The Gymkhana Club Golf Course in Gindy, Chennai.
6.	The Gymkhana Club in Ootacamund (Ooty) is located at a whooping heightof 7,600 feet.
7.	Presidency Golf Club, Mumbai
8.	Delhi Golf Club, Delhi

Source: Compiled by the author

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## **3.14 Special Interest Tourism**

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### **3.14.1 Special Interest Tourism**

Special interest tourism refers as practice travelling pre-determined motives which inspire and develop enthusiasm among in the tourists. It may be extraordinary hobbies, leisure activities, themes based destinations, which have a propensity to attract niche

tourism products. 'special interest tourism' has conventionally applied where it attract very few enthusiastic and curious travellers. These may be relatively unusual hobbies or activities which are practised by only a few people. Douglas et al. (2001: 3) describe special interest tourism as an alternative to mass tourism. it is customised leisure and recreational experiences motivated by the definite expressed interests of individuals and groups.

### **Types of Special Interest Tourism**

Rural Tourism/ Agri-tourism/Farm tourism	Culinary Tourism
Eco and Environment Tourism	Indigenous Tourism
Responsible Tourism	Creative tourism
City Tourism	Shopping Tourism
Haat Tourism	Casino Tourism
Literary/ Education Tourism	Carnival/fairs Tourism
Mine Tourism	Cruise Tourism
Graveyard Tourism	

#### **3.14.2 Gastronomic/ Culinary Tourism**

Gastronomic tourism covers travel to such places where people motivated primarily by an interest in indigenous gastronomy, food and drink, to gain knowledge about cooking and food production processes, or attending cookery courses. It is not new concept but tourists have always eaten food in locations which are not their home. Here the tourist motivation to learn more about indigenous cuisines, to take as sample certain foods or drinks to taste it to experience. Hall and Mitchell (2005a) suggest that the combination of food, wine and tourism have been popular since the early nineteenth century with the opening of the first restaurants, but it it was traditionally expensive and only for an élite.

#### **3.14.3 Wellness & Yoga Tourism:**

Health and wellness tourism consists of forms of tourism which focus on activities and practices which contribute to personal health and wellness, including physical, mental, psychological and emotional fields. Health and wellness tourism are among the oldest forms of tourism. The ancient Indian civilizations as far back as 5000-1000 B.C. practised many of the therapies which are found in spas today (e.g. Ayurveda, Yoga Meditation, herbal medicine, herbal oil massage).

#### **3.14.4 Bollywood Tourism**

Film and Cinema tourism describes tourism visits encouraged by seeing a such shooting location at the where such film have shooted 5like film set, film studios, R.K Studio Mumbai, Film City, Noida, RAMOJI Film City, Hyderabad etc.. This tourism also includes travel to such destinations associated with specific scene of films. The popular media of film and television have enormous influence on consumers' lives and this influence also extends to tourists' destination choices. Bollywood tourism has marketed by travel agents to add such film locations in their travel itinerary in recent years. Although films are equally influential in attracting tourists. Mumbai, Jammu and Kashmir, Northeast, Himachal Pradesh, Goa, Kerala, outstanding film tourism destination in India.

#### **3.14.5 Backpacking**

Backpackers are the essence of the 'uninstitutionalised' traveller as envisaged by Cohen (2003), and the 'allocentric' traveler as envisaged by Plog (1974). Originally recognized with the Hippies and the drug culture of the sixties and seventies, from Silk Trade Route, backpackers are now moving more as a result of budget travel and IT. Backpacking is independent travel by individuals or groups, which motivates to be flexible, low budget and with light weight baggage. Backpacking is the very essence of independent travel, offering an unlimited level of flexibility and use of substitute means of transport and accommodation to the types used by the conventional 'tourist'. In many ways, the backpacker has been mystified as the 'anti-tourist', although it has been seen that where the backpackers first 'explore' as uncharted, exotic destinations, they spearhead package or timeshare tourism, Goa being a prime example.

#### **3.14.6 Luxury Rail Tourism**

The Indian Railways - the second largest railway system in the world, has over 62,300 km. of track laid between 7000 stations and over 11,000 locomotives. Today, it offers diverse tourist routes, magnificent hotels on wheels with five-star services and Indrail Passes, ideal for extensive trouble-free tours across the country. The Royal Orient, Palace on wheel, Heritage on wheels and India on wheels, Budh Parikrama are luxurious trains of India. The Palace on Wheels, fully entrance hall, centrally air-conditioned has 14 coaches, named after former Rajput States. It has two restaurant coaches and a bar coach with an attached library. Each coach has four coupes, done in colours most evocative of the state, and highlighted by its royal emblem. Each compartment has an attached bath with running hot/cold water and showers, built in wardrobes overhead

and night lights, piped music, reading lights etc. All coaches and corridors are fully carpeted. This train covers Delhi/ Jaipur/ Chittorgarh/ Udaipur/ Ranthambhor/ Jaisalmer/ Jodhpur/ Bharatpur/ Agra/ Delhi for 7 Nights.

#### **3.14.6 Vineyards Tourism**

India have an excellent home grown vineyards. Thousands of tourists travel to these vineyards to taste their favourite blend of wine and experience the art of wine manufacturing. These wine tours are gaining popularity with wine connoisseurs in India. These vineyards are The Chateau Indage vineyards in Narayangaon Maharashtra, Chateau d'Or. Grover Vineyards, Nandi Hills, Karnataka, Zampa Wines, Nashik, Maharashtra, Fratelli Wines, Akluj, Maharashtra. Sula Vineyards in Nasik are the pioneers which started in year of 1997, the name and fame of Sula Vineyards has become prominent among wine lovers in India and abroad. The serene beauty of these vineyards is often compared with the European vineyards and is an ideal destination for wine tourism, making it one of the best locations amongst wine tours in India. These vineyards produce some of the finest quality red, white, rose, and port wines in the country.

#### **3.14.7 Shopping Tourism**

The rapidly growing urbanisation and changing demographic profile in India has developed new demand by increasing new middle class having more disposable income. The retailing is a new attraction among such people those want travel anywhere in India and abroad to enjoy this shopping experience which is possible only large shopping malls, small specialist shops, markets, fashion houses, craft fairs or shows etc. India has variety of shopping malls in metropolitan and non-metro cities. Delhi & NCR, Mumbai, Bangluru, Hyderabad, Kolkata, Chennai, Jaipur, Agra, Lucknow, are the great shopping centres in India.

#### **3.14.8 Avi Tourism/ Bird watching Tourism**

Bird watching is a widespread interest in all over the world. India is an amazing birding destination due to numerous bird and wildlife sanctuaries. Many regions in India are key attraction of variety of migrated bird from Siberia with a network of birding routes. North east India is nestle paradise for bird watching lovers.

#### **3.14.9 Wedding Tourism**

Wedding tourism is ambitious desire among the foreigners it involves cultural ceremonies with Indian ritual, for those couples who is wishing to have their wedding ceremonies

with Indian customs and traditions.. Wedding tourists tend to travel in quite large numbers. Honeymoon destination also key attractions for such couples in India. Rajasthan is very popular destination for such wedding ceremonies in India.

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### **3.15 Summary**

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Tourism in India has emerged as the fastest growing industry and is still in nascent stage which have tremendous untapped potential. The varied flora and fauna, congenial climate, historical rich heritages and cultural make it 'Incredible India' which is also brand globally by Ministry of Tourism since 2002. The recent development of Indian tourism make it possible Athithi Devo Bhava to people of all over world. Niche tourism is the new product development to tourism market with different unique experiences to t other motive along with tourism. In addition to travel and tourism, the hospitality of India is very admiring to international tourist which experience special attention of their comfort and wellbeing. There are various types of tourism branches in India that can be enjoyed at different tourist destinations of India. Medical, health and wellness, yoga, Ayurveda and herbal medicine is new vertical in Indian tourism. Due to globalization in India MICE is rapidly growing business for tourism and hospitality sector. All these new typology generate more tourism to attract national and International tourist.

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### **3.16 Exercise**

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***Long Answer Type Question:***

1. Special Interest Tourism may be extraordinary hobbies, leisure activities, themes based destinations, vvhich have a propensity to attract niche tourism products'.  
Comments
2. Eiucidate the Cultural Tourism resources of India.
3. India is a land of Fairs and festivals. Giveyour views.
4. India is an emerging MICE Tourism destination». Explain with recent examples.
5. Discuss in detail the important heritage sites in various parts of our country.
6. What do you understand by Adventure Tourism? Describe about the Himachal Pradesh as an potential Adventure Tourism destination.
7. How can Tourism help in the promotion of handicraft and souvenir industry?  
*Qs, 8 Write a detailed note on scope of Spiritual Tourism in India. Qs.9 Write a detailed note on National Parks and Wildlife sanctuaries of India. Qs10*

Explain about the Nature based UNESCO World Heritage Sites in India

11. Eco Tourism is responsible form of tourism and tourism development, which encourages going back to natural products in every aspect of life. It is also the key to sustainable ecological development”. Explain the ground reality of India through statement.
12. ‘Rajasthan is the ‘Land of the King’. Opulent palaces dot the desert landscape and battle-scarred fortresses appear on every hill like sentinels of the past’. Justify this Statement in context of tourism potential of Rajasthan.

***Short Answer Type Question:***

What is the importance of Beaches in Indian Tourism?

Write a note on Sunder ban National Park/ Tiger Reserve.

Write a note on desert regions of India.

Write a note on various Hill stations in Himachal Pradesh.

Define Alternative Tourism.

Name five beaches of Kerala and Goa.

Write a brief on three National Parks of the country which are famous for Tigers.

Write in detail about the most popular and delicious cuisines of India.

***Objective Types Questions***

- (i) Ellora caves situated in -----  
a) Maharashtra b) U.P. c) Kerala d) Punjab
- (ii) Khajuraho Temple are situated in -----  
a) Madhya Pradesh b) Orissa c) Punjab d) Bihar
- (iii) The city of Amritsar was founded in the year 1581 AD by -----  
a) Guru Nanak b) Guru Hariraj c) Guru Ramadas d) Guru Arjun
- (iv) Sarnath situated in -----  
a) Agra b) Delhi c) Orissa d) Varanasi
- (v) Dilwaru Temples, mount Abu is the ----- style of Architecture  
a) Nagaru b) Viharas c) Persian d) Hindu 65)
- (vi) Chatrapathi Shivaji Terminus situated in ----- ?  
a) Mumbai b) Chennai c) Delhi d) Agra

- (i) Fatehpur Sikri is located in -----  
 a) Madhya Pradesh b) Orissa c) Aurangabad d) Uttar Pradesh 67)
- (vii) Qutub Minar complex was first constructed by -----  
 a) Humayun's b) Akbar c) Qutb-ud-din Aibak d) Shahjahan
- (viii) Mahabodhi Temple is a -----  
 a) Jainism b) Buddhist c) Mughal d) Hindu
- (ix) Kathak is the classical dance of-----  
 a) North India b) South India c) West India d) East India
- (x) Sundarbans national park is located in -  
 a) Assam b) Sundarbans c) Himalayan d) Rajasthan
- (xi) The Charminar is Situated in -----  
 a) Hyderabad b) Orissa c) Rajasthan d) Jaipur
- (xii) Keoladeo national park situated in -  
 a) Assam b) Rajasthan c) Orissa d) Himalaya
- (xiii) Pushkar Fair is held in Pushkar which place?  
 a) Rajasthan b) Orissa c) Gujarat d) Delhi
- (xiv) Kaziranga National park situated in  
 a) Manipur b) Assam c) Mizoram d) Tripura
- (xv) In which of the following cities is the Golden Temple located?  
 a) Gaya b) Patna c) Mathura d) Amritsar
- (xvi) The state in India with the largest Coastline is  
 a) Tamil Nadu b) Kerala c) Andhra Pradesh d) Maharashtra
- (xvii) Haridwar is ideal place for undertaking  
 a) Spiritual / Religious Tours b) Historical Tours c) Eco Tours d) Farms Tours
- (xviii) The Bandipur national park is located in the following state  
 a) Andhra Pradesh b) Karnataka c) Tamil Nadu d) Kerala
- (xix) Khuchipudi, a dance drama has originated from?  
 a) Gujarat b) Andhra Pradesh c) Kerala d) Orissa

- (xx) Bharathanatyam dance from originated in  
a) Gujarat b) Tamil Nadu c) Kerala d) Orissa

**Answer keys:**

(i) a (ii) b (iii) c (iv) d (v) b (vi) a (vii) a (viii) d (ix) b (x) b (xi) a (xii) b (xiii) c (xiv) b (xv) d (xvi) c (xvii) a (xviii) b (xix) b (xx) b

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### **3.17 Suggested Readings**

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1. Tourism and India: A Critical Introduction, Volume 18 of Contemporary Geographies of Leisure, Tourism and Mobility, Routledge Publication, Edn-2011 by Kevin Hannam, Anya Diekman.
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## **Unit - 4 □ Tourism Impacts**

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### **Structure**

- 4.1 Introduction**
- 4.2 Factors influencing the Impact of Tourism**
- 4.3 Types of Impacts**
  - 4.3.1 Economic Impact**
  - 4.3.2 Physical Environmental Impact**
  - 4.3.3 Socio-Cultural Impact**
  - 4.3.4 Positive Impacts of Tourism**
- 4.4 Review questions**

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### **4.1 Introduction**

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Tourism is a multifaceted product with the advent of mass tourism its impact in various areas has become prominent. Today tourism's economic dynamic has become significant. It is a component of national economics, a contributor to the receipts, expenditures and balance of payments of different countries. It provides employments for millions of people.

It is a common knowledge that tourism involves:

- Industry without smoke
- Education without classroom
- Integration without legislation
- Diplomacy without formality.

The fundamental mission of tourism is based on the following elements:

- I. As a cultural and technological ambassador
- II. As an industry and economic multiplier
- III. As an instrument of social progress
- IV. As promoter of National Integration and International understanding, goodwill and peace.

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### **4.2 Factors influencing the Impact of Tourism**

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Impacts of Tourism vary according to the type of visitors attracted to an area and their activities while touring the place. The impact of Tourism on any destination influenced by a wide variety of factors.

### ***The volume of Tourist Arrivals***

When the number of tourists visiting a destination is limited, the impact is less both positive and negative. Some of the nature lovers, like to travel alone, enjoying the surrounding. They do not destroy the environment, their needs are limited. Hence there is no need to build big accommodation or luxurious transport facilities. Though not much employment is created, not much money flows in but the destination is preserved as it is.

On the other hand if the destination caters to the Mass Tourists, money flows in, employment increases but adverse impact on the destination is more. The environment is polluted ecosystem is destroyed.

### ***The structure of Host Community***

The impact is also influenced by the structure of the host economy. If the host economy is well developed, tourism may not have adverse impact, but in case of developing nation like ours it has suicidal impacts. In order to satisfy the ever increasing luxurious demands of the mass- tourists the basic resources of the host community is encroached upon. Not only this in order to cater to the so called *High Profile Tourists* (luxury oriented tourist those who don't mind spending money for any luxury) the world class services, employees are hired from outside the local area or even from outside the country. This results in denying the basic employment opportunity for the local people. In order to earn foreign exchange or quick money the local community is completely neglected. Ultimately in the long run host unrest and underdeveloped locality destroys the very destination.

### ***The differences in Socio- Cultural characteristics between the Host and the Guests***

In most of the cases the social- cultural characteristics of different communities differ. Some of the communities have very strict socio- cultural structure they refuse to accept any outside force, culture. State like Rajasthan has very clear cut Code of Ethics for the travelers and the Travel agents and Tour Operators as to what to wear and what not to wear and how to behave with the villagers when they interact with them. This has just been done so that the host community does not feel alienated and exploited. And their cultural sentiments are also not hurt, which is very close to their heart.

### ***The Fragility of the local Environment***

Environment is a very dominant factor influencing the environment. It must be remembered at this juncture, that environment is very fragile. The quantum of tourists,

visiting a natural destination, should be within the carrying capacity of the destination. If the flow of visitors would be greater than the carrying capacity of the destination, it will have a negative impact on the environment. Pollution of different kinds will destroy the fragile environment. We can learn a lot from the Tourism planning of the Lakshadweep Development Authority. Since the water resources are scarce the natural forest areas are to be preserved. The Development Authority encourages only "Day Tourism". The tourists are expected to bring food and especially water for drinking from their cruise ships. In the same way they are expected to return to their ships for Night Stay. But then this is also not adhered to always.

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## 4.3 Types of Impacts

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### 4.3.1 Economic Impact

According to a study conducted by Wharton Economic Forecasting Associates on behalf of the American Express Travel related Service Company, "travel and tourism" is the largest industry in the world in terms of employment in almost every country of the world. Tourism today is a great economic force.

In the economic sphere, tourists spending can enhance an area by bringing wealth and catalyzing income, employment, enterprise and infrastructural development.

The importance of tourism depends on the kind of economy taken into consideration. In the case of a developing country Tourism is welcomed on the basis of its ability to generate an inflow of foreign exchange or a provider of greater price as flexibility in its export industries.

In general, the benefit of spending by tourists spreads through many sectors of the community. This can be traced through the multiplier effect. However the full benefits of the initial tourist spending is dissipated by two factors:

- Tourists buy some imported goods so that the benefit leaks away from the local community.
- Some of the initial earnings are saved rather than spent. Whatever the size of the area affected, the economic effects of tourism can be broadly categorized into four groups; *the effects on Income, on employment, on economy's balance of payments and on investment and development.*

#### **Income**

The concept of income denotes earnings from wages and salaries, interest, rent and profits. In the tourism industry which is mainly labour intensive in nature, the greatest proportion is likely to be in wages and salaries.

Income is created directly in areas with buoyant level of tourism, labour intensive accommodation sector with hotels and with a large number of attractions and ground handling arrangements available.

The level of generation of income from tourism is closely related to the level of employment.

The income generating impact is more conspicuous in the areas where there exists huge unemployment.

The other sources of income are interest, rent and profits from tourism projects. An investor in infrastructure and superstructure may be paying interest on loans. The government income increases through taxation levied on tourism activities. The economists estimate how much extra income is produced in an economy as a result of the the initial spending through the tourism Income Multiplier (TIM). The value of Tourism Income Multipliers calculated taking into consideration, the proportion of the leakages as follows:

$$\text{TIM} = \frac{1}{\text{Proportion of leakages}}$$

In an economy with a high proportion of leakages, TIM is rather low and tourism does not stimulate the local economy very much. With low proportion of leakages TIM will be high and tourism may in total contribute a great deal more income than the original amount spent by tourists.

### **Employment**

Various kinds of employment opportunities are found in the tourism sector. Some jobs are found in travel agencies. Tour operators and other intermediaries supplying services in the generating area. But the bulk of jobs are created in the tourist destinations themselves. Tourists staying at a destination create jobs directly in the tourism industry. These employees and their families demand goods and services and other public utility service like schools, hospitals etc, inducing further generation of employments indirectly. A spiral of employment starts. nowadays emphasis is on "quality services" due to severe competition in the tourism industry this has led to the development of highly personalized services, hence an increase in employment. An exemplary situation of tourism employment is its seasonal nature, it should be remembered that such an area have few alternative employments.

Tourism may also bring employment into less developed areas, where tourists attraction

and associated activities like handicrafts can provide a source of badly needed employment and help mitigate regional disequilibrium. Many remote villages like Khajuraho in India stand as a spectacular examples of economic regeneration through tourism and new employment opportunities. In the age of tourism, it is an industry which can provide a wide range of jobs to different categories of employees ranging from unskilled to highly skilled workers. Tourism is also responsible for creating employment outside the industry in its more narrowly defined sense and in this respect those who supply goods and services to those directly in tourism equally are beneficiaries from Tourism.

Another important issue of Tourism is its seasonality factor, but there are places which have easily overcome this situation as well so that the destination doesn't lose its income and tourist flow. Kerala is one such example which sells itself from April to August (lean period in Indian Tourism) it slashes its hotel tariff and welcomes the budget and domestic tourist who cannot afford to Visit Kerala during Peak season. Not only that the famous Snake Boat Race (Jawahar Lal Nehru Cup) which is the prime attraction in the back- waters of Ellipey in the month of January, where in huge no. of foreign tourists come to watch the event is being also held in the month of July to attract domestic and budget tourists. In the same way Goa a prime and very popular destination sells its Monsoon Period (May- August) for the domestic tourists.

With time tourism may be able to provide jobs where little other potential exists and retain these jobs in changing economic conditions.

### **Multiplier Effect**

In economic terms, the tourist spending (foreign exchange) is an export that brings in new money. That part that remains in the economy, being spent and respent, sets Tourist Income Multiplier (TIM). The greater the percentage of spending that remains in the economy and the faster it is re spent depending on the velocity of circulation of money , the greater its effect in "heating" the economy of the area. Velocity of money indicates the speed with which a unit of money circulates in the economy within a given period of time. Rounds of spending are kicked off by the injection of tourist expenditure into a destination economy. It must be remembered that each circle of spending a part of it LEAKS OUT. Money leaves the country for purchase of imported goods to cater to the needs of tourists. Further if the investment in the tourist industry had come from outside the economy, money leaves the country in the form of project for the outside investors. This is also considered to be leakage.

In the first round of spending , apart of money which stays within the economy may be

saved or given as loans to the other investors. In the second round of spending, the money staying within the country will be spent. Due to the close link between different sectors in the economy the spending in the tourism sector stimulates economic activity in the economy as a whole.

Services rendered to the tourists though Intangible are considered as exports. The services and goods brought from outside the economy to satisfy the needs of the tourists are considered to be imports. More exports than imports will be advantageous to the economy. A very simple mathematical formula will explain the tourism multiplier.

$$\text{TIM} = \frac{\text{TPI}}{\text{MPS} + \text{MPI}}$$

TIM : Tourism Income Multiplier (the value of multiplier , multiplied by the tourist expenditure will determine the tourist income generated by these expenditure within a given time.

TPI: tourists propensity to import or buy imported goods and services that do not create income for the area. These are considered to be leakages.

MPS : marginal propensity to save, that is the desire to save additional amount from the increased amount.

MPI: Marginal propensity to import i.e. the desire to buy additional imported goods and services or spend money abroad out of the increased income.

The larger the multiplier, the greater the economic impact of tourist spending on the area. The tourism multiplier measures the present performance of the tourism industry and the short run economic effects of a change in the level or pattern of tourism expenditure.

### **Balance of Payment**

In an era of Globalisation the importance of International Trade cannot be ignored. Earlier only visible items were exported and imported. Now invisible items like services are included in export and imports. When a country exports to other countries, whether visible or invisible, money from other countries flow into the country. While in cases of imports, money flows out of the country. Usually the values of imports and exports of the country are calculated. If the export values are more than the import values, it means we pay lesser amount to the other countries, but receive more than that from other countries. This situation is known as favourable balance of payments. On the other hand when the values of our imports are more than that of our exports, it indicates

that our country has to pay to the other countries more than what it receives. This situation is said to be adverse balance of payments.

In case of Tourism, it is well known that it is a Service Industry. To enjoy Tourism the visitor must be physically present in the destination, to enjoy the various services provided. Many of the developing countries depend on tourism to earn more foreign exchange and to correct the imbalance in their balance of payments position. Many countries, particularly those with good tourism potential but little industrial or agricultural export potential encourage the contributions of the tourists coming into their countries. They try to maximize their travel receipts through promotional and marketing strategies . many government, on the other hand try to check, out- going tourists either by taxation on out- going Tourists, limitation on foreign exchange availability or even refusal to grant exit permits. these are in away, import substitutions.

#### **4.3.2 Physical Impact/ Environmental Impact**

The scenic beauty o any destination serves as the most important factor for tourism development . there are nature loving tourists, who visit the place to enjoy the peace and tranquility of the area. They do not destroy the environment.

#### **Types of Environmental Impacts**

Tourism usually generates either positive or negative environmental impacts. Sometimes there is negligible impact. The impacts depend on how tourism development is planned and managed.

#### **Positive Impacts**

- Conservaion of Importatant natural areas
- Conservation of archeological and historical sites
- Improvement of Environmental quality
- Enhancement of environment
- Increasing environmental awareness

#### **Conservation of important Natural Areas**

Tourism can help justify and pay for conservation of important natural areas and development of parks and reserves. This also includes the establishment of nationa parks and regional parks. Thses are the major attractions for the tourists.if there is no tourism , these natural areas might be developed for other uses or allowed to ecologically

deteriorate. Marine conservation , especially of reef areas, is receiving much attention in some places because these are important attractions for tourism.

### **Conservation of Archeological and Historical sites**

Archeological and historical sites are one among the important tourist attractions. Tourism provides the incentives and helps for the conservation of Archeological and historical sites. Without tourism these areas would have deteriorated and disappeared, leading to loss of cultural heritage of areas.the burning example would be the famous World Heritage Site - Temples at Khajuraho.Had it not been discovered and later maintained and preserved it would have remained an obscure temple in a small village. Another example is one of the seven wonders of the world Taj Mahal, which has been declared as “No- Fly Zone” the emissions from aeroplane flying over the Taj Mahal were discolouring the white marbles, hence it was necessary to declare it as one. Otherwise the very sanctity of the site will be lost.

### **Improvement of the Environmental Quality**

It is a known fact that tourism can help to provide the incentive for “cleaning up”the overall environment through control of air, water and noise pollution, littering and other environmental problems. The environmental aesthetics improvement through landscaping programmes, appropriate building designs, sign controls and better building maintenance.

### **Increasing Environmental Awareness**

In many places, the residents have limited interest in and concern about nature. They are not aware of the importance of conceiving the natural resources. For example the people living around the Velavadar National Park in Gujarat, were not much interested in the park area except as a grazing land for their cattle. Once this park became famous and tourists started visiting the park to enjoy the sight the deer caled ‘Black Bucks’. The common man or the local people saw it as a good employment opportunity and actively started participating in the upkeep, maintenance and conservation of the area.

### **Negative Impacts**

If tourism is not properly planned and managed it brings along many Negative Impacts which at times are not visible instantly but the destination has to pay a very expensive price for it in the long run. Ironically its not only the destination but ultimately the local society has to suffer.

The scale of tourism development in relation to the carrying capacity of the environment greatly influences the extent of the environmental impact, some of them are:



- Water pollution
- Air pollution
- Noise pollution
- Visual pollution
- Waste disposal problems

### **Water pollution**

Along with the increased flow of the tourists into a destination, more hotels, resorts and other tourists facilities are developed in that area. The quantum of sewage increases. If proper sewage disposal system is not installed, it will pollute the ground water. There are some places in our country which once were clean and serene but due to the immense industrialization and touristic pressure has left the water polluted and unclean. Ganges are the live example in our country. There are regulations which says that hotels and resorts should maintain a minimum distance (as provided by the Ministry of Environment, GOI) from the beach or any water body and before expelling the effluents in the near by sea , river or any water body must go through their own water treatment plant( which is a must)

The famous Yamuna River on whose bank of the TAJ MAHAL was built. It was said that during full moon night when the reflection of the majestic Taj fell on the river, it was a heavenly sight. Due to immense pollution and industrilisation and inconsiderate throwing of untreated pollutants in the river has brought in slow death of the river. Once a free flowing river has been converted into a mere **nullah** whose blue colour has been changed to black. The basic scenic beauty of the place has changed.

### **Air Pollution**

Ordinarily Tourism is called a “Smokeless Industry”. But rapid industrialization and growth of modern veichles in order to cater to the ever increasing needs of the high spending tourists has brought the environmental pollution. Installation of Air conditioning machines, cutting of trees to built so called ecological friendly resorts. Usage of vehicles in national parks and wildlife sanctuaries that make sound disturb the natural habitat. Though some regulations are there for example in national parks the veichles used are silent and preferably battery operated in order to minimize air pollution. But these are also not used everywhere. This is one type of pollution whose results are not seen or measured instantly but its effects are in the long run. There were many hill and mountain resorts in our country which didn’t need any Ceiling fans or refrigerator even during summer months. But now adays due to deforestation and increase in vehicular pollution these resorts have become pretty warm. And requires installation

of ceiling fans and also sometimes Air conditioning machines. This is happening only because of the inconsiderate use of environment.

### **Noise Pollution**

Noise generated by a concentration of tourists, tourist road and of road , air planes, motor boats and also by amusement parks or car and motor cycle race tracks, would reach uncomfortable and irritating levels for the nearby residents and for other tourists very loud noise can result in ear damage. The very sanctity of the place is damaged for example usage of speed boats and motor boats in the sea disturb the aquatic habitat. Andaman and Nicobar Islands were very worried about the depleting nature of the corals. The corals by nature are very sensitive both living and dead.

Coral trampling or the oil trail left by bigger ships or the smoke and the noise coming out of the speed boats were endangering the very existence of the corals, which Andaman & Nicobar Islands boasted of. The government came with an idea of making Glass-Boats these boats would only ply near the shallow waters and would only accommodate not more than 5 people and these smaller boats would fetch the passengers from a bigger ship which would be anchored quite a distance from the shallow water so that it does not damage the corals. People sitting on the smaller boats which would not make any sound can watch corals from the Glass which is attached below at the foot board the tourists are not allowed to get down in the shallow water to take bath to prevent trampling.

Another example of Noise pollution is the famous World Heritage site at Aurangabad, The Paintings of Ajanta Caves. The paintings are so fragile that tourists are not allowed to click photographs and talk loudly inside the caves. If at all they have to they can just whisper. It is said that the vibrations created from the sound will effect the paintings which are already in a sorry state. Such high is the effect of noise pollution.

### **Visual Pollution**

Visual pollution is something which we usually don't think seriously of. But it plays an important role in attracting tourists in a destination. However beautiful and appealing a destination may be but the basic visual aspects are equally important.

For example a destination may have a world class 5 star graded hotel but the surroundings of the hotel are unclean it would never attract tourists.

The visual pollution may be caused by:

- Badly planned layout of tourist facilities
- Inadequate or inappropriate landscaping

- Overhead utility (electric and phone) lines and poles.
- Obstruction of scenic views by development.
- Poor maintenance of buildings
- Unclean surrounding of the hotels.

### **Waste Disposal Problems**

Other than littering of waste products and packaging materials by the tourists, there are problems arising by solid waste. Improper disposal of solid waste from hotels, restaurants and resorts can generate both litter and environmental and health problems. And this also causes Visual pollution.

### **4.3.3 Socio- Cultural Impact**

Tourism has ample potential to bring about changes in the economic, ecological, social, and cultural nature of a country. Tourists not only bring money to a region they also carry along with them strong and visible lifestyle, dress code, food habits recreational pattern.

Any influx of tourists, however small, will bring some impact on a host country of large population, sharing different value systems and away from the constraints of their own environment. But the extent and intensity of the impact is dependent not only on number of tourists but also on the kind of tourists visiting region. For example if the tourists are Explorers they would be more interested to learn about the destination, mix with the local people, understand their culture and background. These kind of tourists do not make any noticeable negative impact.

On the other hand if the tourists are not bothered about the people in the neither destination, nor have any interest in culture and heritage and if they come in large numbers, they cause damage to the destination.

Tourism Impacts are both positive and negative. Some positive aspects are exchange of cultural information, stimulation of Interesting preservation and conservation of hosts cultural heritage arouse hosts pride in their heritage and encourage local crafts, customs and traditions.

On the other hand there are negative impacts as well. There is a possibility of Demonstration Effect. That is people with lower income; try to copy the life style of the people (the tourists) who are in majority of the cases in higher strata. This basically happens if the rate of change is not gradual and was faster than the community could accommodate.

#### **4.3.4 Positive Impacts of Tourism**

Though there are many negative aspects of impact of tourism, one should remember that tourism causes social change that comes about by choice and not by accident. One should remember the fact that tourism has brought to the culture of many countries, many benefits. It has led to the situation in which, not only the locals have widened their horizons, there is a regeneration in awareness and pride in their culture and traditional local cuisine in the developing countries. The favourable impacts are found in the case of the art of Pottery, Weaving, Embroidery, Jewellery, Glasswork, Textiles, Folk dance and music. In these areas not only revival has taken place but there has been the development of new art forms and styles and adoption of traditional ones.

One aspect of tourism socio cultural impact is the demonstration effect. The life style of the tourists affects the behaviour of the host. The positive social impacts arise when tourism serves as a bridge between people, fostering communication, mutual understanding desirable redistributions of wealth.

There were some handicrafts which literally got lost in today's mechanical time got fresh breath of air due to tourism. Hands made burnt clay (terracotta) artifacts are one such example, sarees made in traditional looms are again in demand and people are preferring hand made products rather than machine made. Hand painted Masks (Used by Chau dancers) are also gaining momentum.

#### **Negative Impact**

Coming to the problems of interaction between the hosts and the guests, it is to be remembered, that any relationships which develop are transitory due to short stay of the tourists. Another factor, which brings about unbalanced relationship, is the inequality of tourists and hosts. This is not only because of imbalance in wealth, but also because of the fact that the tourists are on holiday but most of the locals whom they contact will be at work. In developing areas, enclaves of tourism may be a source of frustration and resentment, when only the limited tourists visited areas receive good roads, an adequate water supply, proper electricity. Up to date utilities where the rest of the community remains deprived of it.

#### **Commodification / Commercialization of Culture**

Tourism today leads to commodification or commercialization of culture. It is today treated as mere commodity. The culture which seems to be an integral part of Tourism of a place is used as a mere commodity and sold to the tourists in lieu of money. For example there are some tribal dances which are performed during a particular festival

of theirs. But nowadays some Tourists insist on enjoying the traditional tribal dances inside in hotel premises rather than visiting their native villages during that particular time of the year and getting the actual feel. The tourists rather prefer to enjoy it in their own comfort zone like getting a food packet ready to take home and enjoy it their home. The hotel people earn quite an amount of revenue and the performers are also happy with whatever is given to them. This leads to the loss of the very sanctity of the culture. This basically happens because the tourists want to experience everything of the place in that short span of time. This is also called “instant culture” or “staged culture”.

### **Demonstration Effect**

It is the effect that brings in changes in the nature , culture of the Host Community which is their USP(Unique Selling Propensity). Ironically the change is brought about by the Guests visiting the destination. It is basically a visual impact which is pretty gradual in nature and the change cannot be felt instantly but in due course of time, and the damage is irreparable in nature.

Demonstration as the name suggests is a visual impact which happens when a host community (especially tribal, villagers) who are not very much aware about the modern lifestyles , modern eating habits and clothing.come in contact with ultra modern Guests and their way of life in this short span of time of their visit. The confusion arises when the tribal and the host communities try to imitate it leaving their own cultures and rituals.

A burning example can be taken from the Kingdom Country – Bhutan which restricts the number of International Tourists in their country by not more than 1 lakh in a year.their main aim being to counter the demonstration effect. Bhutan being a tribal and culturally Fragile country cannot afford to lose their authenticity in lieu of some foreign exchange.

Our Government also has come up with some plans in culturally fragile areas where the tourists are provided an ambience of the local culture , cuisine, religious festivities in their houses itself. The tourists have to shed their modernity and transform themselves into their culture , their lifestyle, their eating and dressing habits during their stay with them. In this way the visitors get an insight of the host culture and the host community builds a sense of pride for their culture and traditions.

To control or avoid the negative impacts of tourism, it is necessary to control tourism development. The development authorities should be clear about the types of tourism to be developed and what kind of tourism should be avoided. If the flow of the tourists into the destination is controlled and regulated based on the “carrying capacity” most of the negative impacts can be avoided.

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## 4.4 Review Questions

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**(Answer in One or Two Sentences)**

1. What is Tourism Leakage?
2. How can we Control Leakage from our Economy?
3. What is meant by Demonstration Effect?
4. Write the formula for calculating Tourism Income Multiplier.
5. What do you mean by Commodification/ Commercialisation of Culture.
6. What is visual pollution?

**(Answer in around 100 words)**

1. Write a note on the employment opportunities through tourism development
2. Briefly explain how tourism will help in conservation of the archeological and historical sites
3. Employment through tourism uplifts the economic structure in a society. Comment
4. Noise Pollution has become a big problem to tackle today. Comment citing example.
5. What is Multiplier effect? Why do you think it is Important for the healthy economic function of a society.
6. What are the different factors influencing the Impacts of Tourism.

**(Answer in around 300 words)**

1. What are the different kinds of pollution generated by tourism development?
2. Site some positive and negative impacts of tourism on a host society and how can we overcome it?
3. What is Visual Pollution? How can we minimize it?
4. What are the different positive impacts of Tourism on Environment?
5. What is Balance of payment? Describe citing appropriate examples.
6. What is Carrying Capacity? How can we Negate Demonstration Effect by using carrying capacity as one the tool.

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## Unit - 5 □ **Tourism Resources of West Bengal and North Eastern States**

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### **Structure**

- 5.1 Objective
- 5.2 **Tourism Resources of West Bengal**
- 5.3 **Tourism Resources of Assam**
- 5.4 **Tourism Resources of Meghalaya**
- 5.5 **Tourism Resources of Arunachal Pradesh**
- 5.6 **Tourism Resources of Manipur**
- 5.7 **Tourism Resources of Mizoram**
- 5.8 **Tourism Resources of Tripura**
- 5.9 **Tourism Resources of Nagaland**
- 5.10 **Review Questions**

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### **5.1 Objective**

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After going through this unit you shall be able to know the important tourism resources/ places of West Bengal and the neighbouring North Eastern States of India

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### **5.2 Tourism Resources of West Bengal**

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West Bengal is one of the most culturally and ethnically diverse states of India. The people of West Bengal inherit their identity and aspiration from the larger Indian mosaic. One can still recapture the colonial era in its relics which survived the state's progressive development. The land of West Bengal has in it intricately woven stories of many bright mornings and dark nights; stories of many civilisations have left their footprints here.

Destinations : **Himalayas**

*Darjeeling*



Darjeeling conjures visions of snow peaks, serenity of vibrant green hills steeped in



splendour, a land of breathtaking beauty crowned by the majestic Himalayas. Darjeeling is one of the most magnificent hill resorts in the world. This heavenly retreat is bathed in hues of every shade. The traveler - whether a tourist or a trekker, an ornithologist or a photographer, a botanist or an artist - will find in Darjeeling an experience which will remain

etched in ones memory - forever.

Darjeeling is well connected to Rest of India & Kolkata by air, road and train.

- **Air Service:** The nearest airport to Darjeeling is Bagdogra about 94-96 kms away from Darjeeling. There are direct flight connections with Delhi, Calcutta and Guwahati. Tourists heading for Darjeeling can get direct taxis/cabs to Darjeeling from Bagdogra or one can head towards Siliguri first and get a transport there. There are a number of transport facilities available from Siliguri - one can reserve a taxi or choose to go by paying per head (Rs. 80 - this varies from time to time) from the Bus Junction area.
- **Train Service:** Apart from Darjeeling Railway Station the two closest railway stations are Siliguri (80 kms) and New Jalpaiguri (88 kms) from Darjeeling. These railway stations have direct railway connections with Kolkata, Delhi, Guwahati, Varanasi and other major cities of India.
- **Road Service:** The major access to Darjeeling by road is via Siliguri, which is connected to all the major cities. Darjeeling is also very well connected to Sikkim, Nepal, Bhutan and its surrounding hills.
- **Local Transport:** Taxis of different models are available for sightseeing in



and around Darjeeling at fixed rates. Ponies can also be availed at Chowrasta for local sightseeing.

### **Kurseong**

Kurseong is a hill station (and sub-divisional town) situated in Darjeeling District of West Bengal, India. Located at an altitude of 1458 metres (4864 ft), Kurseong is just 30 km from Darjeeling. It has a pleasant climate throughout the year and the winters are not as severe as Darjeeling's. The local name of Kurseong is "Kharsang" which in the Lepcha language means "Land of White Orchids".

### **Kalimpong**

Kalimpong is a sleepy little town that is situated at an altitude of 1,200m and at a distance of 50-odd km to the east of Darjeeling. It was once the hub of the trans-Himalayan trade between India and Tibet-merchants used to ferry goods by mule caravans over the Jeleppla Pass on the Sikkim-Tibet border. The name of this town has historic significance. Kalimong was once the headquarters of a Bhutanese Governor. The word "kalim" stands for "the King's minister" and the word "pong" means "stronghold"; hence "Kalimpong" means "the stronghold of the King's minister".



### **Lava Lolegaon**

#### **Lava**

Surrounded by virgin pine forests and often hidden in mists and clouds at an altitude of 2,350 meters, this small village lies 34 kilometers away from Kalimpong on the old trade route to Bhutan. It has a beautiful monastery of Bhutanese origin and a Nature Interpretation Centre. Popular for nature exploration and bird watching, it is also the starting point for treks into the Neora National Park, which abounds with floral and faunal wealth.

### **Kaffer / Lolay Gaon**

A small peaceful hamlet in the Kalimpong Sub division of Darjeeling District, Lolay Gaon is nature's paradise on its own with beautiful landscape, comprising lush green forest & serene valleys. The peaks of Kanchenjunga rises majestically in the morning mist. Lolay Gaon is a one hour journey from Kalimpong & Lava through the serpentine forest road . Lolaygaon offers small treks and trails. An Ideal destination for unwinding & relaxation.

### **Sundarbans Mangroves**

The Sunderbans are a part of the world's largest delta, formed by the mighty rivers Ganga, Brahmaputra and Meghna. Situated on the lower end of Gangetic West Bengal, the Sunderbans is criss-crossed by hundreds of creeks and tributaries. It is one of the most attractive and alluring places remaining on earth, a truly undiscovered paradise. The Sunderbans is the largest single block of tidal, halophytic mangrove forests in the world. The name can be literally translated as beautiful jungle. The name may have been derived from the Sundari trees that are found in the Sunderbans. The Sunderbans is a UNESCO World Heritage Site. It spans a vast area covering 4.264 sq. km in India alone. It is the largest Tiger Reserve and National Park in India.

### **Cultural Hotspot**

#### **Shantiniketan**

Shantiniketan is a small town near Bolpur in the Birbhum district of West Bengal and about 212 kms north of Kolkata (formerly Calcutta).

It was made famous by Nobel Laureate Rabindranath Tagore, whose vision became what is now a university town - Visva-Bharati University. The place now attracts thousands of visitors each year.

Shantiniketan was earlier called Bhnbandanga (named after Bhuban Dakat, a local dacoit), and was owned by the Tagore family. In 1862, Maharshi Debendranath Tagore, the poet's father, while on a boat journey to Raipur, came across a landscape with red soil and lush green paddy fields. He decided to plant more saplings and built a small house. He called his home Shantiniketan, the abode of peace. He founded an Ashram here in 1863 and became the initiator of the Brahmo Samaj.

In 1901, Rabindranath started a school at Shantiniketan named Brahmachary Ashram



Mandarmani Sea Beach

that was modeled on the lines of the ancient gurukul system. After he received the Nobel Prize that enhanced not only the Pride of India but also the prestige of Shantiniketan, the school was expanded into a university. It was renamed

Visva Bharati, which Tagore defined as "where the world makes a home in a nest."

### Sea beaches

West Bengal stretches to the Bay of Bengal in the south. The coastal strip of West Bengal, extending from the Gangetic Delta to the border of Orissa, has some beautiful coastal settlements, such as Digha, Shankarpur, Mandarmani, Bakkhali, Gangasagara, and Tajpur. Some of these have beaches which are hard enough for cars to drive on. Decades ago, even aeroplanes were able to land in the beach of Digha



Chintamani Kar Bird Sanctuary

### Wildlife sanctuaries and national parks

West Bengal has 3.26% of its geographical area under protected areas comprising 15 wildlife sanctuaries and 5 national parks - Sundarbans National Park, Buxa Tiger Reserve, Gorumara National Park, Neora Valley National Park, Singalila National Park, and Jaldapara National Park. West Bengal also has wildlife sanctuaries and bird sanctuaries like Chintamani Kar Bird Sanctuary and Raiganj Wildlife Sanctuary.

### 7 Wonders of West Bengal

NDTV along with the Ministry of Tourism, Government of India, conducted a nationwide

campaign for searching the "Seven Wonders of India" in 2008-09. The campaign started with shortlisting 200 places from all of the Indian states and then inviting the public to cast their vote for their favourites. It also included seven wonders of particular states. In West Bengal a total 13 were selected of which the "Seven Wonders of West Bengal" were shortlisted. The list of the 30 selected places are as follows:

- Cooch Behar Palace
- Darjeeling Himalayan Railway ("Toy Train")
- Hazarduari Palace
- Adina Mosque
- Gaur, West Bengal
- Shantiniketan
- Bishnupur Terracotta Temples
- Acharya Jagadish Chandra Bose Indian Botanic Garden with the Great Banyan Tree
- Howrah Bridge
- B. B. D. Bagh (formerly called Dalhousie Square)
- Dakshineswar Kali Temple
- Second Hooghly Bridge
- Victoria Memorial
- Sunderbans
- St. Paul's Cathedral

The shortlisted list, compiling of the "Seven Wonders of West Bengal" as per the votings is as follows:

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- Victoria Memorial
- Darjeeling Himalayan Railway ("Toy Train")
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- Howrah Bridge
- B. B. D. Bagh (formerly called the Dalhousie Square)

### **Architectural Marvel**

The state of West Bengal has significant architectural and natural heritage. The capital of the state, Kolkata is also known as the "City of Palaces".

West Bengal is famous for its **Terracotta temples of Bishnupur**.

Hazarduari Palace, a popular tourist attraction, is known to have the second largest chandelier in the world and also the largest staircase in India. This three-storey palace was built in 1837 by Duncan McLeod for Nawab Nazim Humaun Jah, the then Nawab of Bengal. The palace was built in the Indo-European style. It derives its name from the thousand doors in the palace (among which only 900 are real). In 1985, the palace was handed over to the Archaeological Survey of India (ASI) for better preservation . The Hazarduari Palace Museum is regarded as the biggest site museum of ASI and has 20 displayed galleries containing 4742 antiquities, 1034 of which are displayed for the public. They include various weapons, oil paintings of Dutch, French and Italian artists, marble statues, rare books, old maps, land revenue records, and palanquins (mostly belonging to 18th and 19th centuries).

**Cooch Behar Palace** built in 1887, was designed on the model of Buckingham Palace in London, during the reign of Maharaja Nripendra Narayan.



The Victoria Memorial

The Victoria Memorial, Howrah Bridge (Rabindra Setu) and the Second Hooghly Bridge (Vidyasagar Setu) are iconic of Kolkata. Aside from colonial and heritage buildings, there are also high rising monuments and skyscrapers in the city. There are also a couple of cemeteries established by the British when Kolkata was the capital of British India. These include the South Park Street Cemetery and Scottish Cemetery



Second Hooghly Bridge(Illuminated)



The Illuminated Howrah Bridge

The Acharya Jagadish Chandra Bose Indian Botanic Garden or Calcutta Botanical Garden (previously known as **Indian Botanic Garden**) is the largest and oldest reserve of greeneries of its kind in South East Asia. It is also a premier institution for botanical and horticultural research in India. The garden is situated on the west bank of the River Hooghly in Shibpur,

Howrah, nearly 8 km from center of city Kolkata. Located here is **the Great Banyan Tree**. It was the widest tree in the world in terms of the area of its canopy and is estimated to be about 200 to 250 years old. It became diseased after it was struck by lightning, so in 1925 the middle of the tree was excised to keep the remainder healthy.

### **Alipore Zoological Gardens**

Was founded in 1875, inaugurated by The Prince of Wales (later Edward VII). Initially started from the personal menagerie of the then Governor General of Bengal Arthur Wellesley and Carl Louis Schwendler - a German electrician, it grew based on gifts from British and Indian nobility - like Raja Suryakanta Acharya of Mymensingh in whose honour the open air tiger enclosure is named the "Mymensingh Enclosure". The zoo was ill-reputed because of cross breeding experiments between lions and tigers to produce strains like tigons, ligers, and litigons.

Adwaita was a male Aldabra Giant Tortoise in the zoo which died in March, 2006. He



was reported to have been more than 250 years old - a candidate for the longest lived animal. The other success story of the zoo was a live birth of the rare Sumatran Rhinoceros in 1889. The zoo is downsizing to meet animal comfort requirements laid down by the Central Zoo Authority of India. The zoo is also on the flyway for several migratory birds like the Sarus Crane.

The North- Eastern part of our country provides a unique amalgamation of rich cultural heriage, rituals and untouched and serene scenic beauty. The beauty of the north eastern hills are so vibrant and refereshing that one would feel to have stepped into a totally new world. The seven states of the north east are also called "**The Seven Sisters**" because of their close proximity and unique geographival features. They are **Assam, Arunachal Pradesh, Meghalaya, Tripura, Nagaland, Mizoram, & Manipur**. The govt. Of India, Minst. Of Tourism is marketing extensively the destinations of the Seven Sisters, as they really prvide the tourists a glimpse of atotal different world.

### **North Eastern States**

The North-Eastern part of our country provides a unique amalgamation of rich cultural heriage, rituals and untouched and serene scenic beauty. The beauty of the north eastern hills are so vibrant and refereshing that one would feel to have stepped into a totally new world. The seven states of the north east are also called "**The Seven Sisters**" because of their close proximity and unique geographival features. They are **Assam, Arunachal Pradesh, Meghalaya, Tripura, Nagaland, Mizoram & Maipur**. The govt. Of India, Minst. Of Tourism is marketing extensively the distinations of the Seven Sisters, as they really prvide the tourists a glimpse of atotal different world.

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### **5.3 Tourism Resources of Assam**

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Stretched out like a soaring bird, Assam is comprised of three main geographical areas: the **Brahmaputra Valley, the Barak valley** and the **North Cachar Hills**. Assam is synonymous with unspoilet natural beauty, teeming wildlife, immaculate tea gardens and warm, beautiful people. It's strategic location in the northeast of India, and it's accessibility from the rest of the country makes it the gateway to the northeastern states. It shares borders with Meghalaya, Arunachal Pradesh, Nagaland, Manipur, Tripura, Mizoram and West Bengal: and has National Highways leading to their capital cities. Assam also shares international borders with Bhutan and Bangladesh. The Brahmaputra Valley is an alluvial plain about 724 kms in length and 81 kms in breadth. It is enclosed on the north by the mighty Himalayas, south by the Garo, Khasi, Jaintia and Naga Hills. The Brahmaputra, the lifeline of the valley which shares it's name,

floods the nearby land with fertile silt every year to ensure a rich harvest. To the south of the valley are the charming hills of Karbi Anglong. Further south are the North Cachar Hills. Located here, amidst beautiful orchards, is Assam's only hill station, Haflong. The southern part of Assam is the Barak Valley, which derives its name from the Barak river. This region is a treasure trove of untouched natural beauty. Green is the predominant colour of the state with an impressive 35% forest cover and thousands of hectares under tea cultivation. Assam has five national parks including the World Heritage Sites of Kaziranga and Manas, and 20 Wildlife sanctuaries. The great Indian one-horned rhinoceros is one of Assam's most famous denizens. Supporting the state's abundant wildlife and lush vegetation are the monsoons which stretch from late May to September, but there are intermittent rains even in the winters. Winters begins in late November and continues till February. Winter mornings in most parts of Assam are marked by dense fog giving the land an aura of ethereal beauty. Over the centuries, people of various ethnic, religious and linguistic backgrounds have been attracted to the fertile valleys of Assam making it a mosaic of various cultures. It is no wonder then that Assam is said to be like a miniature of the whole country itself.

### **Wildlife**

With five national parks, two of which are designated World Natural Heritage Sites by UNESCO, and several wildlife and bird sanctuaries, Assam is a blessed land for wildlife enthusiasts. At the heart of its mind boggling biodiversity is the rich topography of Assam with its lush hills and valleys dissected by the majestic Brahmaputra and its many tributaries. Assam is home to over 180 species of mammals, including rare and endangered species like the great Indian one-horned rhinoceros, the royal Bengal tiger, the golden langur and hoolock gibbon, and a spectacular range of avifauna. Assam's most famous parks are Kaziranga and Manas. Both were conferred World Heritage Status in 1985.

### **Kaziranga National Park**

Kaziranga National Park is spread over 858 sq.kms and is located in the floodplains on both sides of the Brahmaputra. Patches of mixed deciduous forests are interspersed with vast stretches of savannah grasslands, wetlands and chars of river islands formed by the shifting course of the Brahmaputra.

The park is divided into five ranges - Central (entry point at Kohora), Western (entry point at Bagori), Eastern (at Agratoli), Western-most Burha Pahar (at Ghorakati) and Northern. The first four lie on the southern side of the river while the last is on the northern bank.



A memorable way of exploring Kaziranga is on elephant-back as these gentle creatures tread through the tall grass. The park's prized possessions, the rhinos, are usually found in good numbers grazing with deer and buffaloes.

Another option is to see the park is to take the jeep safari which is also highly recommended, as it offers the added benefit of covering a vast expanse in a relatively short span of time.

While on safari, visitors to the park are well advised not only to abide by park etiquettes but also to bear in mind its conservation history, officially counted as the most successful conservation initiative in the sub continent in the 20th century (*Kaziranga Centenary: Celebrating the Century's Greatest Success Story, 2005*)

Originally established as a reserve forest in 1908, Kaziranga was declared a sanctuary in 1916 to counter extensive poaching of the rhinoceros. In 1974, the Indian Government demarcated the present area as a national park. Then, in 2007, it was declared a tiger reserve under the Central Government's Project Tiger scheme.

The Park is the abode to more than 70% of One Horned Rhinoceros in the world. Highest density of tigers' prey including the large prey biomass of tiger found in the country. Harbours more than 60% of India's wild buffalo population along with the only population of the Eastern Swamp deer and seven species of turtles and tortoises. The other important wildlife found are - Leopard, Fishing Cat, other Lesser cats, Large Indian Civet, Small Indian Civet, Sambar, Barking deer, Hog deer, Gaur, Hog Badger, Hoolock Gibbon, Capped Langur, Assamese Macaque, Rhesus Macaque, Sloth Bear, Gangetic Dolphin and Otter etc.

The park also has a sizeable population of birds. Home to 25 Globally Threatened and 21 Near Threatened species of birds. Huge flocks of pelicans and rose-ringed parakeets can be spotted here besides crested serpent eagles, grey-headed fishing eagles, red jungle fowl, Bengal floricans, bar-headed geese and whistling teals.

More than 150 perennial water bodies are located inside the Park, where water level fluctuates temporally resulting in the generation of a very rich aquatic floral diversity. More than 32 species of flora have so far been identified. More than 60 species of fishes have been recorded and is the breeding ground of many of the local species.

**How to reach :** Rowraiah (Jorhat) is the nearest Airport which is 97 Kms. away and LGBI Airport (Guwahati) is 239 Kms. away. The road distances from nearest cities & towns to Kohora are : from Jorhat is 89 Kms., from Nagaon is 96 Kms., from Guwahati is 219 Kms., from Golaghat is 73 Kms. and from Bokakhat is 21 Kms.

**Contact Person:** Director, Kaziranga National Park

**Contact Numbers:** +91 3776-268095 / +91 3776-268086

**Best season to visit:** November to April.

### **Manas National Park**

It is Located in the Himalayan foothill bhabararea in the western Assam, Manas was originally a game reserve since 1928 and became a Tiger Reserve in 1974, a World Heritage Site in 1985, a Biosphere Reserve in 1989. Then declared as a National Park in 1990.

The park is contiguous with the Buxa Tiger Reserve in West Bangal and in 2003, it was declared part of Chirang-Ripu Elephant Reserve which serves as the international corrdior for elephant migration between Indian and Bhutan. Spread over an area of 500 sq. kms., the park has extensive grasslands and is famous for its unique scenic beauty. The park harbours more than 20 endangered species. Considered one of the the world's rarest simian species, the golden langur was first spotted in Manas in the mid 20th century. Other mammals commonly found here are Rhino, Elephant, Tiger, Pygmy hog, Hispid hare, Assamese Macaque, Rhesus Macaque, Leopard, Golden Cat, Clouded leopard, Fishing cat, Leopard cat, Jungle Cat, the Large Indian civet, the Small Indian civet, Common palm civet or Toddy cat, Himalaya palm civet, Binturong, Common mongoose, Small Indian mongoose, Himalayan black bear, Sloth bear, Gaur, Water buffalo, Sambar, Hog deer, Barking deer, Swamp deer, Wild pigs etc.

**How to reach :** Located 176 kms from Guwahati and Barpeta Road Railway Station is 20 Kms. away.

**Contact Person:** Director, Manas National Park

**Contact Numbers:** +91 3666-261413 / +91 3666-260288

**Best season to visit:** November to April

### **Nameri National Park**

It covers an area of 200 sq. kms. and is located in the Sonitpur district, bordering Arunachal Pradesh. It is also the core area of Nameri Tiger Reserve (344 Sq. km). It's beautiful deciduous forests and the adjacent river jia Bhoreli, fringe the border of Assam and Arunachal Pradesh. This is therefore a popular stop en route to Bhalukpung in Arunachal, where anglers congregate to fish for the famous golden Mahseer.

Animals found here are Tiger, Leopard, Clouded Leopard, Elephant, Gaur, Wild Pigs, Sambar, Barking Deer, Hispid hare, Slow Loris, Capped Langur, Dhole, Sloth Bear, Burmese ferret Badger, Binturong etc.

The park is home to several rare bird species including the endangered White Winged Wood duck and a huge variety of butterflies, including the prized Atlas Moth, considered the largest moth in the world with a wing surface area of 400 sqcms and a 25-30cm wingspan.

How to reach - Nameri National Park is 210 kms from Guwahati, 40 kms from Tezpur, 215 kms from Jorhat, 110 kms from Nowgong and 125 kms from Kaziranga. The nearest airport, Salonibari Airport in Tezpur is 34 kms away.

**Contact Person:** DFO, Western Assam Wildlife Division

**Contact Numbers:** +91 3712-268054 / 268003

**Best season for visit :** November to April

### **Dibru-Saikhowa National Park**

is a National Park as well as a Biosphere Reserve having an area of 340 sq. kms. in Tinsukia district. An unique habitat endemic to Dibru-Saikhowa only, a habitat which has undergone radical transformation after the great earthquake of 1950. It is famous for it's feral horses and Gangetic dolphins. The migratory birds are also a major attraction.

It is an identified Important Bird Area (IBA) having more than 382 species of Birds, some of which are Greater Adjutant Stork, Lesser Adjutant Stork, Greater Crested Grebe. Large Cormorant, Open bill Stork, Black necked Stork, Large Whistling Teal. Grey leg Goose, Grey-headed Fishing Eagle, Griffon Vulture, Osprey, Crested Serpent Eagle, Spot Billed Pelican, White Winged Wood Duck, Baer's Pochard, Greater Spotted Eagle, Pale Capped Pigeon, Great Pied Hornbill, Marsh Babbler, Jerdon's Babbler, Black Breasted Parrot bill, etc. The Park is renowned for natural regeneration of Salix trees.

**How to reach :** The Park can be visited by staying at Tinsukia town. Mohanbari (Dibrugarh) Airport is the nearest Airport, which is about 40 kms. away from Tinsukia. The distance between Guwahati and Tinsukia is 500 kms. Tinsukia is well connected with Dibrugarh town by NH. 37 and the distance is 55 kms. Dholla is the nearest township of Saikhowaghat entry point.

**Contact Person:** DFO, Tinsukia Wildlife Division

**Contact Numbers:** +91 374-2331472 / 2333082

**Best season to visit :** November to April

### **Rajiv Gandhi Orang National Park**

It is spread over 78.81sq kms and is the oldest game reserve of the State just on the northern bank of river Brahmaputra. It is an important breeding ground for many fish varieties. Mammals found here are Rhinoceros, Tiger, Maljuria Elephants (male elephants in group), Hog Deer, Wild Pig, Civet Cat, Porcupine and Gangetic Dolphin.

222 species of Birds have so far been recorded, some of which are Spot Billed Pelican, White Pelican, Greater Adjutant Stork, Lesser Adjutant Stork, Brahminy Duck, Pintail Duck, Bengal Florican (2nd.highest concentration) etc.

**How to reach :** The nearest Airport Salonibari (Tezpur) is 80 kms. and the LGBI Guwahati Airport is 150 kms. The National Park is located 18 kms. south of the N.H. 52 at Dhansirighat and the distance to Mangaldai is 70 kms. and Guwahati is 150 kms.

**Contact Person:** DFO, Mangaldoi Wildlife Division

**Contact Numbers:** +91 3713 - 230022

**Best season to visit :** November to April

### **Tea Industry**

Tea is the agriculture-based industries, tea occupies an important place in Assam. The plants used to grow naturally in the Upper Brahmaputra valley. Robert Bruce, an official of the British empire, who is credited with the discovery of tea in Assam in 1823, gave publicity of the existence of the plant, the leaves of which were boiled to prepare the tea. In Assam, tea is grown both in the Brahmaputra and Barak plains. Tinsukia, Dibrugarh, Sibsagar, Jorhat, Golaghat, Nagaon and Sonitpur are the districts where tea gardens are mostly found. Assam produces 51% of the tea produced in India and about 1/6th of the tea produced in the world.

In 1911 a Tea Research Centre was started at Toklai in Jorhat for developing more scientific and fruitful methods of cultivating tea plants, applying fertilizer, testing soil, selecting sites for garden and processing tea leaves. This is the oldest and largest Tea Research Centre in the world.

Instant tea project was established at the Tea Research Centre of Toklai Experimental Station in 1974. Instant tea is a golden coloured powder which dissolves in hot or cold water easily.

For a better marketing of the tea produced in Assam and the entire North Eastern States,

a Tea Auction Centre - Guwahati Tea Auction Centre - was established in 1970 at Guwahati. This is the world's largest CTC tea auction centre and the world's second largest in terms of total tea. It now auctions more than 150 million kg of tea valued at more than Rs 550.00 crores annually.

Tea industry has contributed substantially to the economy of Assam. About 17 percent of the workers of Assam are engaged in the tea industry.

### **Temples & Monuments**

Nestled in the Brahmaputra valley this state has Tantrik Shaktism, Shivaism and later Vaishnavism flourishing in its laps. From time to time people from different races, religion and culture have migrated to this place.

The Mohammedan invasions brought Islam into the state. Sikhism flourished here, Buddhist communities have kept the flag of Buddhism flying high. The famous Gurudwara at Dhubri established by the ninth Sikh Guru Teg Bahadur is held in the high veneration by the sikhs throughout the country.

With the advent of new faith & religion many temples and monuments were built all over Assam. Most of these architectural granduers belong to the medieval period and represent the architectural style of the Koch, Kachari and Ahom royal courts. These temples and monuments, spread almost all over Assam, bear silent witness to a glorious past

### **Kamakhya Temple**

The Shakti Temple of mother Goddess Kamakhya situated on the top of Nilachal Hills, overlooking river Brahmaputra, is 8 Km. away from the railway station of Guwahati. The



greatest shrine of tantric Shaktism find mention in the inscription of the Allahabad pillar of Samudragupta. Devotees from all over India converge on this holy place during Ambubashi and Manasha Puja. City buses ply regularly to Kamakhya. It can be easily reached by auto-rickshaw as well.

### **Nabagraha Temple**

The temple of nine planets situated on Chitra Chal Hill in Guwahati. It is 3 km away from the Railway Station. In ancient times, it was said to have been a great centre of study of astronomy and astrology. This is also one of the reasons why Guwahati is referred to as Pragjyotishpur or the city of eastern Astrology. It can be approached by taxi or auto-rickshaw.

### **Umananda Temple**

The great Shiva temple situated on the Peacock island in the middle of the Brahmaputra in Guwahati attracts devotees from all over the country during Shiva Ratri. One can visit the temple by crossing the river by country boat plying from Kachari ghat. On the north bank of the Brahmaputra, opposite Guwahati, where the third Pandava Arjun is believed to have watered his horse while undertaking journey during Ashwamedh Yajna. Regular ferry services are available to this place.

### **Basisthashram**

Situated in the southern-most rim of Guwahati city on the Sandhyachal hill is a well known holy cum picnic spot, called Basisthashram, after the great vedic Sage Bashistha, who is said to have lived here. Three rivulets named Sandhya, Lalita and Kanta meet here and flow perennially adding scenic grandeur to the place. It is 12 Kms. from the Guwahati Railway Station. City buses ply regularly to the Ashram.



### **Mahabhairab Temple**

An ancient temple where King Bana worshipped Mahabhairab, another incarnation of Lord Shiva. A place of pilgrimage.

### **Madan Kamdev**

Barely 40 kms. away from the sprawling metropolis Guwahati, on N.H. 52 Madan Kamdev is an enigma, a mystery, a marvel and in the words of Omar Khayam, “a veil

past which I could not see". Very little is known about the origin of this magnificent archaeological ruins. Written history is almost silent on it, leaving wide room for conjectures and hypothesis.

***Kamrupa - the ancient name of Assam***, is believed to have derived its name from the legend that love God Kama or Madan, after being turned into ashes by an angry Shiva, was reborn here. One school believes that Madan was reborn and united to Rati on this tiny hillock. The season to visit is from October to May.

### **Poa-Mecca**



There is also a mosque built by Pir Giasuddin Aulia and is held that it has one-fourth sanctity of Mecca and so it is known as Poa-Mecca. It is believed that by offering prayer a faithful gains one-fourth (poa) spiritual enlightenment of what could be gained at Mecca and so is known as Poa-Mecca.

### **Da-Parbatia**

The ruins of the door frame of Da-Parbatia Temple a few kms. from Tezpur town, is perhaps the finest and oldest specimen of sculptural or iconoclastic art in Assam. It's carving has the characteristics of the style of early Gupta School of sculpture. The door-jambs having two goddesses, Ganga and Yamuna, standing below with garlands in their hands in artistic pose and elegance are decorated with beautiful ornamental foliage.

### **Agnigarh**

Preserving the sweet memory of young lovers", Agnigarh or the rampart, surrounded by fire, is perhaps the most beautiful tourist spots in Tezpur. According to legend, Princess Usha, the only daughter of King Bana, was kept inside the palace which was surrounded by rampart of fire. The present Agnigarh, now only a hillock facing the mighty Brahmaputra, provides the tourist a soul touching panoramic view of both the river and Tezpur town.



## **Guwahati**

To the spiritually oriented, Guwahati is home to the goddess Kamakhya; to history buffs, it stands on the very spot where the brave people of this great land thwarted the mighty Mughal army in the battle of

Saraighat in 1671; to the inhabitant, it is the child that has been, over the years, nurtured, fulfilled and at times, even admonished by the mighty Brahmaputra. Guwahati is commercially and spatially one of the fastest growing cities in India. From a humble



population of 2 lakh in 1971, presenting Guwahati is a teeming metropolis with 808,021 people (2001 Census). The city stretches for 45 kms from Gopmath Bordoioi International Airport in the west to Narengi in the east and from the southern bank of the Brahmaputra to the foothills of the Shillong plateau for around 15 kms. Guwahati Municipal Corporation administers an area of over 216 sq kms. The town derives its name from two Ahomiya words – guwa or a areca nut and haat or the weekly market, thus tracing its origins to a time when it was a trading post on the Brahmaputra.

## **Tezpur**

The city of eternal romance - Usha's love for Lord Krishna's grandson Anirudha caught her father Baana's disapproving notice and so he kept Usha in isolation. The place is now known as Agnigarh. Anirudha with the help of Chitrlekha managed to make Usha his own though not without Aniruddha being held captive by Baana. This resulted in a bloody War between Lord Krishna and Baana and the bloodshed was unprecedented. Romantic Tezpur indeed got its name! The Tezpur town abounds in archaeological sites, hills, lakes and gardens.

## **Bamuni Hills:**

The sculptural remains of Bamuni hills date back to 9th Century A.D. A cross- shaped bracket lintel ornamented with horned Kirtimukha panels contains the figures of 10 incarnations of Vishnu. The Bhomoraguri stone inscription of the Ahom general



Kalia Bhomara Barphukan and Harjjar Varman's 9 line inscription are located near Tezpur.

### **Chitrlekha Park:**

The picturesque stone inscription of yore is endowed with hillocks, gardens and lakes. The Chitrlekha Udyan, the most beautiful garden of Tezpur has impressive ornamental stone pillars, sculptural relics, water sports facility, lush green walkways and a small amphitheatre too. Here, the ancient and the modern co-exist in harmony.

**Sonitpur** district has 73 tea gardens including world's biggest tea garden, Monabari . A visit to a tea garden provides insight not only into tea making and the unique culture associated with it but also gives the flavour of bygone era of the Raj. Getting here Tezpur is well connected by air, road and rail

### **AIR LINKS**

Direct Alliance Air flights to Tezpur from Kolkata are available on Thursdays and Sundays.

### **Dibrugarh**

435 Kms North East of Guwahati, Dibrugarh is a major town of upper Assam and important commercial centre of the state. It's often referred to as the 'Tea City of India. Oil and Timber are the other two big industries in and around Dibrugarh. Situated on the bank of Brahmaputra River, the town is also an important education centre in upper Assam. Assam Medical College was formally established on November 3, 1947 at Dibrugarh. It was, however, earlier known as Berry-White School of Medicine, which was founded in 1900. It has the distinction of being the first medical college in the entire North-eastern region of India. Dibrugarh has had a fluctuating relationship with the River Brahmaputra. Back in 1950, the river changed its course because of the Medog Earthquake, resulting in widespread destruction in the town. The earthquake and the resulting flood destroyed almost 75% of the town of Dibrugarh.

The town has recovered from the aftermath since then, and people have come to accept the mercurial nature of the river while staying in its shadow. Dibrugarh, apart from being one of the largest producers of tea in the country, is also known for its oil and natural gas reserves Dibrugarh is well connected by air, road, and rail.

**Places to see in Dibrugarh:**

**Koli Aai Than:** a sacred place dedicated to 'Ka Aai', the daughter of the head priest of the 'Dibaru Satra'. Legend states that due to lack of a male heir, the Satra started declining. However, Koli Aai kept it alive by preaching its ideals and the principles to the masses. It is believed that Koli Ai was bestowed with divine powers and she vanished from the site one day, leaving behind a strong religious legacy in the minds of the people.

**Medieval Memorial Grounds (Maidams):** In and around Dibrugarh, there are number of memorial grounds raised during the regime of the Ahoms. Some of these Maidams are Barbarua Maidam, Bormechlow Maidam, Lekhai Chetia Maidam and Bahikhowa Maidam.

**Dehing Satra:** The ruins of this famous Satra from the times of King Rajeswar Singha, lie along the banks of Dehing River. During the famous Moamoria revolution, the Satra received royal support.

**Dima Hasao district ( formerly North Cachar Hills)**

It is a pristine picturesque dreamland of undulating hills, valleys, gently flowing streams and waterfalls, where the very breeze that wafts across the paddy fields and bamboo forests is redolent with fragrance of the land of which man and animal live in perfect harmony with nature. It is the No.1 district in India with highest concentration of the number of ethnic tribes (15).

A fascinating mosaic of ethnic, cultural and tribal mix, the people of Dima Haso embody all the values derived from centuries of shared living in the lap of nature. Equally enticing is the flora and fauna of the land, which has the famed Jatinga village where, drawn by some mysterious alchemy of earth and sky, disoriented bird come in thousands in the cloudy months of September and October to take part in an extraordinary suicide pact.

Though there is no direct Air connection to Dima Hasao district, one can fly up to Silchar or Guwahati or Dimapur from where easy road & railway services to Haflong are available. Haflong is a beautiful hill-station in Assam, at an altitude of 680 m above sea level. It is about 85 km north of Silchar and 345 km from Guwahati

**Umrangso:** 112 km from Haflong & 224 km from Guwahati. The huge Hydel plant has come up under North East electric Power Corporation(NEEPCO) with dams in the Kopili river. Near Umrangso, there is a Hot spring,the water of which is believed to have medicinal value.

**Panimoor:** Approximately 120 km away from Haflong, & 8-10 km from Haflong Tiniali,The Kopili River turns into a thrilling waterfall, rolling over the rocks of Panimoor.

**Jatinga:** Just 9 km from Haflong. World wide famous for bird mystery (Birds Harakiri). The migratory birds come during the months August to November & it becomes the ornithologist's attraction. From the elevated watch tower one can see them yielding to their death wish & their little plumag plumage dropping down.

**Maibang:** Located on the bank of the river Mahur and 53 km from Haflong. Maibang once flourished as the capital of Dimasa, Kachari Kingdom. Stone house & temple of Kachari king & other ruins of the kingdom are the main attractions of the place

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## **5.4 Tourism Resources of Meghalaya**

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Carved from the erstwhile State of Assam, Meghalaya became a full fledged State on January 21,1972. Bounded on the North and East by Assam and on the South and West by Bangladesh, Meghalaya is spread over an area of 22, 429 square kilometres, and lies between 20.1° N and 26.5° N latitude and 85.49 °E and 92.52 °E longitude.

**Area:** 22,429 Sq.Kms.

**Districts:** East Khasi Hills, West Khasi Hills, Jaintia Hills, Ri Bhoi District, East Garo Hills, West Garo Hills and South Garo Hills.

### **People, Culture & Religion**

Meghalaya's main ethnic communities, each having its own distinctive customs and cultural traditions are

The Khasis (of Mon-Khmer ancestry),

The Garos (of Tibeto-Burman origin) and

The Jaintias said to be from South East Asia.

The common trait binding all three communities is its matrilineal system in which the family lineage is taken from the mother's side. The people of Meghalaya are known to be hospitable, cheerful and friendly.

Traditionally, the Khasis believe that their religion is God given and is based on the belief of one supreme God, the creator 'U Blei Nongthaw'. A Khasi is a deeply religious person, who has an intense love of life. He believes that life is God's greatest gift and he has to account for it again in the hereafter.

The Jaintias and Khasis have the same religion, although the Jaintias are more influenced by Hinduism.

The Garos believe in one supreme Creator, Rabuga, who is the sustainer and commander of the world. However, many members of the Khasi, Jaintia and Garo communities have converted to Christianity and one can see a number of churches as well as temples, mosques, gurudwaras and monasteries in Meghalaya.

## **Waterfalls**

Several places in Meghalaya resonate with the sound of thundering waterfalls that cascade down hill slope, spraying its surroundings with a delicate mist of water. In and around Shillong there are numerous waterfalls: **Bishop Falls, Elephant Falls, Spread Eagle Falls, Sweet Falls, Crinoline Falls and Beadon Falls** are the best known.

### **Inthlen falls**

Location: East Khasi Hills District, Sohra

Just before reaching Sohra, a road to the right, leads one to the falls which is 5 kms away. The waterfall derives its name from a Thlen or a snake of gigantic size which dwelt in a cave. Legend has it that the people destroyed the snake in order to rid themselves of its reign of terror. Adjacent to the very spot where the Thlen was slaughtered lies the Dain-thlen Waterfalls. Natural rock carvings of the episode draw visitors to see the image of the Thlen, the symbol of greed, corruption and evil.

### **Nohkalikai falls**

Location: East Khasi Hills District, Sohra

A hauntingly beautiful waterfall, cascading down from the top of the gorge to the mystic deep green pool below, reminding one of the tragic legend associated with it, of a grief stricken mother who plunged to her death, unable to overcome her sorrow over the murder of her daughter by her husband.

### **Elephant Falls**

Location: East Khasi Hills District, Upper Shillong

12 kms on the outskirts of Shillong, the mountain stream descends through two successive falls set in dells of fern-covered rocks.

### **Spread Eagle Falls**

Location: East Khasi Hills District, Shillong

Located within the Shillong Cantonment, on the outskirts of the city, lies a sparkling waterfall which looks like an eagle with wings spread. Hence the name Spread Eagle Falls. The falls is locally known as *Umkaliar* or *the falls into which Ka Liar slipped*. A soothing setting amidst the calmness of nature - a treat to the eyes.

## **CAVES**

### **KHASI HILLS**

The major caves in the Khasi Hills are located in the areas of Cherrapunjee, Shella, Pynursla, Nongjri, Mawsynram and Langrin.

### **Krem Mawmluh**

The main entrance of this famous cave is located at the bottom of the western flank of Lum Lawbah.

The entrance is easily found by following the river behind the cement works of the Mawmluh Cherra Cements Limited, downstream for about 200 metres to a point where the river disappears underground.

The main sink entrance requires wading through water, which in the dry season turns into a deadly black quicksand from the effluents of the cements works. The best option to enter the cave would be through a high level bypass entrance which runs parallel to the main passage.

### **Krem Dam**

The impressive entrance of Krem Dam, measuring some 30 m across, lies at the foot of a large blind valley approximately 1 km to the east of Mawsynram village. A sizeable stream running down the valley enters the cave. The cave is formed in a coarse grained facies of limestone which almost looks like sandstone. The cave consists mainly of

one very large river passage ending in a roof collapse where daylight can be seen. To the side of the main passage a complex maze of side passages and oxbows exist. The cave has no significant calcite formations.

## **JAINTIA HILLS**

### **Krem Liat Prah**

It is the longest natural cave in India. Liat Prah is one of approximately 150 known caves in the Shnongrim Ridge of the Jaintia Hills district in the state of Meghalaya, northeast India. Explored and surveyed as part of the ongoing Abode of the Clouds Expedition project, its current length of about 25 kilometers will likely be increased as nearby caves continue to be connected. Liat Prah's dominant feature is its enormous trunk passage, the Aircraft Hangar.

### **Synrang-Pamiang**

The cave entrance is situated north of the track from Chiehruphi village, on NH 44, to Musianglamare.

With 14,157 m of surveyed passage, it is currently India's 3rd longest cave.

The wet crawl entrance passage leads to about 500 m of very awkward boulder strewn passage which is followed by one of the world's finest cave passages. This 7.63kmlong meandering stream-way (Wah Lariang), is probably one of the world's longest single cave passage. The cave is very rich in formations coloured in orange, red, black, grey, blue, green and white.

'Titanic Hall' chamber would rank as one of the most beautifully decorated chambers anywhere in the world.

## **GARO HILLS**

### **Siju Cave**

132 kms from Tura, Siju is famous for Dobakkol or the bat cave with impressive stalagmites and stalagtites. It is one of the longest cave in the Indian Sub-continent and contains some of the finest river passages to be found any where in the world. There

are magnificent limestone rock formations inside, especially named princes, Di's chamber by the excavators will fill any visitor with awe.

## **WILD LIFE**

### **Nokrek National Park**



#### **Location: West Garo Hills District**

The Nokrek National Park and Biosphere Reserve is about 45 kms from Tura. Nokrek is the highest peak in Garo Hills and home to different species of wild animals including Elephants and Hoolock Gibbons. The Nokrek National Park has been established at Nokrek and it abounds in various wildlife

including herds of wild elephants, rare varieties of birds and pheasants, beside rare orchids. The park is also home to a very rare species of citrus-indica endemic to this place which the locals call memang narang ('orange of the spirits'). Nokrek is also believed to be the home of Mande Burung (jungle man or ape man) and reported cases of sightings abound in and around the villages of Nokrek.

### **Selbagre Hoolock Gibbon Reserve**

#### **Location: West Garo Hills District**

This small area protected by the community is home to the Hoolock Gibbons, the only ape species found in India. The sacred grove in the reserve is the pride of the village and the community. The Garos never kill or hunt the Hoolock Gibbon as it is a traditional belief among them that if a Hoolock Gibbon is killed, a famine or a curse would befall the entire village.

### **Balpakram National Park**

#### **Location: South Garo Hills District**

It is a national wild life park, about 167 kms from Tura. It is home to one of the rarest animals in the world - the Lesser Panda or the Red Panda as it is commonly known.

Balpakram (a place of perpetual winds) covering an area of about 220 sq km with a variety of wildlife including tigers, elephants, bison, black bear, leopards, sambar deer, situated near Baghmara in south Garo Hills district of Meghalaya. The western part of the park adjoins with Siju bird sanctuary along the banks of Simsang river.

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## **5.5 Tourism Resources of Arunachal Pradesh**

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Arunachal Pradesh, a serene land tucked into the North Eastern tip of India, invites you to relax in its picturesque hills and valleys, enjoy its salubrious climate and meet its simple and hospitable people, with their glorious heritage of arts and crafts and colourful festivals that reflect their ancient faith in the inexorable power of nature. A wide variety of options to pick from.

There are places of worship and pilgrimage such as Parasuramkund and 400 years old Tawang Monastery, or the sites of archeological excavations like Malinithan and Itanagar, the serene beauty of lakes such as Ganga lake or Sela lake or the numerous variations

snowclad silver mountain peaks and lush green meadows where thousands of species of flora and fauna prosper. In addition, the state provides abundant scope for angling, boating, rafting, trekking and hiking. Besides, there are a number of wild life sanctuaries and national parks where rare animals, birds and plants will fascinate the visitor.

It is approximately 2085 sq. km. bordered by Tibet in the North, Bhutan in the South-West and Sela ranges separate West Kameng district in the East.

### **TAWANG**

The name TAWANG derives from some bearings on surroundings. But people's interpretation is that the name TAWANG was given by Mera Lama in the 17th century. One can reach Tawang from other parts of the country via Guwahati and Tezpur in Assam. From Guwahati(Assam) or Tezpur(Assam), one has to go to Bhalukpong in West Kameng district of Arunachal Pradesh and from there via Bomdila and Sela Pass one can go to Tawang by road.

Arunachal Pradesh districts are all of Monpa tribes except Shyo village which is dominated by people of Tibetan origin. The Monpas belong to Mongoloid stock. They are well built, fair in complexion. Their houses are built with stones and timbers. Agriculture and Animal Husbandry are the fundamental means of the Monpas.



## **GALDEN NAMGYEL LHATSE : MONASTERY**

One of the most important element in Social and Religious life of the Monpas. This Monastery is known as “GALDEN NAMGYEL LHATSE”. It is one of the most largest Lamaseries of Mahayana sect in Asia. Lamseries comprise of several sections ranging near about four hundred years, devoted to Love, Learning and Purity of thought. It covers an area of 135 sq. meters enclosed by a compound wall of 610 meter long. Within the complex there are 65 residential buildings and 10 other structures. The library have valuable old scriptures mainly Kanjur and Tanjur numbering 850 bundles. It is dated back to 17th century A.D.

Religious festivals of the Monpas viz “LOSAR” and “TORGYA”. Both festivals are celebrated once annually. The LOSAR s celebrated to the commencement of New year. Every third year of Torgya, the festival of Dungyur is celebrated. Both “Dungyur and Torgya” festivals are celebrated at the premises of the Tawang Monastery with traditional gaiety and enthusiasm.

### **Lakes**

There are quite a no. of lakes around Tawang. One is Pankang Teng Tso (P.T. Tso ) lake. It is a fetching heaven for tourist only 17 KM away from maddening crowd of township. It is a beautiful natural site and provide tourist a lucky chance for deep communion with nature. Other eye catching lakes are Sangetser lake , Banggachang lake.

<b>When to visit</b>	During the period, April to October.
<b>How to reach</b>	By bus from Tezpur(Assam) or Bomdila
<b>Where to stay</b>	Circuit House, Inspection Bungalow, Hotel Nichu, Hotel Shangrila.
<b>Clothing</b>	Warm clothing throughout the year
<b>Nearest Airport</b>	Tezpur(Assam).
<b>Nearest Bus stand</b>	Bomdila.
<b>Nearest Railway Stn</b>	Rangapara(Assam).

## **Itanagar**

Itanagar has been the capital of Arunachal Pradesh since 20th April 1974. Itanagar is situated at the foothills. The township is situated at 350 metres above mean sea level. It comes administratively under Papumpare district. The Nishis or **Nishings** is the major tribe in Itanagar area. However, Itanagar can be called as mini India, as people from all over the country, live here in harmony. As a capital town, Itanagar is well connected with the rest of the country by road and air communications. Pawan Hans provides **Helicopter service** between Guwahati and Naharlagun(Itanagar). Deluxe buses are available from Guwahati.

Itanagar is the capital of India's largest North Eastern state. Here one can find historical fort called Itafort, dating back to the 14-15 centuries, after which it is named. The capital houses the Rajbhawan, the official residence of the Governor has also many worth visiting places in and around Itanagar.

## **Ganga Lake**

These include legendary Ganga Lake (Gyakar Sinyi). It is a beautiful picnic spot, 6 kms away from Itanagar, a green forest lake surrounded by primeval vegetation, orchids masses on tall trees, tree ferns provides a small taste of the magnificent forests of the state.

## **Buddhist Temple**

Consecrated by the Dalai Lama, the Buddhist temple, a beautiful yellow roofed shrine reflects the extensive Tibetan influence and provides good views of Itanagar and the surrounding countryside.

## **Namdhapa:**

Located in the Changlang district, Namdapha is famous for its wild life sanctuary, which has been declared as a national park. It is a few kilometers away from Miao. The predators include the tiger, leopard, the rare snow leopard and clouded leopard in the higher reaches of the hills. The white winged wood duck a rare and endangered species, has been shelter in the park. A number of primate species are seen in the park, such as Assamese macaque, pig-tailed macaque and the distinctive hoolock gibbon, Hornbills, jungle fowl and pheasants flap their noisy way through the jungle, which harbours other colourful bird species. The inaccessibility of the greater part of the park has helped to keep the forests in their pristine state

<b>When to visit</b>	During the period, October to April.
<b>How to reach</b>	By Jeep and Gypsy from Miao
<b>Where to stay</b>	<b>At Miao</b> : Inspection Bungalow, Tourist Lodge, Circuit House (Contact Extra Asstt. Commissioner) <b>At Namdapha</b> : Inspection Bungalow
<b>Nearest Airport</b>	Mohanbari (Dibrugarh, Assam)
<b>Nearest Bus stand</b>	Margherita( Tinsukia, Assam).
<b>Nearest Railway Stn</b>	Margherita( Tinsukia, Assam).
<b>What to see</b>	Namdapha National Park.

### **Bomdila**

It is a small town situated at a height of about 8000 ft. above the sea level from where one can see the brilliant landscape and snow-clad mountains of the Himalayan Range. The Buddhist monastery of Bomdila is the repository of culture and is among primary attractions of the area.

It is the headquarters of West Kameng district located at the height of 8500 ft above the sea level. It has a lot of attractions for the tourists with its cool climate, Apple orchards, artistic people, snow-capped Himalayan peaks and Buddhist Gompas. The Buddhist monastery of Bomdila is the repository of culture.. This place has a tourist lodge, a craft centre displaying local crafts and a shopping centre where the visitors gets first feel of the local version of Himalayan Buddhist life.

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## **5.6 Tourism Resources of Manipur**

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Manipur, a little Shangarila located in North-East India, is a Jewel of India. This little corner is a paradise on Earth where Mother Nature has been extra generous in her bounty. Least touched and least discovered Manipur promises to be the great tourist discovery of the 21<sup>st</sup> century. An oval shaped valley surrounded by blue green hills, rich in art and tradition has inspired description such as the "Switzerland of the East" with its cascading rapids, tripling rivers, varieties of flowers, exotic blooms and lakes. The people of Manipur include Meitei, Nagas, Kuki-Chin-Mizo and Gorkhas groups and Muslims and other colourful communities which have lived in complete harmony for centuries.

Destination Galore Imphal: The Capital of Manipur, Imphal is a bustling metropolis situated at a height of 790 m. above the sea level.

### **Shaheed Minar**

The indomitable spirit of the patriotic Meitei and tribal martyrs, who sacrificed their lives while fighting the British in 1891, is commemorated by this tall Minar at Bir Tikendrajit Park in the heart of Imphal city.

### **Shree Shree Govindajee Temple**

A historic Vaishnavite centre, adjoining Manipur's former Maharajas' Royal Palace, the Govindajee temple is one of the most attractive sights for the tourists. Twin domes, a paved courtyard, and a large raised congregation hall form a perfect backdrop for priests who descend the steps, to accept offerings from devotees in the courtyard. The shrines of Lord Krishna and Balaram and Jagannath flank the two sides of the presiding deity. Early hours Prayer (Aarti) is a must for devoted followers, exuding spiritual fervour and ecstasy.

### **Manipur State Museum**

This interesting Museum near the Polo Ground has a fairly good collection and display of Manipur's tribal heritage and a collection of portraits of Manipur's former rulers. Particularly interesting items are costumes, arms & ammunitions, relics and historical documents.

### **War Cemetery**

Commemorating the memories of the British and Indian soldiers who died during the World War II, these War Cemeteries are managed by the Commonwealth War Graves Commission. Serene and well maintained, the War Cemetery carries little stone markers and bronze plaques recording the sacrifice of those gallant soldiers.

### **Manipur Zoological Garden**

Manipur Zoological Garden at Iroisemba is only 6 kms. on the Imphal-Kangchup Road at the foot of the pine growing hillocks. Here apart from various endangered species, tourists can have an opportunity to see the graceful brown antlered deer (Sangai), one of the rarest & endangered species in the world, in sylvan surroundings.

### **Red Hill (Lokpaching)**

Red Hill is a hillock about 16 kms. from Imphal on Tiddim Road (NH - 150). It is a thrilling spot where the British and the Japanese fought a fierce battle during World War II. War Veterans had constructed "India Peace Memorial" a monument in memory of Japanese soldiers who died in the battle. It is a place of pilgrimage for Japanese tourists.

### **Sadu Chiru Waterfall**

About 20 Kms. from Imphal beside the Tiddim Road (NH150) is a picturesque site famous for its perennial Water Fall in a scenic foot hill. There are three waterfall spots. This is a newly open tourist spot.



### **Loktak Lake**

48 Kms. from Imphal, is the largest fresh water lake in the North East Region. From the Tourist Bungalow set atop Sendra Island, visitors get a bird's eye view of life on the Lake small islands that are actually floating weeds on which the Lake-dwellers live in the backdrop of the shimmering blue water of the Lake, labyrinthine boat routes and colourful water plants. The Sendra Tourist



Home with an attached Cafeteria is an ideal tourist spot. Boating and other water sports are organised here in Takmu Water Sports Complex.

## **Moirang**

45 kms. from Imphal, and situated near the Loktak lake, this town is one of the main centres of early Meitei folk culture with the ancient temple of the pre-hindu deity, Lord Thangjing, situated here. In the month of May, men and women, dressed in colourful traditional costumes sing and dance in honour of the Lord at the Moirang "Lai Haraoba" which is a ritual dance festival held every year. This town also has a special place in the history of the Indian Freedom struggle. It was at Moirang that the flag of the Indian National Army was first unfurled on April 14, 1944. The INA Museum containing letters, photographs, badges of ranks and other memorabilia reminds the visitors of the noble sacrifices made by the INA under the charismatic leadership of Netaji Subhas Chandra Bose.

## **Keibul Lamjao National Park**

The only floating National Park in the world, on the Loktak Lake is the last natural habitat of the Sangai (*Rucervus eldii eldii*) the dancing deer of Manipur. A glimpse of the deer in this unique wetland ecosystem is a must for any wildlife enthusiast. Other wildlife to mention a few are: Hog deer, Otter and a host of water fowls and migratory birds can also be sighted during November to March. The forest Department of Manipur maintains watch towers and two rest houses within the park.

## **Moreh**

This is a busy market town on the Indo-Myanmar border, located at a distance of 110 kms. from Imphal. A commercial town and a real shopping paradise for shoppers where sundry products ranging from electronics to daily consumables are available in plenty. This place holds importance for the visiting tourists not only for being a border town but also for providing a unique opportunity to experience the different cultures, lifestyles of Myanmar through its border town at Tamu which is only 5 kms. away from here. There are ample hotels of medium range providing comfortable stay at Moreh.

## **Churachandpur**

It is on the Tiddim Road, 60 kms. from Imphal and is one of the most beautiful places for sightseeing and holidaying. It is a bustling tribal town and district headquarter where products of arts and crafts of the area are available in the local market. Kuki-Chin-Mizo are the dominant tribe.

## **Ukhrul**

Ukhrul, the highest hill station of the state is located at a distance of 83 kms. to the east of Imphal. Ukhrul is well developed and is a centre of a colourful warrior tribe, the Tangkhul Nagas. Siroi Hills and Khangkhui Lime Caves are interesting places for excursions. Siroi Hills: Ukhrul is also known for a peculiar type of land-lily, the Siroi Lily, grows on the Siroi hills at a height of 8,500 ft. This beautiful lily growing only in this part of world blooms during May-June. Tangkhul is one of the oldest and major tribes of Manipur.

## **Dzuko Valley**

It is a very beautiful green valley and the most picturesque place in Senapati District bordering Nagaland. It is famous for its rare terrestrial lily called Dzuko Lily and the enchanting snow clad valley during January & February. The highest peak of Manipur Mount Iso is also located behind this valley.



## **Air Communication**

Imphal is the second largest airport in the region. Imphal is connected to KOLKATA , NEW DELHI , GUWAHATI, AIZAWL , DIMAPUR & SILCHAR by Air India , Jet Airways, Indigo, Kingfisher & NE Shuttles.

## **Railway**

NH-39 links Imphal with railhead at Dimapur in Nagaland 215 km to the north. NH 53 links Imphal with railhead at Jiribam 225 Km in the south-west. Railways will reach Imphal by 2016.

## **Roads**

Private owned and managed deluxe coaches run daily from Imphal to Guwahati and Dimapur and back thus facilitating along the 3 National Highway viz. ,

1. N.H -39 Via Nagaland
2. N.H -53 via Silchar
3. N.H -150 via Mizoram

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## **5.7 Tourism Resources of Mizoram**

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Mizoram, also known as the land of blue mountains, is known for its picturesque beauty. Standing aloof from the adjacent plains of Assam and the other neighbouring states, Mizoram remains an exotic location sharing more than one-third of its boundry with Bangladesh and Mynmar. It is a state sandwiched between the mighty Himalayan foothills and the plateau of Meghalaya. Aizawl is the capital of Mizoram, dotted with quaint timber houses and a profusion of flowers. Each house has its own window box of profusely blooming orchids. The air is invigorating and pure. The streets echo with melodies emanating from the guitars of Aizawl youth playing at nearly every street corner Mizoram is a treat for any tourist while traveling on the straight roads coursing through the thick forests and vibrant villages. Mizoram tourism has plenty to offer for nature lovers and adventure enthusiasts. The state is emerging as a major eco tourism and adventure tourism destination in Northeast India. During the last five years, Mizoram tourism received a good number of domestic as well as international tourists from all parts of the world. Mizoram as a destination has much to offer. The Mizos are very friendly and hospitable.

English is commonly spoken. The joyful enthusiasm and the gregarious spirit of the local populace has been are the main reasons for establishing some of the most attractive tourism features in this beautiful state. Just chill in the lovely, nature fresh , naturally air conditioned weather, understand the local culture and way of living, soak in the peace and tranquility and unwind for a while. Mizoram tourism has identified several destinations and tourism circuits for infrastructure, accommodation and other developments.



## **Places to See in Mizoram**

### **Sibuta Lung**

Sibuta Lung is one of the most popular sites in Mizoram. Sibuta Lung is a memorial stone that was erected about 300 years by the Palian chief. The memorial Sibuta Lung offers a story of jilted love and lust for revenge.

### **Phawngui**

Phawngui, also known as the Blue Mountain, is the highest peak of Mizoram and is considered to be the abode of Gods. Phawngui located in the Chhinguipui district, is famous for rhododendron and orchids. With spectacular trees and flowers of all colours, Phawngui presents a fairytale view of the blue hazed hills, and valleys unfolding below.

### **Lungvandawt**

Lungvandawt means a stone reaching heaven. Lungvandawt is a very tall beautiful chiselled pillar made of stone, which is about 75 cm in diameter and 3 m in height. Lungvandawt in Mizoram is found between Biate and Lungdar in the eastern part of Aizawl district.

### **Tadmil**

85kms away from Aizawl, it is a tranquil lake. Choose to pedal a boat through the placid waters or just relax. The nearby jungle has a plethora of flora and fauna.

### **Dampa Sanctuary**

In the northwestern tip of Mizo Hills. The sanctuary houses swamp deer, tiger, leopard, elephant and hoolock gibbon.

### **Caves of Mizoram**

Carved out of the mountainous hills that lie in north eastern region, the Mizoram Caves are one of the most frequently visited tourists' destinations of the state. The caves are great repositories of the legends and the folktales that relate the glorious and valiant life of the people who resided in the region earlier. The caves of Mizoram also retell the stories of the villages that are now non-existent.

## **Pukzing Cave**

The Pukzing Cave is situated within the district of Aizwal. The cave is believed to be carved out single handedly by one of the strongest men of the region, Mualzavata. The Pukzing Cave in Mizoram is frequently visited by the people who arrive for sight seeing in Mizoram. The natural carvings and formations in the cave lure tourists to visit it.

The Pukzing Cave of Mizoram bears a legend that the cave was carved out by Mualzavata who was believed to be the strongest man of the state. The name of Mualzavata in itself is self explanatory as it means the person who could clear the forested regions of a hundred ranges in a single day.

The Pukzing Cave at Mizoram is located in the western fringes of the Himalayas near the village of Marpara. The cave is one of the largest Mizoram caves in the state with a length of 25 meters. The adventure seekers often visit the cave.

## **Milu Puk**

Milu Puk is one of the popular Mizoram caves that is situated near the village of Mamte. It is part of the district of Lunglei. The tourists can reach the cave which is easily accessible from the town of Lunglei located at a distance of 130 kilometers. The buses ply regularly on the routes that connect the town of Lunglei to the Milu Puk, Cave which is one of the most frequented caves of the state of Mizoram.

The chief feature of the Milu Puk in Mizoram is that the cave is embellished with skeletons and carcasses of human beings. The cave is often referred to as the cave of skulls. It is often assumed that the skeletons belong to the people of the Tlau tribe who resided in the region. The heap of skeletons is a tragic display of the lost tribe that was a part of the state of Mizoram. Of the wide array of caves, Milu Puk of Mizoram is frequented by the tourists who arrive in search of adventure.

## **How to Reach Mizoram**

The state of Mizoram lies sandwiched between Myanmar, Bangladesh and the states of Tripura, Assam and Manipur. With its steep mountains, verdant valleys, cascading waterfalls, placid lakes and of course myriad wild lives, the land of Mizoram is bound in unmatched tranquility.

It is hard to ignore the invitation to Mizoram. Although Mizoram lies in a corner of North Eastern India, reaching Mizoram is not a worry at all.

### **By Air**

Mizoram has its airport in the capital city of Aizawl. Several airlines operate regular flights to and from Aizawl. Important cities in the rest of India like Kolkata, Imphal are linked to Aizawl by air.

### **By Road**

The road network in Mizoram is quite convenient. National Highway 54 connects the capital city Aizawl with the rest of the country through Silchar. Aizawl is also accessible from other important northeastern cities in India like Shillong (450kms) and Guwahati (506 kms).

### **By Rail**

Mizoram does not have any Railway Station in its boundary. The most convenient Railway Station is Silchar, which is a 6/8 hours drive from Aizawl. Silchar is serviced by important trains and is linked to the rest of India with convenient Railway network.

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## **5.8 Tourism Resources of Tripura**

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The origin of the name of Tripura is still a matter of controversy among historians and researchers. According to the 'Rajmala', Tripura's celebrated court chronicle, an ancient king named 'tripur' ruled over the territorial domain known as 'Tripura' and the name of the kingdom was derived. Many researchers explain the name 'Tripura' from its etymological origin: the word 'Tripura' is a compound of two separate words, 'tui' (water) + 'pra' (near) which in totality means 'near water'. The geographical location of the state with its close proximity to the vast water resources of eastern Bengal coupled with the generic identity of the state's original inhabitants as 'Tipra' or 'Twipra' apparently justify this explanation of the State's name.

### **Mythology mingled with history:**

The early history of the kingdom of Tripura is a complex blend of history with Mythology. According to 'Rajmala' Tripura's royal house trace their origin to the celebrated 'lunar' dynasty, following in the footsteps of their counterparts in the Hindu royal houses of the rest of India who claim to have originated from the 'lunar' or 'solar' dynasty.

## **Places to see**

### **Buddha Temple, Benuban Vihar in Agartala :**

It is one of the most attractive Buddhist destinations of Tripura, located at Kunjaban area in northern part of Agartala town.



The Buddhist shrine, namely "Benuban Vihar"-though small in size-preserves some beautiful metal idols of Lord Buddha. Buddha Jayanti or the day of Buddha's advent is celebrated on Buddha Purnima day with great enthusiasm. A visit to this monastery can be a peaceful experience. Benuban Bihar bears testimony to the fact

that from remote past Tripura has been extending hospitality and patronage to the religion and culture of its neighbors. The quiet monastery is an abode of eternal peace and tranquility to all tourists and visitors.

### **The Royal Palace**

This royal house, which stands in the Capital city Agartala covering 1(one) sq.Km. area was built by Maharaja Radha Kishore Manikya during 1899-1901. It is a two storied mansion, having a mixed type of architecture with three high domes, the central one being 86' high. The magnificent tile floor, curved wooden ceiling and beautifully crafted doors are particularly notable. The palace is set with huge Mughal style gardens, beautified by pools and gardens. Flood lighting and fountains have also added to its beauty.

### **Gumti sanctuary**

Picturesque Gumti sanctuary having 389.540 square kms is located at south-east corner of the state in the south Tripura district. What adds charm to the Gomati sanctuary is a vast. A very large variety of birds including winter visitors are found in the Gumti hydel reservoir. The semi-evergreen, evergreen pockets of forest with a very large plant species of 230 varieities exist in this sanctuary. Of trees , more than 150 spp. of climbers and climbing shrubs, more than 160 spp. of shrubs and more than 400 spp. of herbs are available here.The sanctuary has virgin forests and are catchment areas of Gumti & Khowai rivers. The forests are also of critical importance to agriculture as they prevent soil erosion in the area.

Water reservoir covering approximately 300 sq. Kms. This huge water body attracts many resident and migratory water birds from far off places. It has elephants, bison, Sambar, barking deer, wild goat or sarow, apart from many other animals and reptiles. A high concentration of primate species is noticeable in this sanctuary .Of them the Hoolook gibbon , slow loris, the capped langur, and phayres langur are endangered. It is also home to elephants, leopards, barking deer, wild dog, wild pig etc.amongst mammals. Large whistling teals and Burmese sub-species of sarus crane have also been sighted.

### **The Bhubeneswari temple**



On the southern bank of river Gomati at Udaipur is found the ruins of a big palace built by Maharaja Govinda Manikya (1660-75 A.D.). The Bhubeneswari temple is situated close to this palace. This temple is an important historical episode of king Govinda Manikya's rule form the plot of Rabindra nath Tagore's famous novel 'Rajarshi' and drama 'Visarjan'.

### **The Kamal Sagar Lake**



A vast lake on the edge of the border with Bangladesh was excavated by Maharaja Dhanya Manikya in 15th century. On the river bank of kamalasagar, there is a famous temple of Goddess Kali dating back to 16th century. It is one of the excellent picnic spots in the state with scenic beauty. From Agartala 35 Km.

### **Rudrasagar lake & Neermahal**

Rudrasagar lake, about 55 Km. away from Agartala near Melaghar with 5.3 Sq.Km. water area is another big attraction. In the centre of the lake the famous lake palace of



Tripura namely “**Neermahal**” is built Neermahal literally means Water Palace. The Palace is a picturesque fairy-tale royal mansion located in the middle of the Rudrasagar Lake which is 53 Km. south of agartala Maharaja Bir Bikram Kishore manikya built the palace in 1930 A.D. as his summer residence being inspired by Mughal Style of architecture. The lake witnesses

a large number of migratory birds in every winter Every year a boat race is organized. in July/August The visiting tourists can enjoy boating facility in the lake

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## **5.9 Tourism Resources of Nagaland**

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Nagaland, the land of the hospitable and warm Nagas, lies in the corner of India's North-East bordering Myanmar. It has always evoked a sense of awe and wonder in the minds of people including the visitors. Although most of the Nagas have now become Christians, they still preserve the remnants of their early animist culture and ancient traditions. Historically, the Nagas have always been brave warriors. They consider the safety and security of their guests as an honour and prestige and will never allow any harm to be done to any of their guests/visitors. Topographically, Nagaland is mostly a hilly region with a pleasant and salubrious climate throughout the year, except for a small region in the foothills. Nagas are by race, of the Mongoloid stock and speak



Tibeto-Burman group of languages. But English and Hindi are widely spoken and language is no problem in Nagaland. These 16 tribes are different and unique in their customs and traditions. These customs and traditions are further translated into festivals which revolve around their agricultural cycle. Songs and dances form the soul of these festivals through which their oral history has been passed down the generations. Nature has been kind to the Nagas and their land. Though by virtue of her natural beauty, the whole of Nagaland is a tourist hotspot.

### **People And Culture**

NAGALAND is a land of festivals. All the tribes celebrate their distinct seasonal festivals with a pageantry of colour and a feast of music. Nagaland has a rich linguistic tradition with as many languages as there are tribes, each exclusive to itself. What is even more remarkable is that even within the language of a particular tribe, there are dialects mutually unintelligible. For instance, in some tribes like the Angami, every village has a slightly different variation even within the same dialect-this variance progressively increasing with the geographical distance. This makes inter-tribe and intra-tribe communication very difficult. In the circumstances, English has come to serve as the State language while Nagamese, a kind of pidgin Assamese, has become the common lingua.

### **Places to visit**

#### **Changtongya**

Among the tourist attractions of Nagaland, Changtongya occupies a prominent place. This small town of Changtongya is located in the Mokokchung district of Nagaland. It is a safe haven for birds as there are no-hunting zone reserve forests in the region. The town is an ideal destination for bird watchers.

Huge number of migratory falcons flies from Mongolia and Germany to the forests of Changtongya. Tourist comes here to enjoy the unspoilt beauty of the nature. The best time to visit this beautiful city is from the month of October to the end of November. The nearby villages of Chuchuyimlang and Pongo are also interesting places to visit.

Changtongya town can be reached very easily as the nearest airports are at Jorhat and Dibrugarh. It is located is 40 km south of Tuli, which has well connected roads.

#### **Dzukou**

Dzukou or the Dzukou valley in Nagaland is a picturesque state in the north eastern corner of the Indian subcontinent. The beautiful vale, lying at an elevation of 2438

meters above the mean sea level, is just 30 km to the south of the state's capital, Kohima. A treasure trove of flora and fauna, Dzukou is also lovingly called the Valley of Flowers. The wondrous natural rhapsodies of the hill retreat presents a captivating locale, specially when during the monsoon. No wonder, the months of June to September is the best time to visit Dzukou Valley.

Dzukou Valley is a trekkers paradise, posing challenges with winding paths that fringe the rugged hills. Rhododendrons, Euphorbias, Aconitums and lilies run a riot of colors in the Dzukou Valley, as the summer sets in. Wild flowers dapple the valley in vibrant hues, giving a heavenly look to the mesmerizing valley. The trekking trails are the some of the best in the whole of north-eastern India, appealing the wanderlust driven tourist with all its natural caves and rocks, gurgling streams and the verdant greens. The Dzukou Valley can be accessed from Kohima or Dimapur by a bus or taxi. Dimapur houses the nearest railhead as well as the nearest airport to Dzukou Valley. Accommodation is available in the Dzukou Valley Circuit House and PWD bungalows.

### **Fakim Sanctuary**

Fakim Sanctuary is a beautiful wildlife sanctuary in the state of Nagaland. The state is gifted by nature with numerous varieties of flora and fauna. The ideal time to visit the sanctuary is during the winter season especially between the months of November to February. The beautiful location of the sanctuary covered with hills, meandering brooks, and narrow valleys adds to the charm of the place. The Fakim Sanctuary in Nagaland is located very close to the Myanmar border. It falls in the Pungro circle headquarters in Nagaland. The Sanctuary encompasses an area of 642 hectares of land. Fakim Wildlife Sanctuary can be reached very easily as it is well connected by rail, road and air. The nearest airport is at Kohima and the capital city is further connected to Guwahati (Assam) by the NH 39. The closest railhead from the Fakim Sanctuary is at Dimapur in Nagaland.

The Fakim Sanctuary is home to a huge number of flora and fauna. Some rare species of flora and fauna can be seen here. Some of the main attractions of the sanctuary Tiger, Slender Loris, Hoolock gibbons, Panther, Wild Boar, Himalayan Bear, Jungle Cat, Bison, Sambar, Barking Deer, etc. Some of the rare species of birds found here are Indian Horn Bill, Tragopan Pheasant, Grey Pheasant, Jungle Fowl, Green Pigeon, Doves etc are.



## **Khonoma Gate**

British intrusion in the villages of the Naga tribes of the region. Situated at a short distance of just 20 km from the capital of Nagaland, Kohima, the small village of Khonoma bears relics to the rich cultural heritage and traditional legacy of the state.

During the ancient times the local indigenous population of the village of Khonoma extended protection to the neighboring villages from the Englishmen who regularly raided the villages. Known for their courage, the local villagers of Khonoma village often fought with the intruders to save their life and property.



Endowed with natural scenic beauty, Khonoma village

draws several tourists who are enthralled and enchanted with the captivating sight of the place. The luxuriant green fields and salubrious weather relieves the tourists from the stress and strains of daily mundane life. The Khonoma Gate portrays the strong endeavor of the local citizens to save their life and property from the foreign intruders. The tiny village of Khonoma is famous for producing twenty different kinds of paddy which is the staple food of the local indigenous inhabitants of Nagaland.

Khonoma is easily accessible from Kohima by well maintained roads of Nagaland. Most of the tourists who visit the place are awed by the old glory and grandeur which is reflected in the various places of tourist attraction of Khonoma.

## **Tuli Town**

Tuli Town is one of the popular Nagaland attractions. Tuli Town is located in the Mokokchung District of Nagaland in India. It is geographically located between 26°39' North Latitude and 94°41' East? Longitude and at an elevation of 1,148 feet above sea level. The beautiful Town of Tuli is located on the right bank of river Melak. The panoramic beauty of the town with rolling hills, meandering rivers and gentle plain

attracts loads of tourists. In Tuli Town, the Langpangkong range gently rises above the Melak plains adding to its natural beauty.

### **Cottage Industry**

Nagaland Bamboo Furniture are popular all over the world. The demand of Bamboo furnitures is increasing at a very fast pace. Some of the reasons for its popularity is that it is eco friendly and it grows 10 times faster than trees. The furnitures made from



bamboo are both stylish and durable. Some of the common bamboo furniture and decor items are Tables, Picture frames, Curtains, window shades and blinds, Chairs, Wall hangings, Rugs and floor coverings, Room dividers, Coffee tables, shelves, cabinets and many more. Nagaland Bamboo Furniture is gradually gaining popularity because of its increasing aesthetic

appeal. Cane and bamboo products are an inseparable part of the people of Nagaland. Bamboo furnitures are also popular for their durability as it is one of the strongest materials in the world.

### **Handloom Weaving**

The Nagaland handlooms are reputed for their production of colorful and high textured woven cloths. Handloom weaving in Nagaland is popular among the women and is popularly practiced in seven districts of the state. With the influence of modern technology, the government has made an attempt to convert the use of loin looms into fly shuttle looms.

Handloom weaving in Nagaland is popularly practiced in the districts of Mokokchung, Wokha, Tuensang, Zunheboto, Mon, Phek and Kohima. The weavers produce shawls,



shirts, jackets, bed-sheets, bed covers, shoulder bags, table mats and tea cozies. The motifs and designs that adorn the woven material differ according to the tribes preparing it. The designs are often named after the tribe that weaves and engineers the motif. The Rengama, Zeliang, Sema, Laltha and Angami

are some of the popular colorful motifs. The colored designs and the embellishments are often symbols of the social status of the weaver. The basic colors used on the materials are blue, green, red, black and white. To decorate the handloom woven cloths, the weaver often use beads, goat hair and cowrie shells which are representatives of the wealthy weavers. In early years, the tribal people used the extracted material from the bark of trees to dye the cloth and for its synthesis. However, advancement of technology has made the process easier.

### **Wicker Drinking Vessels**

Wicker drinking vessels of Nagaland are a specialty of the tribal arts and crafts of the state. The skilled craftsmen of Nagaland have mastered the



art of weaving the wicker drinking vessels which are used as containers. Special skills are required by the artisans to make such kitchenwares. The tribal craftsman of the state of Nagaland have inherited the skill of weaving storage baskets and utensils which are used in the kitchen as substitutes for the glass crockery. For generations, the tribal artisan has prepared such art and crafts that defines the rich heritage of the region. The tourists may gather the wicker drinking vessels as souvenirs of their visit to the city while shopping in Nagaland. The vessels are found in the curio shops in the cities and the shopping centers or market places in the villages of the state.

### **How to reach Nagaland**

#### **By Air**

With the rising popularity of Nagaland as a tourist spot, the options for reaching Nagaland by air has also increased. The Dimapur Airport is the main Airport of Nagaland and it is located at a distance of 5 Kilometers from the center of the Dimapur city. The presence of the Dimapur Airport makes traveling to Nagaland by air the most convenient idea. Dimapur is the arrival and departure point of many Airlines and it is also well connected to the important regions and other tourist spots of Nagaland. Major airlines like Indian Airlines and Air Deccan have regular flights to and from the Dimapur Airport in Nagaland. Kolkata and Guwahati are the two places from where it is easiest to reach Nagaland by air.

#### **By Train**

To reach the northeastern state of Nagaland by Train, one can board any train that goes to the Dimapur Railway station. This railway station at Dimapur is the main railhead in the state and facilitates Nagaland Travel. Traveling to Nagaland by rail is very convenient for the tourists. The major railhead in the state is Dimapur. This Dimapur railway station is connected to Guwahati, which is the gateway to the northeastern part of India. The railway station of Guwahati is in turn linked to the other important parts of the country by several trains. All the important air lines in the country has a number of trains that connect the state of Nagaland to the different parts of the country.

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## 5.10 Review Questions

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**Answer in one or two sentences/ or not more than 100 words wherever necessary.**

1. Which north- east states are called ‘The Seven Sisters’. Name them.
2. Which two national parks of Assam are also the “World Heritage Sites”, designated by UNESCO.
3. Name the powerful River which forms the life line of Assam.
4. Which is Assam’s only Hill Station.
5. What is the specialty of Kaziranga national Park.
6. Who is credited with the discovery of tea in Assam
7. Name the oldest and largest Tea Research Centre in the world.
8. What are the main ethnic communities of Meghalaya?
9. Meghalaya is famous for which two natural Tourist Products?
10. What is the speciality of Nokrek National Park in West Garo Hills ?
11. Name the country’s largest north- Eastern State.
12. Tell us something about GALDEN NAMGYEL LHATSE: MONASTERY.
13. NEER MAHAL or water palace is a prime attraction of Tripura tourism, tell us something about it.
14. Name the place where the first flag of Indian National Army (INA) was unfurled. When was it unfurled?
15. Tell us something about “The Only Floating National Park” in the World, situated in Manipur.
16. Name the highest peak of Manipur. And how has “ Dzuko Valley” got its name from?
17. Which state is also called “The land of blue Mountains”?
18. Which cave in Mizoram is called the “cave of Skulls”?
19. What is the speciality of Changtongya a major tourist attraction place of Nagaland.
20. Tell us something about Khonoma Village of Nagaland.
21. Write a paragraph on the cottage industry of the Nagaland.

22. Name at least 10 different tourist destinations of West Bengal dividing them into following Heads:

- (i) Historical Importance
- ii) Natural Beauty
- iii) Ethnic Destinations
- iv) cultural destinations
- v) Religious Destinations.

## **Paper - 2**

# **Entrepreneurship Development**





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## **Unit-1 □ Concept of Entrepreneurship**

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### **Unit Structure:**

- 1.1 Introduction**
- 1.2 Entrepreneurship - Theories, Concepts**
  - 1.2.1 Theories of Entrepreneurship**
  - 1.2.2 Concepts of Entrepreneurship**
- 1.3 Characteristics of Entrepreneurship**
- 1.4 Importance of Entrepreneurship**
- 1.5 Development of Entrepreneurship**
- 1.6 Creativity and Innovation in Entrepreneurship**
  - 1.6.1 Creativity in Entrepreneurship**
  - 1.6.2 Innovation in Entrepreneurship**
- 1.7 Entrepreneurs -Concepts and Definition**
- 1.8 Characteristics or Qualities of Entrepreneurs**
- 1.9 Types of Entrepreneurs**
- 1.10 Role or Importance of Entrepreneurs**
- 1.11 Functions of Entrepreneurs**
- 1.12 Summary**

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### **1.1 Introduction**

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Entrepreneurship is a vibrant economic establishment which assists an economic system in identifying and responding to the profit opportunities inherent in disequilibrium situations. It proves itself as a key factor in socio-economic development of any country by ensuring a promotional step towards employment generation and also production, export promotion and value addition. In this way, it generates a linkage and co-ordination between the economic activities and growth rate of the economy over time. In the arena of entrepreneurship, the person who is engaged in the entrepreneurial activities with creativity, innovation and risk-taking capacity with an adaptability and understanding of the changing environment, are *entrepreneurs*. Emphasising the

significance of entrepreneurship and entrepreneurs in socio-economic development and promotion, different theories and concepts have time-to-time evolved by eminent authors and researchers. The studies on entrepreneurship development are not static rather these are dynamic and emerging in different dimensions over time.

This Unit throws light on the evolution, conceptual framework, characteristics and importance of entrepreneurship; the concept and significance of creativity and innovation in entrepreneurship; conceptual framework, qualities, types, importance and functions of entrepreneurs.

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## **1.2 Entrepreneurship - Theories, Concepts**

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The concept of entrepreneurship is multidimensional and individual perception specific. It has got its multifaceted conception in 17th century as designed by the classical and neo-classical theorists. In this perspective, different researchers have considered different approaches and theories of entrepreneurship. Some researchers and theorists consider the concept of entrepreneurship economic perspective, social perspective, psychological perspective and management perspective. This section focuses on the different theories and conception of entrepreneurship and evolution of it in India.

### **1.2.1 Theories of Entrepreneurship**

The existence of entrepreneurship in orthodox economic theory has almost been undetectable. Time-to-time several eminent researchers in this field explored their views some of which can be reflected in Table - 1.1.

**Table - 1.1: Theories of Entrepreneurship**

<b>Theories</b>	<b>Principles</b>
Cantillon's theory (1755)	Entrepreneurship is not considered as a productive factor but an action that takes risk and could equilibrate supply and demand in the economy.
The Social Enterprise School	The earned-income activity by nonprofits and solutions to social problems in view of circulating profit for social venture or purpose.

<b>Theories</b>	<b>Principles</b>
Kirzner's "alert" entrepreneur	Entrepreneurship identifies a disequilibrium that can only be corrected (to equilibrium) by giving alert to an entrepreneur who produces and exchanges. Emphasis is made on the exchange opportunities and progress that comes mainly from this part. Entrepreneurial progress depends on many great men not only one. Profit in an entrepreneurial venture is a speculative and risk taking affair. So an extra talented people may be associated with the enterprise which may somehow negate this theory
Schumpeter: the discovery and opportunity theory of entrepreneurship.	Entrepreneurship as innovation and not imitation. Schumpeter's innovator as an economic and social leader does not care much about economic profits and only joy he gets from being an innovator and being a server to his society.
Modern Theories of entrepreneurship	The mathematical concept - 'open set' is used which unleashes the power for unlimited growth. In addition to productivity, it also describes the behaviors of those unproductive and destructive ones.
Management Economic Theories	A framework can be developed that addresses the degree of entrepreneurship in firm's management practices along several different dimensions. A company's management practices range along a spectrum from highly entrepreneurial to highly administrative.
The Entrepreneur in Economic Modeling	Entrepreneurial skills are a sort of human capital that can be acquired through practices such as education.

*Source: Bula (2012)*

### 1.2.2 Concepts of Entrepreneurship

Entrepreneurship is an elusive concept. It is connected with the practice of starting new enterprises and/or revitalizing mature organizations to earn livelihood of self as well as of other associates. It is the *mental act* which involves in taking action to achieve previously untapped opportunity and shapes the opportunity in practice to attain profit. It assists the human capital to search out and utilize the opportunities from the disequilibrium situation. *Evolution* is also another important issue in entrepreneurial approach. Different issues here are to be considered to evolve the entrepreneurial venture like resources, capabilities, competencies, environmental factors which ultimately assist to establish a firm. Entrepreneurship is a framework of *individual endowment*, a combination of entrepreneurial spirit, human capital and venture capital which can be used to establish a venture. Under *human capital* approach, an individual is supposed to think of the entrepreneurial activity a source of availing of higher return which forces him to be engaged with that.

Entrepreneurship is basically based on the combination of **Ability**, **Capability** and **Willingness** of an individual or a group of individuals. Ability relates to searching for a change, responding to the desired change to suit the contemporary needs of the society and exploiting the same as an opportunity, while Capability is connected with the alternative combination of input resources adopting the appropriate technology and Willingness aims at bringing about socio-economic upliftment and socio-cultural mobility. It can be considered as a risk-bearing action, while someone identifies it as an innovative activity and in other cases it seems to be a thrill-seeking performance. Entrepreneurship can also be said as a combination of four letters – **ABCD** i.e. Aspiration (A), Benevolent (B), Confidence, Conviction and Creativity (C) and Desire, Determination, Decision and Dedication (D).

The distinctive approaches of entrepreneurship make the effort different from other decision making activities - *resource ownership, invention, the formation of new firms, management.*

#### ◆ **Entrepreneurship versus resource ownership:**

The eminent entrepreneurial theorist *Joseph A. Schumpeter (1947)* in his article, *The Creative Response in Economic History*, claimed and supported the fact that *the entrepreneurial function is not identical with that of capitalist though it should be facilitated by the ownership of means.* He also mentioned that the effort of

entrepreneurship does not only include the control, accumulation or provision of capital. The capitalist that is the supplier of fund in all activities to the entrepreneurship may lose money in the event of business failure and thus has to bear this risk. Moreover, it can also be mentioned that profit is not reward for risk taking or uncertainty bearing but of a reward for superior perception or alertness.

#### ◆ **Entrepreneurship versus Invention:**

Entrepreneurship considers new scientific and technical ideas commercially, while invention is connected with that production of new ideas. Entrepreneurial effort is required to ensure the introduction of new method of production, necessary to fight against the competitive environment. The effort, therefore, detects the way of allocating resources to the exploitation of an invention.

#### ◆ **Entrepreneurship versus Formation of new firms**

As per the market-process perspective, entrepreneurship may merely entail separate one-off arbitrage transactions that do not involve the founding of new business ventures. Therefore, *the creation of new firms is neither necessary nor sufficient for entrepreneurship*. Entrepreneurship here can occur within the boundaries of existing firms.

#### ◆ **Entrepreneurship versus Management**

Management function is actually narrower in scope than that of the entrepreneurship. The manager is the agent of an enterprise whose role is to improve its efficiency within the limits of known technology. The entrepreneur's managerial skills can have a significant impact on the outcome of a venture. In the same line, the efficient organisation and management may be essential for entrepreneurial success.

#### ◆ **Entrepreneurship versus Rent Seeking**

Unlike the rent-seeking activities, it pursues personal gain by trading property rights in resources through non-coercive means and it implicitly accepts the status quo framework of property.

Several theorists, researchers and institutions have time-to-time enumerated different definitions of Entrepreneurship some of which can be cited in Table -1.2.

**Table – 1.2 Definition of Entrepreneurship**

<b>Name of the Author/Institution</b>	<b>Concept and Definition</b>
Joseph A. Schumpeter	‘Entrepreneurship is based on purposeful and systematic innovation. It involves not only the independent businessman but also company directors and managers who actually carry out innovative functions’. He also mentioned that entrepreneurship is a process involving various actions to be undertaken to establish an enterprise. It is, thus, process of giving birth to a new enterprise. As per Schumpeter, entrepreneurship is the gale of creative destruction to replace in whole or in part inferior offerings across markets and industries, simultaneously creating new products and new business models. Here, entrepreneurship is a way of managing that involves pursuing opportunity without regard to the resources currently controlled
<b>Name of the Author/Institution</b>	<b>Concept and Definition</b>
A.H. Cole	‘Entrepreneurship is the purposeful activity of an individual or a group of associated individuals, undertaken to initiate, maintain or aggrandize profit by production or distribution of economic goods and services’.
Robert C. Ronstadt	Entrepreneurship is the dynamic process of creating incremental wealth. This wealth is created by individuals who assume the major risks in terms of equity, time and/or career commitment of providing value for some product or service. The product or service itself may or may not be new or unique but value must somehow be infused by the entrepreneur by securing and allocating the necessary skills resources.

Name of the Author/Institution	Concept and Definition
Bowen and Hisrich	Entrepreneurship is the process of creating something different with value by devoting the necessary time and effort, assuming and accompanying financial, psychic and social risk receiving the resulting rewards of monetary and personal satisfaction.
M. C. Gupta	Entrepreneurship is meant for the function of seeing investment and production opportunity, organizing an enterprise to undertake a new production process, raising capital, hiring labour, arranging the supply of raw materials, finding site, introducing new techniques and commodities, discovering new source of raw materials and selecting top management for day-to-day operation of the enterprise.

Source: Khanka (2012), Debnath (2004)

According to the *Conference on Entrepreneurship* (USA), *entrepreneurship* is ‘an attempt to create value through recognition of business opportunity, the management of risk-taking appropriate to the opportunity and through the communicative and management skills to mobilize human, financial and material resources necessary to bring a project to fruition’.

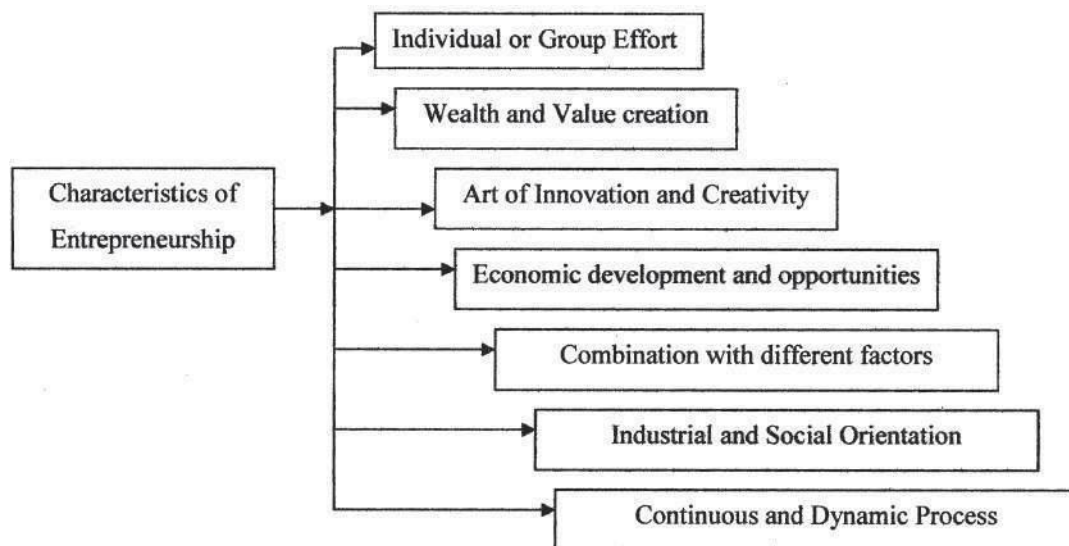
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### **1.3 Characteristics of Entrepreneurship**

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Entrepreneurship is considered as a searching process for economic opportunities. It relates to exercising human endeavour individually or in a group to achieve the optimum output by exploiting the available resources and influencing the environmental variables (economic/non-economic) both in the external as well as internal periphery of any new venture. Entrepreneurship seems to be the pioneer of economic development with creativity, innovation and creation of wealth and value through industry and social-linkage and continuity. New ventures may relate to the setting up of new enterprises or expanding/modernizing/diversifying the activities of ongoing enterprises to expedite

the growth of industry through trade and commerce. The characteristics of entrepreneurship are now depicted hereunder.



An Entrepreneurship can be formed by *individual effort* or with *joint effort of different individuals* having skillful practical knowledge and foresightedness which help him/ them to *create wealth and value* in qualitative and quantitative aspects. It creates wealth through innovation of new products, production processes, services etc. through which it can satisfy the stakeholders and generates personal and social values through creative activities. So entrepreneurship is an *art of creativity and innovation* without which it may not be able to sustain successfully in the future competitive environment. Creativity and innovation support an entrepreneurship to identify *opportunity* whose proper utilization in different modes by engaging technology and resources, invites *economic development* in every corner. Entrepreneurship is formed in *combination with different factors* like individual or group environment, social and cultural elements and support system etc. This effort makes entrepreneurship capable enough to become *oriented both with industry and society* as a whole and pursue a longstanding *continuous and dynamic process* of operation with new production, production process, technology and utilities.

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## 1.4 Importance of Entrepreneurship

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Entrepreneurship is supposed to be a pathfinder in converting the unutilised scarce inputs into valuable resources for the society as a whole. It is also considered as the



main designer in the way of *proper allocation of resources and optimal utilization* of these. In the process of generating and regenerating resources, entrepreneurship applies its *creativity and innovation* skill with which it can upgrade its qualitative performance and thus satisfy its stakeholders. In its ongoing process, it enjoys several opportunities accepting which it can *create new employment* and/or *spread the scope of employment* and thus can somehow resolve the ever-growing burning issue of Indian economy, unemployment. This promotional attitude of entrepreneurship ultimately widens the scope of earning of the persons directly/indirectly associated with it and thus *creates new wealth* to invite *socio-economic development*.

The important role as an entrepreneurship plays in the economic development of an economy can be portrayed as under. Box – 1.1 depicts the importance of entrepreneurship.

#### **Box - 1.1**

##### **Importance of Entrepreneurship**

- It promotes capital formation by mobilizing the idle saving of the public.
- It provides immediate large-scale employment. Thus, it helps reduce the unemployment problem in the country,
- It promotes balanced regional development,
- It helps reduce the concentration of economic power,
- It stimulates the equitable redistribution of wealth, income and even political power in the interest of the country,
- It encourages effective resource mobilization of capital and skill which might otherwise remain unutilized and idle,
- It reduces backward and forward linkages which stimulate the process of economic development in the country,
- It promotes country's export trade.

*Source: Khanka (2012)*

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## **1.5 Development of Entrepreneurship**

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The development of entrepreneurship depends on a set of factors like individual, environment, socio-cultural factors and support system. The entrepreneurial activities are highly dependent on the easy *availability of raw material, other inputs of production*

*and technology*. In this very context, the area-specific support frames the location of any entrepreneurship or it can be stated that the adequate, affordable source of raw material and other inputs along with the easy accessibility and applicability of updated technology as applied in the operation, will determine the successful establishment and continuity of an entrepreneurship.

It is a role model of *independent management* wherein under the owner of it can plan, search, explore resources and experiences an inner urge to make it a success. *Ethnic origin of the owner* is considered to be an important responsible entrepreneurial self-employment approach. The family tradition, social class, environmental issues have high impact on the individual attitude towards entrepreneurship.

Growth and development of an entrepreneurship is also dependent on *skill, training and experience of the owner*. The individual owner should have detailed knowledge regarding the project formulation, investment decision, marketing policies, production planning, labour aspects and all other information which are highly essential to take needful action. The inherent skill, training as availed through various programme and experience of the owners as gathered from different professional and personal incidents will support the same to have this potentialities.

The *choice of line of manufacture* is an important entrepreneurial decision and a crucial factor in the growth and development of an entrepreneurship. The profitability of different lines of manufacture, the position regarding the supply of inputs, the existing demand for the product, the familiarity of the prospective owners with the line of manufacture, available institutional assistance etc. are considered in establishing an entrepreneurship in the specific line of manufacture.

From psychological perspective, (i) a unit is not an outcome of the luck or the, (ii) it is not a work at the dictation of others (iii) it is a work to earn the job satisfaction by co-ordinating personal and professional goals, (iii) it cannot ignore the dream and vision and hence to tolerate the moderate risks and to endure ambiguity of decisions in risking livelihood and (iv) it helps getting more done in less time risking the security of livelihood and resorting to the path of entrepreneurship for financial gains.

Sociological factors work for entrepreneurship is the sensitive energizer or a catalyst in the process of modernising the society as well as ensuring socio-cultural mobility. Simultaneously, the promoters feel to improve per capita income of the society as a whole, throwing employment opportunities above self. Thus, the process relates as well to social perceptions of the individuals undergoing entrepreneurship. In sociological responsible factors for growth and development of entrepreneurship, *family background* of an individual has achieved an important position for its emotional and genetic impact on individual, interested in setting up an entrepreneurial unit. Individual is also directed

towards establishing a unit by the influential effect of his/her *peer group, caste and communities*. *Educational Background* of an individual has a crucial implication for the development of entrepreneurial abilities. Education develops self realization of resourcefulness which creates a sense of creativeness, necessary to build up a unit. The *socio-economic environment* is a vital ingredient of economic development. The family economic status, religion and culture shape the human behaviour and attitude of an individual. Entrepreneurship should respond positively to benefit the society from different dimensions. It involves itself in different civic participation which invites economic benefit, betterment in standard of living of all the individuals associated with it directly and indirectly. Thus the *responsibility* of an entrepreneurship towards our *society* is an important factor behind the growth and development of an entrepreneurship. The *political environment* of a nation is also a responsible factor behind the development of an entrepreneurship. Benefitting and supportive government rules and regulations in different always offer an enthusiastic mode towards the promotion of an entrepreneurship.

In the growth and development of any entrepreneurship, the *supportive factor* connected with different governmental assistance is taken as an important one. In this context, both the new born and established enterprises require these functional supports in several modes like in finance, marketing, technology and entrepreneurial development. Different banks and financial institutions in this context, extend their *financial support services* to the needy enterprises both of their initial and developmental phases. Likewise, government authoritative institutions offer marketing, technical and entrepreneurial training programme through several policies and programme. In addition thereto, the *infrastructural support* in different angles like road, transportation, clustering etc. as offered by the state and national government, generate a congenial entrepreneurial environment for an enterprise.

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## **1.6 Creativity and Innovation in Entrepreneurship**

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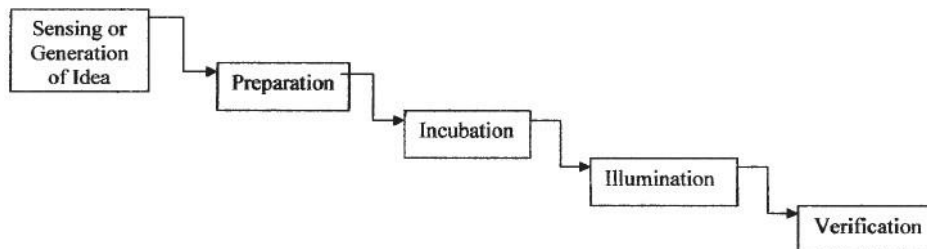
Entrepreneurs should be creative and innovative in their entrepreneurial activities so that the enterprises are capable enough to cope up with the changing features of the environment and dynamic degrees of the demands of customers. This section focuses on the creativity and innovation in entrepreneurship in different dimensions.

### **1.6.1 Creativity in Entrepreneurship**

Creativity is the capacity to bring some new things into existence. It emphasizes on the abilities of human being in finding solutions of different problems individually and/or collectively. According to *Wallach and Kogan (1972)* creativity is the inner process

within the psycho-dynamics reflected through the novelty of thought which used to determine new mode of adaption with the problem-solving situations with an aim to accomplish predetermined goal (Debnath, S, 2004).

According to *Randal (1971)* creativity of an entrepreneur is developed in the following sequences.



**Figure – 1.1 Sequences of development of Creativity**

In the process of creativity, firstly, the *idea* is to be *generated* and then it should be given proper shape. Therefore, the idea is to be *prepared* considering all the facts and it should be combined with that under the systematic *incubation* process. In *illumination* process, all ideas are connected with the whole data. Lastly, the idea is to be *verified* in the context of the proposed solutions.

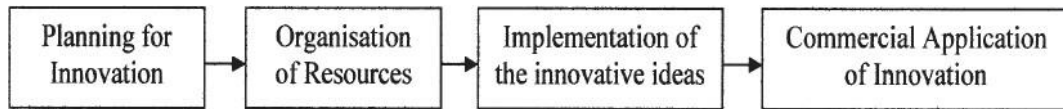
Creativity seems to be an important ingredient in the development of an enterprise. Entrepreneurs can fulfill their objectives through implementing creativity in all entrepreneurial activities which helps the same to gain strength and take opportunities of the external environment and fight against the threatening of the same. The creative entrepreneurs are able to aware of the present environmental issues and they can ensure more emphasis on the behavioural patterns which make them more efficient than that of the others not being identified as creative ones. Creativity helps to generate ideas and translate the same into reality. According to *Schumpeter*, creativity is the seed that inspires entrepreneurship, while *R.D.Randall*, creativity is essential for the success of entrepreneurship (Debnath, S, 2004).

#### **1.4.1 Innovation in Entrepreneurship**

Innovation can be termed as the process of doing new things in a newer way with the application of new technology. It is a purposeful and systematic way of introducing new products and technologies with conceptual and perceptual ideas of creating new uses and new markets. Innovation requires knowledge and ingenuity and deals with some functions in the economy and society. It implies action and translates an idea into an action. In entrepreneurship, innovation plays a vital role for its sustainability in the

competitive environment. Innovation assists an enterprise to obtain a leadership position in respect of quality of product, cheaper price, promotional process etc. and thus helps to make the same a successful one for long time.

Innovation can be developed through different processes starting from planning for innovation. The development process of innovation can be reflected in the following diagram.



**Figure – 1.2 Development Process of Innovation**

Innovation process starts with proper *planning* which includes different analytical studies of product design, market strategy, financial needs etc. To get an effective innovative effort, scientific *organizational* method should be developed which helps to obtain a systematic functional environment in different dimensions and also assists to avail of *resources* like materials, technologies, finance and human resource for operation. In view of achieving the objectives of innovation, enterprise here should *implement the innovation* in orderly manner and must arrange the manufacturing services including technicalities in scientific way. Innovation should be *applied commercially* so that it can satisfy all the stakeholders of the enterprise.

As per *P. F. Drucker (1965)* innovation is the means by which the entrepreneur either creates new wealth-producing resources or endows existing resources with enhanced potentiality for creating wealth (Debnath, S. 2004). Innovation invites socio-economic development in any nation through creation of wealth. *Schumpeter (1961)* highly emphasized on the activities of innovation in an enterprise. The statement of Schumpeter on this issue can be presented in the following Box – 1.2.

**Box -1.2 Activities of Innovation in an enterprise**

Innovation is the process of entrepreneurship. Innovation states carrying out the following activities, either singly or as a whole:

- (i) Introduction of new goods,
- (ii) Introduction of new methods of production,’
- (iii) Opening of new markets,
- (iv) Opening of new source of supply,
- (v) Industrial re-organisation.

*Source : Debnath (2004)*

There is subtle difference creativity and innovation. Creativity implies the ability but innovation contains activity. Innovation translates the idea, generated by creativity into action. Creativity is the pre-requisite to innovation. Creativity includes invention but innovation includes new and newer products or services, new technologies, new markets and new sources of supply with the re-organisation of the existing system.

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## **1.7 Entrepreneurs – Concepts and Definition**

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The word *Entrepreneur* has been extracted from the French word *entreprendre* which means *between-taker* and *go-between* that is to undertake and meant to designate an organizer of musical or other entertainments. Entrepreneurs are the persons who organize, own, manage and assume the risk of an enterprise and thus can be recognised as the organizers of economic ventures. They are the economic agents who with the best utilization of resources create economic goods and undertake such responsibilities and risks which cannot be insured or capitalized or salaried. In 17<sup>th</sup> Century, entrepreneurs have been found as persons bearing risk of profit (loss) in a fixed price contract with government. In the history of entrepreneurship theory, *Cantillon (1680's - 1734)* was the first who took up thinking about the role of entrepreneurs in economy. He emphasized the entrepreneur's economic function while distinguishing it from the agents' social status.

According to Joseph Schumpeter (1934), Entrepreneur is an innovator. He is an economic leader with atavistic will power and sets a creative response to situation and acts as a chief conducive factor in the process of economic development. The entrepreneur seeks to reform or revolutionize the pattern of production by exploiting an invention or more generally, an untried technological possibility for producing a new commodity or producing an old one in a new way, by opening up a new source of supply of materials or a new outlet for products.

As per David C. McClelland (1961), Entrepreneurs are the business executive in various functional areas of management like general management, sales and marketing, finance, engineering and personnel.

According to Kirzner (1979), Entrepreneurs are the arbitrageurs who discover opportunity at low prices and sell the same items at high prices because of inter-temporal and inter-spatial demands.

Thus it can be stated that the entrepreneurs are the individuals or group of individuals. They are considered as single decision-makers, key-planners and sole risk-takers who can organize, manage and run the enterprise and reallocate the resources beneficially

for the best interest of their enterprises. From the different perspectives entrepreneurs can be recognized as *Risk Bearer, Organiser or Co-ordinator* and *Innovator*.

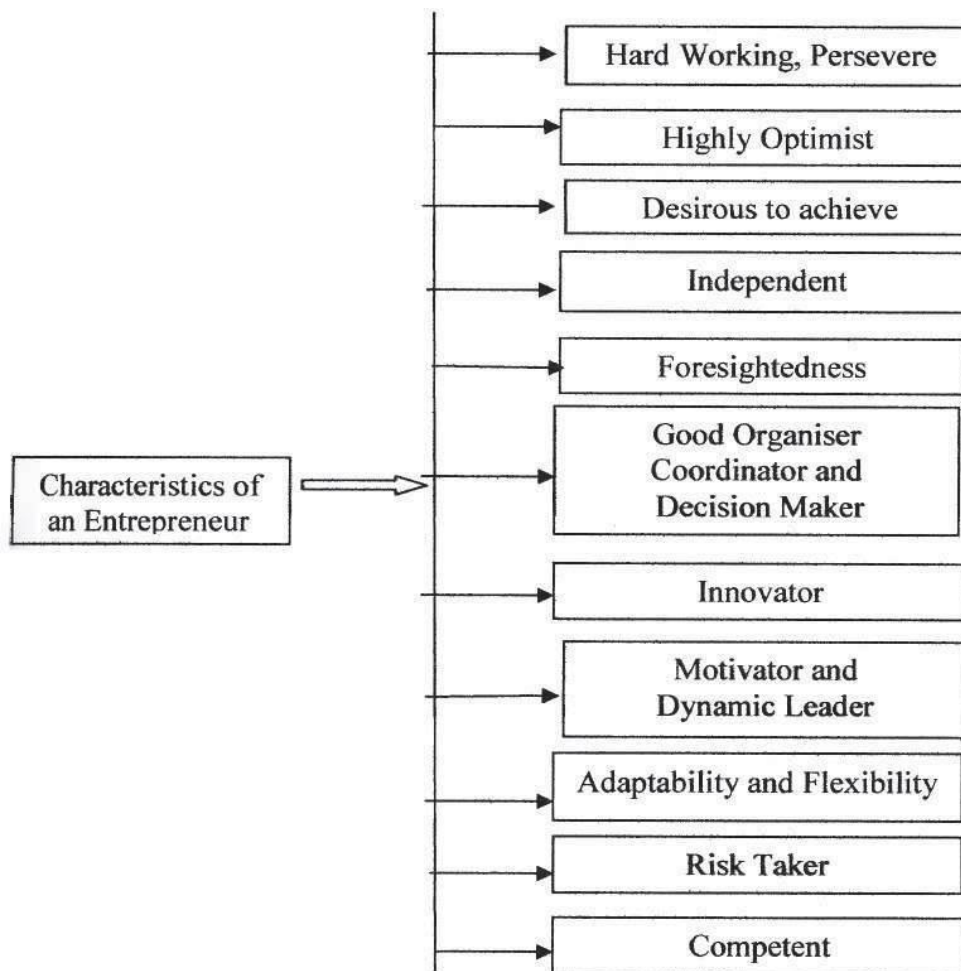
Entrepreneurs are also considered to differ from Intrapreneurs. According to Gifford Pinchot (1985), *Intrapreneur is an entrepreneur within an already established organization* (Khanka, 2012). Intrapreneurs like the top executives accept the new idea, frame it and then convert the same into products and services within the framework of an organization.

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## 1.8 Characteristics or Qualities of Entrepreneurs

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The desired qualities of an entrepreneur can be treated as the characteristics of a successful entrepreneur. The desired personality of an entrepreneur can be depicted as below.





The characteristics of a successful entrepreneur have also been echoed by several prominent entrepreneurs. On July 27, 2001, Mr. Azim Premji of Wipro made his attempt to specify the *Ten Golden Rules for a Successful Entrepreneur* at the *Convocation Address of IIT, Madras*. In the following Box – 1.3, the Convocation Address as made by Mr. Azim Premji can be depicted.

### **Box – 1.3 Mr. Azim Premji’s Ten Golden Rules for a Successful Entrepreneur**

1. **Dare to Dream:** People wonder if having unrealistic dreams is foolish. My reply: dreams can never be realistic or safe. If they were, they would not be dreams. But one must have strategies to execute dreams and slog to transform them into reality.
2. **Set Clear Goals:** Define what you stand for as early as possible and do not compromise for any reason. You can’t enjoy the fruits of success if you have to argue with your our conscience.
3. **Never Lose Your Zest and Curiosity for Learning:** I personally spend ten hours a week on reading, or I find myself quickly outdated.
4. **Strive for Excellence:** In the world of tomorrow, and with globalization, just being good is not good enough. One needs to excel in whatever one does.
5. **Build Self-Confidence:** Remember, no one can make you feel inferior without your consent.
6. **Learn to Work in Teams:** The challenges ahead are so complex that no individual will be able to face them alone. Team work results in effort and, in turn, more and better results.
7. **Take Care of Yourself:** The stress a young person faces today while beginning his career is the same as what the last generation faced at the time of retirement. Along with alternates, physical fitness is also important. I jog daily.
8. **Persevere:** It can make miracles happen.
9. **Have a Broader Social Vision:** While earning is important, we must use the same for the larger good of the society.
10. **Never Let Success Go to Your Head:** For whatever we achieve is with the help of other factors and people outside us. The moment we become ignorant, we become vulnerable to making bad judgment.

*Source : Khanka (2012)*



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## 1.9 Types of Entrepreneurs

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Enterprises can be classified on the basis of different dimensions - *types of business, use of technology, ownership, gender, size* and also on the *general performance*.

As per the **types of the business enterprises**, the entrepreneurs can be of different types like *Trading Entrepreneurs, Manufacturing Entrepreneurs, Service Entrepreneurs, Agricultural Entrepreneurs, Rural Entrepreneurs* and *Tourism Entrepreneurs*.

- The *Trading Entrepreneurs* collect finished products from the manufacturers and sell the same directly or through retailers to the customers of these. These entrepreneurs actually are the middlemen as wholesalers, dealers and retailers between the manufacturers and the customers.
- The *Manufacturing Entrepreneurs*, as per the demands of the customers, convert raw-materials into finished products through different production processes.
- *Service Entrepreneurs* explore services to the target customer in different forms through Hospital, Hotel etc.
- The entrepreneurs who undertake agricultural pursuits can be considered to be *Agricultural Entrepreneurs*. They take a wide range of agricultural activities like cultivation, marketing of agricultural produce etc.
- As per the *Khadi and Village Industries Commission (KVIC)*, *Rural Entrepreneurs* can be defined as units having investment of Rs.3 crore in plant and machinery and located in rural areas, population with a 20,000 or below.
- The *Tourism Entrepreneurs* are connected with different tourist related business ventures permitted within the National Constitution including transport, accommodation, catering, natural resources, entertainment etc.

On the basis of **Use of Technology**, entrepreneurs can be divided into three basic types – *Technical, Non-Technical* and *Professional*.

- The Entrepreneurs who make use of science and technology in production process can be regarded as *Technical Entrepreneurs*.
- The entrepreneurs who do not consider huge application of technology in production but focus on the marketing and distribution strategies to survive in the competitive arena can be considered under *Non-Technical Entrepreneurs*.

- The *Professional Entrepreneurs* start a business unit but do not carry on the business for long period. They sell out the running business and start another venture.

Based on **Ownership**, entrepreneurs can be divided into three specific types – *Private, State and Joint Entrepreneurs*.

- A *Private Entrepreneurs* set up an enterprise and bear the entire risk involved in it.
- When the Government owns an enterprise, it is considered to be *State Entrepreneur*.
- When a private source and Government, own an enterprise and work jointly, they can be said as *Joint Entrepreneurs*.

As per **Gender Classification**, entrepreneurs can be of *Men and Women*.

- *Men Entrepreneurs* own, manage and control an enterprise in majority proportion.
- *Women Entrepreneurs* own and control the enterprise in which at least 51 percent of the financial interest and at least 51 percent of employment are contributed by and for women.

As per the **Size of Enterprises**, an entrepreneur can be classified as *Micro Entrepreneurs, Small Entrepreneurs, Medium Entrepreneurs and Large Entrepreneurs*. The definitions of these enterprises are given in Unit – 2 (Types of Enterprises).

As per **General Performance**, entrepreneurs can be divided as *Routine, N-enterprise, Political and Revolutionary* ones.

- *Routine Entrepreneurs* aim at co-ordinating and carrying a well established going concern in which the parts of production and the market of the products are well known and clearly defined.
- *N- Entrepreneurs* may not have any idea or may have a little bit idea about the markets and products.
- *Political Enterprises* provide advancement through election to a governing office.

As per the **Aim of the Enterprise**, an entrepreneur may be *Commercial or Social*.

- The *Commercial Entrepreneurs* start business enterprises for the purpose of generating sales and profits and for their personal gain.
- The *Social Entrepreneurs* are those who identify, evaluate and exploit opportunities that create social values and not personal wealth. They start ventures not for making profits but for providing social welfare.

In 1949, *Clarence Danhof*, based on his study *American Agriculture*, has classified the entrepreneurs in the manner that at the initial stage of economic development, entrepreneurs have less initiative and drive and as economic development proceeds, they become more innovating and enthusiastic (Khanka, 2012).

The *Behavioural Scientists* have categorized the entrepreneurs as *Solo Operators*, *Active Partners*, *Inventors*, *Challengers*, *Buyers* and *Life-Timers*.

- The *Solo Operators* work alone and if need, employ a few employees. They are recognized mainly as the starters of their enterprises.
- The *Active Partners* are the entrepreneurs who start an enterprise as a joint venture where all of them actively participate in the venture.
- The *Inventors* basically are those entrepreneurs who are associated with research and innovative activities.
- The *Challengers* like to accept all challenges and when one challenge seems to be met, they begin to look for new challenges.
- The *Buyers* here want to buy ongoing enterprises. They usually do not want to start a new one due to huge risk connected with that enterprise.
- The *Life-Timers* consider the enterprise as an integral part to their life like family business.

Entrepreneurs can also be classified on the basis of *Motivation (Pure, Induced, Motivated and Spontaneous)*, *Growth (Growth and Super Growth)*, *Stages of Development (First Generation, Modern and Classical)* etc.

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## **1.10 Role or Importance of Entrepreneurs**

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The entrepreneurs are the motivators in promoting this developmental phase with higher quality of production of goods or rendering of services at low cost, promoting the growth of firm, maximization of profit, generating employment, promoting export etc. Entrepreneurs with their creativity, innovation, economic value, integrity and reliability ensure entrepreneurial growth in a country. They have to perform different functional activities professionally and thus to take managerial decisions systematically. The role or importance of entrepreneurs in economy has constantly been examined by several researchers, authors, experts which can be depicted in the below mentioned Box 1.4.

**Box - 1.4**  
**Role or Importance of Entrepreneur**

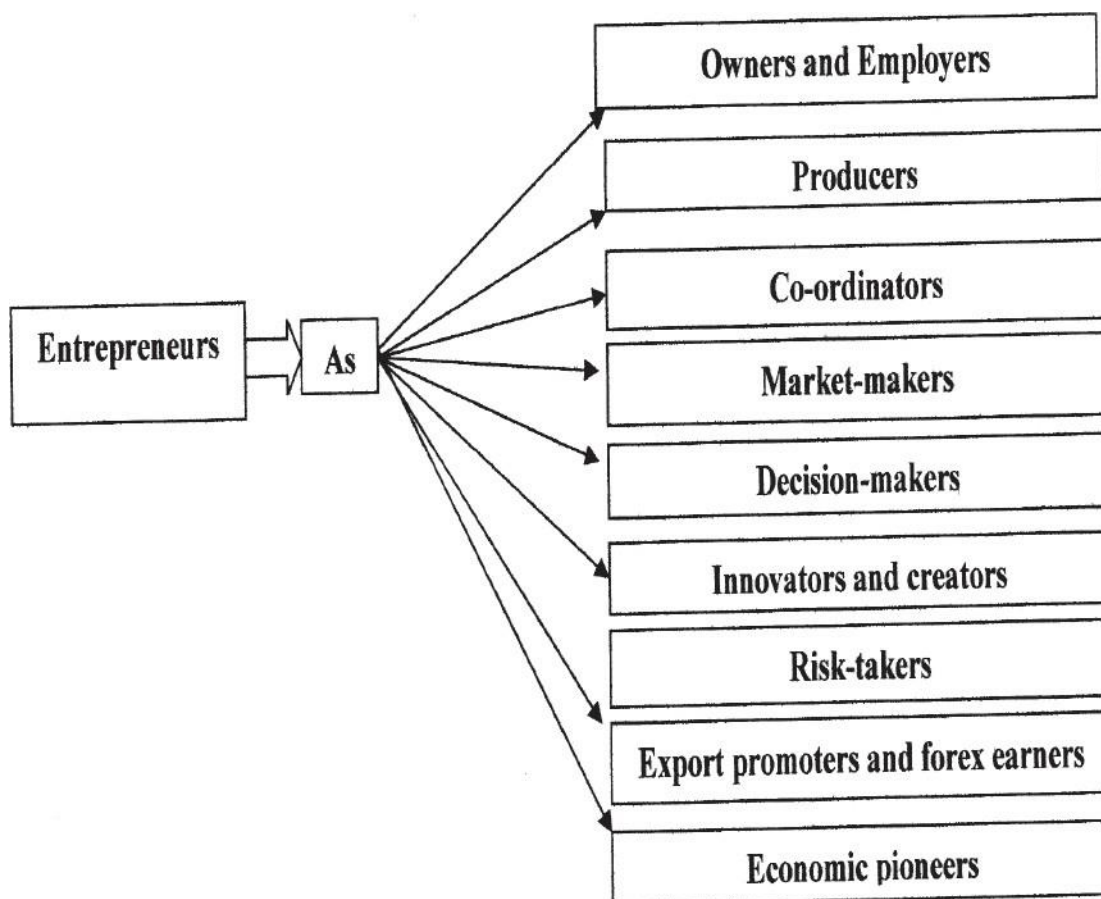
*Derossi (1971)* discusses the role of entrepreneur on the basis of *industry orientation* and *social orientation*. On the basis of industry-orientation, the entrepreneur performs an important role in producing goods at lowest cost, promoting the growth of the firm and maximizing profit. On the basis of social-orientation, the entrepreneur played a vital role in the generation of new employment, participation in development planning, helping to build a strong national industry etc.

*Timmons et al (1977)* identified eight dominant role requirements;

- Accommodation to the venture characterized by the striving on the part of the entrepreneur to survive in an environment of competition requiring extensive use of entrepreneur's time and loyalty with particular reference to high potential venture.
- Total immersion and commitment to the end are the characteristics of high potential business entrepreneurs.
- Creativity and innovation are the prime source of entrepreneurs.
- Knowledge of business is intending to launch.
- People and team-building capacity to attract, motivate and build a high quality entrepreneurial team.
- Economic values of free enterprise system, private ownership profits, capital gains etc. must be shared by the entrepreneurs.
- Ethics of the situation must be possessed by the entrepreneur.
- Integrity and reliability is a must for an aspiring entrepreneur to raise a new enterprise.

*Source: Debnath (2004)*

In entrepreneurial process, entrepreneurs must take all risks of their enterprises. Entrepreneurial competence will help them to fight against the threatening of the environment and thus to invite economic development in the nation. Entrepreneurs exert the following roles in the economic development of any country.



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## **1.10 Functions of Entrepreneurs**

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Entrepreneurs have to perform multifaceted functions connected directly and indirectly with their short-term and long-term entrepreneurial activities. Different researchers, experts have mentioned the functions of entrepreneurs in different ways. The functions are discussed in the below mentioned Box – 1.5.

### Box – 1.5

#### Thirteen Functions of Entrepreneurs

1. Perception of market opportunities,
2. Gaining command over scarce resources,
3. Purchasing inputs,
4. Marketing the products,
5. Dealing with officials,
6. Managing human resources within the enterprise,
7. Managing customer and supplier relations,
8. Managing finance,
9. Managing production,
10. Acquiring and overseeing assembly of the factory,
11. Industrial engineering,
12. Upgrading process and product,
13. Introducing new production techniques and products.

*Source: Khanka (2012)*

In *Entrepreneurial Functions*, entrepreneurs consider *Innovation* as their main important function. In this specific function, entrepreneurs engage themselves in innovating new types of industrial products, method of production, new markets, new source of supply and new industrial re-organisation. With the innovative attitude, entrepreneurs aim at *establishing the units* and engaging with other important functions. Entrepreneurs have to *bear risks* in respect of time, ownership, management, market, investment, control etc. In this very context, if they cannot foresight the future courses of action properly, they have to face huge loss both in monetary and non-monetary terms. They have to build up necessary relationship with the stakeholders of the enterprises. In the entrepreneurial activities, the entrepreneurs establish *co-ordination* among different internal and external stakeholders, departments and the organization-environment as a whole. The entrepreneurs have to *search for economic opportunities* connected with different environmental aspects which should be considered systematically in the entrepreneurial activities.

Entrepreneurs have to perform different *managerial functions* efficiently and

scientifically with available resources. According to *George Terry (1953)*, management is a distinct process consisting of planning, organizing, actuating and controlling performance to determine and accomplish the objectives by the use of people and resources (Khanka, 2014). In managerial activities, entrepreneurs should emphasis on *planning* that is what is to be done? What should the process be? What will the necessary resources be? etc. Entrepreneurs should *organize* all functional activities as per planning principles and process. Here, the organizational function should focus on the proper tuning of the entire entrepreneurial process. Staffs, employees are the personnel who make an enterprise different from others qualitatively. Entrepreneurs here make their effort to bring a balance between the requirements of personnel, inventory of personnel present in the enterprise and the sources of personnel wherefrom the requirements can be met. Entrepreneurs should consider the whole employees of the enterprise under their *direction*. Under the directing function, the entrepreneurs should guide, counsel, teach, stimulate and activate their employees to work efficiently to achieve organizational goal and objectives. In *controlling function*, entrepreneurs aim at monitoring whether the actions are according to the planning process or not.

In *promotional function*, entrepreneurs *identify and select business opportunities and ideas* with their entrepreneurial skill, knowledge and experience, the suggestions and information of their friends. Then the ideas are monitored and evaluated based on the cost-benefit associated with them. Entrepreneurs are to *prepare the business plan or project report* with which a specific objective can be fulfilled and the way to meet the objectives can be identified within a specific time frame. After specifying and focusing on all the activities, entrepreneurs should frame the *requirement of fund* and the way from where the fund can be collected.

In *commercial function*, the entrepreneurs should emphasise firstly on the *production/manufacturing activities*. The function includes decisions relating to the production size, quality, types, research and development and design of the products. Effective production depends on the managerial functions of the entrepreneurs. *Marketing function* considers the direction of flow of goods and services that is the supply of different commodities and services to meet the demand of the customers. The success of marketing function is mainly dependent on the marketing mix that is product, price, promotion, physical distribution, packaging, people and process. The other commercial function of entrepreneurs is *accounting* with which the entrepreneurs can have detailed idea regarding the commercial performance of the enterprise in achieving its goal in respect of profit maximization.

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## **1.11 Summary**

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Entrepreneurship is a fuel to the socio-economic development of any country specially developing in kind. The promoter of the entrepreneurship that is the entrepreneur here is the person who carries on the initiative to develop a unit which is capable enough to generate employment, promote export etc. Entrepreneur, in this context, contains the efficiencies like creativity, innovation etc. with which new development and growth in society in all respects can be evolved. There are different types of entrepreneurs who exhibit their different functions to enrich society.

### **Self-Assessment Questions:**

#### **Objective Type Questions**

1. The word 'Entrepreneur' has taken from
  - (a) French
  - (b) Latin
  - (c) English
  - (d) Italian
  
2. ABCD concept of Entrepreneurship stands for
  - (a) Aspiration, Benevolent, Confidence, Conviction and Creativity and Desire, Determination, Decision and Dedication
  - (b) Admission, Benevolent, Confidence, Conviction and Creativity and Desire, Determination, Decision and Dedication
  - (c) Aspiration, Benevolent, Confidence, Conviction and Creativity and Desire, Determination, Decision and Dedication
  - (d) Aspiration, Benevolent, Confidence, Conviction and Creativity and Desire, Decision and Dedication

#### **Short Type Question**

1. State the concept of Entrepreneurship.
2. What do you mean by Creativity?
3. Define Innovation.

#### **Long Type Question**

1. What are the qualities of Entrepreneur?



2. Narrate the functions of Entrepreneurs.
3. State the importance of Entrepreneurship.

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## **Unit - 2 □ Types of Enterprise**

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### **Unit Structure:**

- 2.1 Introduction**
- 2.2 Concept of Micro, Small and Medium Enterprises (MSMEs) in India**
  - 2.2.1 Concept MSMEs before Micro, Small and Medium Enterprises Development (MSMED) Act, 2006**
  - 2.2.2 Concept MSMEs after Micro, Small and Medium Enterprises Development (MSMED) Act, 2006**
- 2.3 Composition of MSMEs in India**
- 2.4 Role of MSMEs in Indian Economy**
- 2.5 Problems and Sickness of MSMEs in India**
- 2.6 Government Authorities for Assisting MSMEs in India**
- 2.7 Summary**

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### **2.1 Introduction**

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Entrepreneurship is the way to invite socio-economic upgradation of any country with self-employment and thus with generating employment. It resolves economic troubles and problems of any country. In benefiting the society, entrepreneurship gets its shapes in different ways based on their operations, investment ceilings in plant and machineries and equipments, objectives and sometimes on the basis of gender etc. These different types of enterprises have different characteristics, functions and prospects. In India, the Micro, Small and Medium Enterprises (MSMEs) play a pivotal role to upgrade its socio-economic performance in all respects. In this unit, the evolution of MSMEs, their roles in economic development of India, problems faced by them and different Government authorities in developing them highlighted.

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### **2.2 Concept of Micro, Small and Medium Enterprises (MSMEs) in India**

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MSMEs are playing a vital role in the growth of the national economies for which they attract the focal point of all Governmental policies and programme. In 2006, our Central

Government has taken a revolutionary attempt in framing the concept of MSMEs by implementing a special act, *Micro, Small and Medium Enterprises Development (MSMED) Act, 2006*. Before that period, the three enterprises – Micro (the then Tiny), Small and Medium played their economic roles differently with or without proper legal recognition. In this unit, the concept of MSMEs in India is presented in two sub-sections – *Concept before the enactment of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006* and *Concept after the enactment of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006*

### **2.2.1 Concept MSMEs before Micro, Small and Medium Enterprises Development (MSMED) Act, 2006**

Before the enactment of MSMED Act, 2006, Small Enterprises (SEs) [the then Small Scale Industries (SSIs)] covered a wide spectrum of two clearly identifiable segments – *Traditional SEs* and *Modern SEs*. Under *Traditional SEs*, Khadi and Village Industries (KVI), Handlooms, Handicrafts, Coir, Silk were included, while under *Modern SEs*, Ancillary, Small Scale Industrial Undertaking, Tiny Industry, Small Scale Service and Business Enterprise (SSSBE) were found out. In that period, the Micro Enterprises (MEs) (the then Tiny Enterprises) performed under the purview of SEs, while Medium Enterprises did not have any legal recognition.

In the process of developing the sector, Government of India has taken different initiatives. But that have been criticised by the beneficiaries when it has been identified that the policies have not constituted any *homogeneous universe* and invited *multiple irrational legal framework, tedious process of registration, infrastructural bottlenecks, technological obsolescence, lacuna in institutional credit, irritating rapid inspections* etc. Therefore, to facilitate the growth and development of the sector under *a single comprehensive legislation* and to fulfill the long standing demands of SEs, the Government of India has enacted the *MSMED Act 2006*, in compliance with the *Gupta Committee Report*.

### **2.2.2 Concept MSMEs after Micro, Small and Medium Enterprises Development (MSMED) Act, 2006**

The MSMED Act has received the assent of the President of India on *June 16, 2006* to come into force with effect from *October 2, 2006*. With the introduction of the newly framed legislation, the conceptual and structural recognition of *industry* has drastically been modified and replaced with the nomenclature *enterprise*. Besides, MSMED Act has renamed *tiny industries* as *Micro enterprises* and considered separately from *SEs*. *Medium enterprises* here have got their legal recognition for the first time. Under this Act, two separate ministries – *Ministry of SSI (Laghu Udyog Mantralaya)* and *Ministry*

of Agro and Rural Industry (ARI) (Krishi Evam Gramin Udyog Mantralaya) have been merged. The Act has mentioned the *main divisions of enterprise* based on the functions of the units like Manufacturing and Service Rendering.

- *Manufacturing MSMEs*, engage in the manufacturing or production of goods pertaining to any industry, are defined in terms of *investment in plant and machineries* (excluding cost of pollution control, research and development, industry safety devices and other notified items) to the extent of *Rs.25 lakh for Micro, Rs.5 crore for Small and Rs.10 crore for Medium Enterprises*.
- *Service Rendering MSMEs* are defined in terms of *investment in equipment maximum of Rs.10 lakh for Micro, Rs.2 crore for Small and Rs.5 crore for Medium Enterprises*.

Under the new classifications of enterprises, the earlier *traditional SEs* have been considered as *manufacturing micro enterprises* and the *tiny sector of modern SEs* has been under the purview of both *manufacturing and service rendering micro enterprises* based on their functions. In the same line, the *Small Scale Industrial unit* and *SSSBE*, have been under the *small manufacturing enterprises* and *small service rendering enterprises* respectively based on their nature of activities and investment level in plant and machineries or equipments. Likewise, *ancillary SSIs* based on the nature of activities have been taken under the ceiling of *small manufacturing and service rendering enterprises*.

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## 2.3 Composition of MSMEs in India

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MSMEs spread their wings in every corner of India in different forms of operation, ownership patterns and in various natures of entrepreneurship on the basis of gender and caste. As per the Fourth All India Census Report, 2006-2007, 15,59,239 total number of MSMEs have been found within which Micro Enterprises (MEs) have contained 94.99 percent. The total number of MSMEs in India here is reflected in Table – 2.1.

**Table – 2.1**

**Number of MSMEs in India**

<b>Enterprises</b>	<b>Number of Unit (% of total MSMEs in India)</b>
Micro	14,81,109 (94.99)
Small	74,874 (4.80)
Medium	3,256 (0.21)
<b>Total</b>	<b>15,59,239 (100.00)</b>

**Source:** All India Fourth Census Report, 2006-2007.

As per the Census Report, 2006-2007, 10,45,806 units of the total MSMEs in India have been engaged in the *manufacturing activities*, while the rest units (5,13,433 units) have been engaged in *rendering of services*. Maximum number of MSMEs (90.17 percent of 15,59,239 MSMEs) has been identified under the *Sole Proprietorship*, followed by *Partnership, Private Limited Company* etc. Here, out of the total number of MSMEs in India, only 13.73 percent in owned by female entrepreneurs On the basis of the *caste of the entrepreneurs*, 761677 units have been owned by *reserved caste* entrepreneurs and 797562 units by the *general caste* entrepreneurs.

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## 2.4 Role of MSMEs in Indian Economy

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MSMEs perform an astounding role in uplifting Indian economy in different directions by way of high production level, employment generation, export promotion and gross value addition. Now, before emphasising the performance of MSMEs in India, it is better to focus on the *investment* of MSMEs in *plant and machineries*, their *networth* and amount of *input* (direct material and other related items) for production. Table – 2.2 reflects the total amount of investment in plant and machineries, net worth and input for production by MSMEs in India.

**Table –2.2**

**Investment in Plant and Machineries, Networth and Input for Production of MSMEs in India**

<b>Enterprises</b>	<b>Investment in Plant and Machineries</b> (Rs. in crore) (% of total MSMEs in India)	<b>Net worth</b> (Rs. in crore) (% of total MSMEs in India)	<b>Input for Production</b> (Rs. in crore) (% of total MSMEs in India)
<b>Micro</b>	165455.90 (32.79)	181315.28 (39.91)	185509.64 (39.36)
<b>Small</b>	215992.40 (42.81)	171325.42 (37.71)	203023.97 (43.07)
<b>Medium</b>	123104.79 (24.40)	101722.26 (22.38)	82797.27 (17.57)
<b>All India</b>	504553.09 (100.00)	454362.96 (100.00)	471330.88 (100.00)

*Source: All India Fourth Census Report, 2006-2007*

As per Table – 2.2, SEs have invested maximum amount in plant and machineries (Rs.215992.40 crore or 42.81 percent of the total) among the three enterprises. These have also held the maximum input of production (Rs.203023.97 crore or 43.07 per cent), while MEs have contained the maximum amount of networth (Rs.181315.28 crore or 39.91 per cent) in the sector.

As per All India Fourth Census Report, 2006-2007, MSMEs have contributed huge amount of production. Among the three enterprises, MEs have contained the maximum production amount (Rs.304522.99 crore or 40.76 percent).

Indian economy is highly benefitted by the extreme support of MSMEs in generating employment which somehow resolves unemployment, underemployment and resultantly poverty etc. As per the Census Report, 2006-2007, MSMEs have generated 9403700 employments. Amongst the three enterprises, MEs here have contributed the maximum (6486203 persons or 68.98 percent). MSMEs offer high contribution in Indian capital by way of huge amount of export. As per the Fourth All India Census Report, MSMEs have exported Rs.76073.95 crore of which the MEs have contained the maximum (Rs.28469.21 crore or 37.42 percent).

As per the Census Report, 2006-2007, MSMEs have added Rs.275700.65 crore in Indian economy through Gross Value Addition. Out of the three enterprises, MEs have contained the maximum amount (Rs.119013.28 crore or 43.17 percent).

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## **2.5 Problems and Sickness in MSMEs in India**

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MSMEs extend an appraising assistance towards the upliftment of national economy. But distressingly enough, they have been facing tremendous hazards from different corners in arranging finance, producing products and rendering of services, marketing and in recruiting and motivating skilled manpower. As per the Report of the Subgroup of Unorganised Sector (of the Working Group on MSMEs Growth during 12<sup>th</sup> Plan), MSMEs are facing some common problems which are discussed briefly in Box – 2.1.

## Box – 2.1

### Problems faced by MSMEs in India

- Lack of availability of adequate and timely credit,
- High cost of credit,
- Collateral requirement,
- Limited access to equity capital,
- Problems in supply to Government departments and agencies,
- Procurement of raw materials at a competitive cost,
- Problems of storage, designing, packaging and product display,
- Lack of access to global markets,
- Inadequate infrastructure facilities, including power, water, roads etc.,
- Low technology levels and lack of access to modern technology,
- Lack of skilled manpower for manufacturing, services, marketing etc.,
- Multiplicity of labour laws and complicated procedures associated with compliance of such laws,
- Absence of a suitable mechanism which enables the quick revival of viable sick enterprises and allows unviable entities to close down speedily and issues relating to taxation, both direct and indirect and procedures thereof,
- Lack of Social Security

Source: Jaswal (2014)

The sector comprises huge number of units under the unorganized sector. Due to this fact, no reliable and updated database can be available. This hampers the monitoring of the development initiatives and formulation of appropriate schemes to meet the requirements of the very sector. Apart from the paucity of the required finance, the sector is also not capable enough to repay loan amount in due time and course.

All of these circumstances invite sickness in the very sector. The Reserve Bank of India (RBI) has time-to-time given the definition of sick MSMEs in India through different working groups. Likewise, on 18<sup>th</sup> June 2007, RBI has established a *Working Group* under the *chairmanship of Dr. K.C.Chakroborty*. As per this 2007 Guideline, *a unit may be said to have become sick, if any of the borrowal accounts of it remains Non Performing Asset (NPA)*, (the credit facility in respect of which the interest and/or installment of principal has remained overdue or out of order for a specified period of

time - at least for three months) or if there is erosion in the networth due to accumulated losses to the extent of 50 percent of its networth, excepting the condition of willful mismanagement (RBI, Circular No. RPCD.PLNFS. No. 12002/06.02.28 (i)/2006-2007). The RBI has further reframed the criteria of declaring an incipient sick unit in its latest Guidelines of Chakraborty Committee (2007). As per this Guideline,

- There is delay in commencement of commercial production by more than six months for reasons beyond the control of the promoters and entailing cost overrun, or
- The unit incurs losses for two years and cash loss for one year, beyond the accepted time frame on account of change in economic and fiscal policies affecting the working of MSEs or otherwise, or
- The capacity utilisation is less than 50 percent of the projected level in terms of quantity or the sales are less than 50 percent of the projected level in terms of value during a year.

**Potentially Viable Sick MSMEs:** MSMEs may be regarded as the potentially viable sick if they would be in a position to repay debt without the help of the assisting institutions within 7 years from the date of the implementation of the package.

All India Fourth Census Report has identified the problems as faced by the sector. Table – 2.3 reflects the fact.

**Table – 2.3**

**Reasons for Sickness/Incipient Sickness of MSMEs in India**

<b>Reason for sickness/ incipient sickness</b>	<b>Proportion of sick/ incipient sick units</b>
1. Lack of demand	41.94 %
2. Shortage of working capital	20.49 %
3. Non-availability of raw material	5.11 %
4. Power shortage	5.71 %
5. Labour problems	5.64 %
6. Marketing problems	11.48 %
7. Equipment problems	3.17 %
8. Management problems	6.46 %

Source: All India Fourth Census Report, 2006-2007



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## 2.6 Government Authorities for Assisting MSMEs in India

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With the implementation of the MSME Act, 2006, the administrative structure of the authoritative institutions, attached with MSMEs has drastically been changed. The Act has constituted the statutory apex consultative body, *National Board for Micro, Small and Medium Enterprises* whose functions are to (i) examine the factors affecting the promotion and development of MSMEs and review the policies and programmes of the Central Government in this regard, (ii) make recommendation on the matters referred to it by the Central Government, (iii) advise the Central Government in the use of fund or funds, constituted *under section 12 of the MSME Act*. The Act has constituted an *Advisory Committee*, for a period of *two years* with effect from 27<sup>th</sup> September, 2006, which has been headed by Union Secretary in-Charge of MSMEs. As per the *Circular No. 8/7/2006-CDN of Ministry of MSME*, the operational network of the Ministry is controlled and circulated through:

- (i) Development Organisation for Micro, Small and Medium Enterprise (DO-MSME) and field units like Micro, Small and Medium Enterprises – Development Institute (MSME-DI), MSME-Testing Centres, MSME-Testing Stations and Field Testing Stations, Small Entrepreneurs Promotion and Training Institute (SEPTI).
- (ii) Statutory and Autonomous Bodies and Training Institutes.
- (iii) One Public Sector Undertaking – *National Small Industries Corporation (NSIC) Ltd.*

The Authoritative Institutions and their activities for MSMEs are now enumerated briefly as under:

*DO-MSME* was established in 1954 on the recommendation of *Ford Foundation* and was headed by *Additional Secretary and Development Commissioner (MSME)*. It is an apex body for assisting the Government of India in formulating policies for MSMEs with the object of *imparting greater vitality and growth impetus to MSMEs in terms of output, employment, export and instilling a competitive culture based on heightened technology awareness*. Beside maintaining liaison with Central Ministries and other Government agencies, the office ensures a comprehensive range of common facilities, technology support services, marketing assistance and entrepreneurial development support through its vast network of -

- 30 MSME-DIs,
- 28 Branch MSME-DIs,
- 4 MSME - Testing Centres (MSME-TCs),

- 7 MSME – Testing Stations (MSME-TSs),
- 21 Autonomous Bodies including 10 Tool Rooms (TRs) and Tool Design Institutions (TDIs) and Project – Cum – Process Development Centres,
- 4 MSME – Technology Development Centres (MSME – TDCs),
- 2 MSME – Technology Development Centres – Footwear (MSME – TDCF),
- 1 Electronics Services and Training Centre (ESTC),
- 1 Institute for Design of Electrical Measuring Instrument (IDEMI),
- 2 National Level Training Institutes,
- 1 Departmental Training Institute and one Production Institutions.

DO-MSME has been extending its support service by:

- advising the Government in policy formulation for the promotion and development of MSMEs in India,
- ensuring consultancy services, common facility and extension services to MSMEs,
- assisting the MSMEs in technology upgradation, modernisation, quality improvement, infrastructure facilities, human resource development,
- maintaining a close liaison with Central and State Ministries, financial institutions (FIs), authoritative institutions,
- formulating and co-ordinating policies and programmes for developing MSMEs as ancillaries,
- providing testing and calibration services to the MSMEs and implementing the flagship schemes (Credit Guarantee Fund Trust for Micro and Small Enterprises, Credit Linked Capital Subsidy Scheme, Cluster Development Programme),
- supplying economic information services to MSMEs,
- monitoring Prime Minister Rojgar Yozana (PMRY) scheme and the working of different tool rooms ([www.dcmsme.gov.in](http://www.dcmsme.gov.in)).

Beside the Central authoritative assisting institutions, the State level institutions are also responsible to execute different promotional and developmental schemes for MSMEs of their respective States.

The State Directorate of Industries, controlled by DO-MSME, in this connection, performs the main regulatory and promotional role through

- (i) granting registration of MSMEs,
- (ii) providing financial assistance,
- (iii) distributing scarce and indigenous raw materials,
- (iv) establishing industrial State,
- (v) providing essential certificates for import of raw material etc.

The extensive promotional activities of State Directorate of Industries also are channelised through Small Industries Development Corporation Ltd. (SIDC Ltd.), a State-owned public sector undertaking, registered under the Companies Act 1956. These are established in each State of India to promote essential infrastructural facilities for successful survival of MSMEs.

In addition thereto, State Financial Corporation (SFC) is in action in every State of India as per State Financial Corporation Act (1951) to provide financial assistance to MSMEs.

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## **2.7 Summary**

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Micro, Small and Medium Enterprises (MSMEs) play a vital role in uplifting Indian economy from all dimensions like production, export promotion, employment generation etc. with nominal input in production. But distressingly enough, the sector is constantly facing different hazards which ultimately force the very sector to face sickness. In 2006, a revolution has come in this sector when the Central Government has introduced the new enactment MSMED Act under which different principles and authorities have been structured and have started their actions to help the sector from all corners both in Central and State level.

### **Self-Assessment Questions:**

#### **Objective Type Questions**

1. MSME stands for
  - (d) Micro, Small and Medium Enterprise,
  - (e) Medium, Small and Micro Enterprise,
  - (f) Micro Small and Macro Enterprise,
  - (g) Mini, Small and Max Enterprise.
2. MSMED Act has been implemented in
  - (a) 2010,

- (b) 2006,
  - (c) 2008,
  - (d) 2007
3. As per MSMED Act, the investment ceiling for manufacturing Small Enterprises should be within
- (a) Rs.10 crore,
  - (b) Rs.5 lakh,
  - (c) Rs.10 lakh,
  - (d) Rs.5 crore.

**Short Type Question**

- 4. Define Sick Micro and Small Enterprises (MSEs) in India as per the latest RBI Working Group.
- 5. Give the definitions of Incipient Sick MSEs in India.

**Long Type Question**

- 4. What are the problems of MSMEs in India?
- 5. What are the Government Authorities supporting MSMEs in India?

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## Unit - 3 □ Definition of Service

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### Unit Structure

- 3.1 Introduction
- 3.2 Concepts of Service Sector
- 3.3 Growth of Service Sector in India
- 3.4 Role of Service Sector in India
- 3.5 Government Assistance to Service Sector in India
- 3.6 Problems in Service Sector in India
- 3.7 Summary

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### 3.1 Introduction

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Every economy consists of three sectors - primary sector, secondary sector and tertiary sector. Primary sector consists of the extraction such as mining, agriculture and fishing, secondary sector contains manufacturing activities and tertiary sector relates with the service oriented performance. In India, service sector is the most common workplace. In the present unit, the concept, growth and importance of service sector, the Government assistance and the problems of service sector in India are presented.

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### 3.2 Concepts of Service Sector

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The *Soft Area* of economy like finance, health and insurance, distribution and sale of goods etc. are consisted under the *Service Sector*. It is that part of the economy in which the associated people use time to deploy knowledge assets, collaboration assets and process-engagement to create productivity, effectiveness, performance improvement potentiality and sustainability. Basically, service sector involves the provision of services to businesses as well as final consumers.

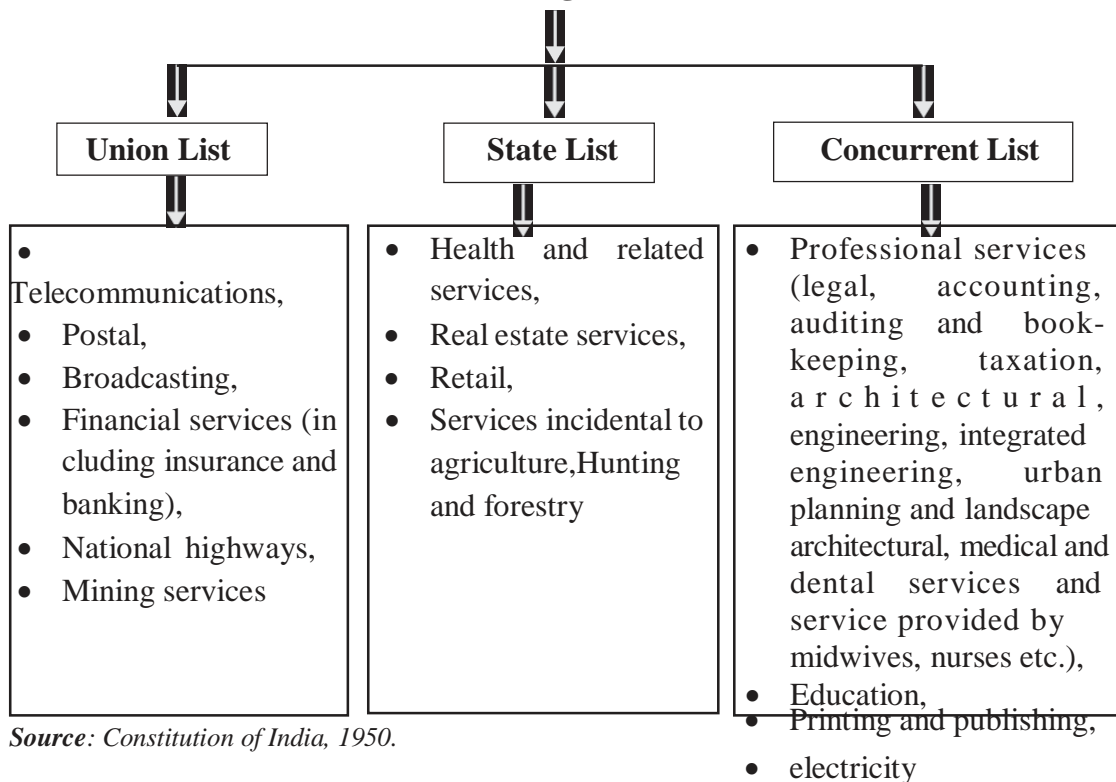
In India, service sector covers a wide gamut of activities. The major sectors that combine together to constitute service sector in India are listed below.

- Information Technology
- Trade
- Education
- Financial services

- Media
- Hospitality, accommodation and food services
- Entertainment, culture and recreation
- Transportation and warehousing
- Storage
- Communication
- Healthcare & social assistance
- Tourism
- Public utilities
- Real estate and leasing
- Public administration and defense
- Business support services
- Professional, scientific and technical services

The quasi-federal governance structure and the Constitution of India have considered some services under the jurisdiction of Central Government (*Union List*), State Government (*State List*) and the remaining are under the Joint Administration of Central and State Government (*Concurrent List*). The specific list of services as categorised under the three categories are presented as below.

### Service Sector according to the Constitution of



Source: Constitution of India, 1950.

**Box – 4.1 reflects the activities of service sector as per National Industrial Classification 2008**

**Box - 4.1**

**Service Sectors included in the National Industrial Classification 2008**

- Wholesale and retail trade;
- Repair of motor vehicles and motorcycles
- Transportation and storage
- Accommodation and food service activities
- Information and communication
- Financial and insurance activities
- Real estate activities
- Professional, scientific and technical activities
- Administrative and support service activities
- Public administration and defense;
- Compulsory social security
- Education
- Human health and social work activities
- Arts, entertainment and recreation
- Other service activities
- Activities of households as employers;
- Undifferentiated goods and services producing activities of households for own use
- Activities of extraterritorial organisations and bodies

*Source: National Industrial Classification, Central Statistical Organisation, Ministry of Statistics and Programme Implementation (MOSPI), Government of India, 2008*

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### **3.3 Growth of Service Sector in India**

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Service sector in India is considered as a prominent contributor to national and state economy in different dimensions like income generation, trade flows, foreign direct investment (FDI) inflows and employment. It is supposed to be the least volatile sector, having the highest growth rate. Growth in service sector is particularly marked in public services, Information Technology (IT) and financial services. In some areas, the growth rate of the service sector reaches 40-50 percent due to the increasing trend of use of mobile technologies.

In India, the service-oriented economy has not followed the traditional growth model which was found in China. In China, the agricultural stage has jumped directly to service sector, skipping the manufacturing one, while in our economy a developmental progression has been followed where firstly there was concentration on primary, therefore, it was on manufacturing and finally towards the service sector. The shift indicates the path of progress and the growth which attributed mostly to the emergence of the Indian Information Technology (IT) and IT enabled Service (ITeS) sectors as well as e-commerce.

As per different government reports, it can be exhibited that in India, service sector accounts for more than half of the GDP which takes our economy closer to the fundamentals of a developed one. As per the government report, the compound annual growth rate (CAGR) of service sector GDP was 8.5 percent for the period 2000-01 to 2013-14. The share of service sector in our GDP was tremendously accelerated between 1950 and 2000 of which nearly 40 percent was accelerated in the nineties. The liberalization in the regulatory framework which resulted innovation and higher exports from the services sector, were the responsible factors behind the development of the service sector in India in nineties.

In this growth pace, almost all the service related activities participated amongst which communication, banking, hotel and restaurant; community service, trade and business service were identified as the important ones. In the current economic scenario, the boom in the service sector makes India as the fast emerging global service hub.

In 2009-10, share of services in Gross Domestic Product of different Indian states (GSDP) such as Bihar, Delhi, Kerala, Maharashtra, Mizoram, Nagaland, Tamil Nadu, Tripura and West Bengal was higher than the all-India average, while that of lower in Chhattisgarh and Himachal Pradesh. In this context, the growth rate of services for



states such as Arunachal Pradesh and Sikkim is higher than the all India average, while it is lower in Andhra Pradesh, Karnataka, Rajasthan, Nagaland and Tripura.

Here, business services (including IT), communications and trade have grown faster than the overall service sector growth in India, while the others such as real estate, legal services, transport, storage and personal administration and defense services have grown at the same rate as the overall services sector growth. After the economic reforms of the 1990s, the share of financing, trade and transport sectors in total services sector have increased while those of community, social and personal services have declined.

Service sector is expected to perform well in 2015-2016. Some improvements in global growth and recovery in industrial growth will drive the sector to grow 7.4 percent in 2015-2016 (2014-2015: 7.3 percent). The performance of trade, hotels and restaurants, and transport, storage and communication sectors are expected to improve in 2015-2016. Loss of growth momentum in commodity-producing sectors had adversely impacted transport and storage sectors over the past two years. The financing, insurance, real estate and business services sectors are also expected to continue their good run in 2015-2016. The growth performance of the community, social and personal service sector is directly linked with government expenditure and government will remain committed to fiscal consolidation in 2015-2016 (Media Reports, Press Releases).

McKinsey & Company (2007) forecasted the fact that Indian economy grows at the rate of 7.3% between 2005 and 2025 and by 2025, 583 million Indians (41 percent of total population of India in 2025) would be related to middle class who would account for a huge portion (more than half) of the total consumption of India by 2025. Moreover, the increase in income and resultantly the increase in the literacy rate would invite high prosperity in the consumption pattern in education. Additionally, India contains the youngest populations in the world which lead to a change in the consumption pattern in some sub-services like private health, personal care and hotels and restaurants etc.

As per the Planning Commission projection, the service sector will grow at the rate of 10 percent during 2012-2017. Certain services like trade, hotels and restaurants and transport, storage and communications and financing, insurance, real estate are expected to grow faster than overall services growth while others like community social and person services may grow at a slower pace.

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### **3.4 Role of Service Sector in India**

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In India, service sector promotes national developments in different dimensions. It offers great contribution in employment generation, in labour productivity etc. which are now discussed below.

#### **Employment Generation:**

- The overall service sector employment in India is low compared to its share in GDP, but it is growing gradually. Service sector has the largest share of employment within the total organised sector employment, but within services, share of organised sector employment is small. There is a debate on the employment generating role of service sector in India. It can be said that employment growth in service sector has not been commensurate to the income growth in it or the rise in its share in the range of GDP of India. Over the years, the percentage of people employed in agriculture has declined, while service sector has got an impressive picture for that, though the broad pattern of employment has remained the same with agriculture having the highest share.

There has been a change in the pattern of employment within the service sector. In wholesale and retail trade, transport, storage and communication, employment generation etc. are increasing gradually, while the same share in public administration and defense is found to be declined. However, within the service sector, over 80 percent of the employment is in the unorganised sector which is mainly contributed by retail and wholesale trade. In this context, the other sub-sectors such as finance, insurance, real estate and business services and community, social and personal services largely provide organised sector employment.

Within the organised service sector, public sector creates the maximum level of employment.

#### **Labour Productivity:**

- Different studies have mentioned that the labour productivity that is the value added per worker is the highest in services sector, particularly in the decades after 1980. In some research related documents it has been detected that the labour productivity is the fastest in business services, communications and banking. Here, the growth rate in some sub-sectors like post and telecommunications, hotels and restaurants and trading services is increasing constantly during the last two decades 1980-99 and 2000-2008, while in some sub-sectors like in health and social work,

other services and education, the growth rate is nominal. Service sector in India can also attached export potentialities and opens up the scope for foreign investment. Indian government, therefore, wants to develop a knowledge-based hub and also promotes exports of services. Service exports here can contribute to inclusive economic growth with increasing number of well-paid jobs and reallocating labour. It can also add to the government tax revenues. Basically, services export of India not only grew rapidly than the country's merchandise exports but it also grew faster than global services exports. In 1980s and 1990s, India had a negative trade balance in services but from 2004 onwards, it has a positive trade balance in services.

While the developed countries control the global trade in service, India under the emerging economies, claim to be among the top ten exporters and importers of services.

In India, Foreign Direct Investment (FDI) inflow in service sector is allowed through two routes – the automatic route and the government route. FDI is allowed through the automatic route in the sub-sectors like agriculture related service, services incidental to mining, energy distribution and construction, while in single-brand retail, test marketing, courier services, and natural gas or liquefied natural gas pipeline transportation services, government approval is essential.

Government approval is not required in the automatic route for a non-resident investor or company, while it is highly required in government route through the Foreign Investment Promotion Board (FIPB). In the pre-liberalisation period, bulk of FDI inflow was in manufacturing (87 per cent in 1980) but after liberalisation service sector is detected to be the largest recipient of FDI inflows.

Within the services sector, financial insurance, real estate and business services account for the maximum outward investments followed by transport, communication and storage services and wholesale and retail trade and restaurants and hotel services. The major recipients of FDI from India include Mauritius, Singapore, Netherlands, US and United Arab Emirates (UAE).

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### **3.5 Government Assistance to Service Sector in India**

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The Government of India has adopted a few initiatives in the recent past. Some of these are as follows:

- The Government of India plans to take mobile network by December 2016 to nearly 10 per cent of Indian villages that are still unconnected.

- The Reserve Bank of India (RBI) has allowed third-party white label automated teller machines (ATM) to accept international cards, including international prepaid cards and has also allowed white label ATMs to tie up with any commercial bank for cash supply.
- The Government of India has launched tourist visa on arrival (TVoA) enabled by electronic travel authorisation (ETA) to 43 countries.
- India and Japan held a Joint Working Group conference for Comprehensive Cooperation Framework for Information and Communication Technologies (ICT). India also offered Japan to manufacture ICT equipment in India.
- Citizens of India is expected to get a minimum of 2 megabits per second (MBPS) Wi-Fi speed at every government owned service point such as railways stations, airports, bus stops, hospitals and all government departments that deal with the public on a daily basis.

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### **3.6 Problems in Service Sector in India**

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Service sector in India is compelled to face tremendous problems in its operation in India. The quality of employment in service sector is very negligible and the shift in employment from agriculture to services is supposed to be very slow. The ranking of India among WTO member countries in service exports is lower than that of China's though it is considered as a major exporter of services. Moreover, India cannot attract FDI successfully.

In India, the major policy focus is detected in the agriculture and manufacturing sectors. But service sector in all cases are found to be neglected irrespective of its economic potentialities. More, there is no nodal ministry at the centre for some service sectors like retail while for others like transport and energy there are multiple ministries with conflicting interest. Multiplicity of regulatory bodies creates multiplicity of regulations and multiple clearances requirements as some services are under the purview of state governments or under the central government or jointly regulated by the central and state governments. For example, there are around 13 regulatory bodies to regulate higher education and each of them functions in isolation. Moreover, there is an urgent need to have clear definition of sub-sectors, based on international definitions like the UNCPC. The policy should focus both the short-term strategy (five years coinciding with the Indian Five Year Plans) and long term strategy (10 to 15 years) for development of the sub-sectors. More, the policies should have focus on the state-wise requirements

and proper implementation of a specific model regulation which the state government should consider. In this context, a nodal agency can be identified for each service sector which should maintain the responsibility to foresee the level of implementation strategies.

In India, data on services is collected by multiple agencies. In some sub-sectors, there is no official data (retail service) or lack of disaggregated data (communication service). The employment data is not collected on a regular basis which makes it difficult to do employment analysis. Additionally, India suffers from the cross-country analysis as the service sub-sector definition of the country may not match with the international definitions. The data collection procedure between goods and services within each sub-sector such as telecommunications and IT may not be distinct from each other.

Some regulations are very outdated, while others may not account for technological developments or do not often follow international best practices. In some sectors, there is a lack of comprehensive regulation which would enable integrated door-to-door services. The new service sectors like cloud computing, direct selling, express delivery services are not considered under the existing regulations. Moreover, the public monopolies and the vested interest of the government and public sector units (PSUs) adversely affect the performance of service sector as because the government procurement process is not always transparent.

In India, since data on total employment is not calculated on a yearly basis along with the fact that the employment in service sector is concentrated in the unorganised sector, it is difficult to undertake productivity analysis. Here, services sector has not been able to generate employment in terms of both numbers and quality. There is skill shortage in sectors like IT and organised retail. This is leading to a rise in the salaries, high attrition rates and high cost of operations.

It can also be known to all that the government's education policy and funding have focused on higher education and have neglected primary education. The higher education here has got special attention but the primary education cannot have so in respect of the caste reservation. Moreover, the reservation is caste-based and not based on income of individuals may create problem in the growth of performance and scope of service sector.

India should have greater market access and removal of discriminatory barriers for temporary movement of people through the WTO and its bilateral agreement. Therefore, India should implement domestic reforms to get increase the service trade scale. The export market should be diversified. The government can also pursue certain external

policies such as signing trade agreements with its major services trading partners, signing mutual recognition of qualifications agreements and double taxation avoidance agreements, which will remove/reduce external barriers to services trade.

Data should be collected on a yearly basis for understanding the trends and there should be a centralised system of data collection and collation. Since service sector is heterogeneous in nature, it is very important to identify the most severe barriers faced by different sub-sectors which help undertake sector-specific reforms. The government here should consider the developmental schemes required to upgrade the different sub-sectors. In some sectors like transport, energy etc. the different departments of the government should work together to design policy. It is found that there are disparities in performance across states and poor states seem to do badly in services and in delivery of public services like health and education. Therefore, there is an urgent need to implement the Public Procurement Bill, 2011, which is likely to streamline processes and will increase transparency. Now to implement a single window clearance for projects, FDI inflows, etc., the procedural hurdles and regulatory barriers should be removed. India is one of the few countries, which have FDI restrictions on a number of services sectors such as banking, insurance, air transport and multi-brand retail. Now to facilitate the flow of the investment, India needs to build up domestic consensus in favour of reforms in services and speed up the reform process. To create quality employment in services sector the long-term focus of the government should encourage growth of organised sector employment and modernisation of unorganised sector. There should be private-public partnership. The vocational training and development of appropriate curriculum will increase the employability of students in the services sector.

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### **3.7 Summary**

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Service Sector contributes hugely in Indian socio-economic development. Government of India here has framed the concepts of service sector and different assistance programme for the different stages but it is framed to face different problems which should be tackled smoothly to gain further development for this sector.

#### **Self-Assessment Questions:**

#### **Objective Type Questions**

1. Telecommunication is in
  - (a) Union List,

- (b) State List,
  - (c) Concurrent List,
  - (d) None of the above.
2. Electricity is in
- (a) Union List,
  - (b) State List,
  - (c) Concurrent List,
  - (d) None of the above.
3. Forestry is in
- (a) Union List,
  - (b) State List,
  - (c) Concurrent List,
  - (d) None of the above.
4. KVIC and Coir Industries are
- (a) Attached Office,
  - (b) Statutory and Autonomous Body,
  - (c) PSU,
  - (d) None of the above.

**Short Type Question**

1. Explain the Government assistance to the service sector in India.
2. What are the problems of service sector in India

**Long Type Question**

1. Explain the role of service sector in Indian economy.
2. Narrate in brief the growth of service sector in India.

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3. Khanka, S. S. (2012). *Entrepreneurial Development*, New Delhi: S. Chand & Co.



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## **Unit - 4 □ Procedure and Formalities for starting Small Scale Enterprises**

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### **Unit Structure:**

#### **4.1 Introduction**

#### **4.2 Process of development of an Enterprise**

#### **4.3 Project: Concept, Characteristics, Classifications and Formulation**

##### **4.3.1 Concepts of Project**

##### **4.3.2 Characteristics of Project**

##### **4.3.3 Classifications of Project**

##### **4.3.4 Formulation of Project**

#### **4.4 Project Planning: Concepts and Steps**

#### **4.5 Project Report: Concepts and Contents**

#### **4.6 Registration of MSMEs in India**

#### **4.7 Summary**

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### **4.1 Introduction**

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An enterprise can start its operation systematically if a design of the proposed scheduled is structured out in a planned way through a report. It should be prepared carefully as based on its formulation, the proposed entrepreneurial activities can be framed successfully. Here, project planning assists the proposed entrepreneurs to initiate a promotional entrepreneurial programme and carry on this without any hazard. After getting all assurance, a new unit is being started its operation and then to get different benefits and legal rights, it takes its registration from the concerned authority. This unit deals with the process of growth and development of an enterprise, the details of project, project planning and preparation of project report and also the registration of a new unit specially Micro and Small Enterprise.

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### **4.2 Process of development of an Enterprise**

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Emphasizing on the general factors, entrepreneurial factors, psychological factors, sociological factors and on the government supportive factors of a state, an enterprise grows and develops towards its prosperity.

In developmental process of an enterprise, the promoter of it must find out first the *Opportunity* and *Threat* of the external environment and then should analyse the *Strength* and *Weakness* of the enterprise to combat threatening and consider opportunities. This analysis can be named as *SWOT (Strength, Weakness, Opportunity and Threat) Analysis* on the basis of which whether an enterprise can successfully survive or not or whether its establishment is practicable and benefitting to the society at large or not can be measured. The different external factors like economic, socio-cultural, legal, technical etc. offer both opportunities and threatening to the enterprise. If the individual/promoter is presumed to be *unable to fight against the external threatening* and also *to avail of the opportunities* as offered by the environment, he/she should *drop the innovative effort to establish an enterprise*. After the analysis, if it is identified that the individual is capable enough to find out and to apply and upgrade the opportunity optimally, it would be very appropriate time to *sketch and develop the entrepreneurial concept* which further energises the degree of opportunities lying in the environment. The process, therefore, is continuing with the *determination, measurement and acquisition of required inputs* of operation both in financial and non-financial modes. The inputs should necessarily be handled with good effort so that wastage can be minimized. If the inputs cannot effectively be handled and utilized due to lack of knowledge and efficiencies to handle the same by the promoter, the enterprise cannot sustain in future. On the contrary, if the inputs are properly handled and utilized or necessary rectification can be introduced in the way of its proper handling and utilization, the enterprise can move *to implement and manage its venture* with accumulated resources and efficient entrepreneurial effort. If the effort of the promoter is proved to be effective and efficient in respect to the competitive business environment, the enterprise will ensure harvesting (growth prospect), stability (no growth only maintaining the present situation) and sustainability. In other cases, it cannot be successful unless and until rectification can be taken in making the enterprise a successful one.

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### **4.3 Project: Concept, Characteristics, Classifications and Formulation**

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A new enterprise starts its operation with a specific and genuine purpose on the basis of which it can proceed with its promotional steps. The entrepreneurial activities which are initiated and promoted, can be termed as project. Project is of different categories as per location, technology, ownership, size etc. In this unit, the concepts, features and classifications of project are disclosed in three sub-units.

#### **4.3.1 Concepts of Project**

The dictionary meaning of project is an idea or plan or is a cluster of activities which is intended to be carried out in the future or that is being carried out at present. It uses

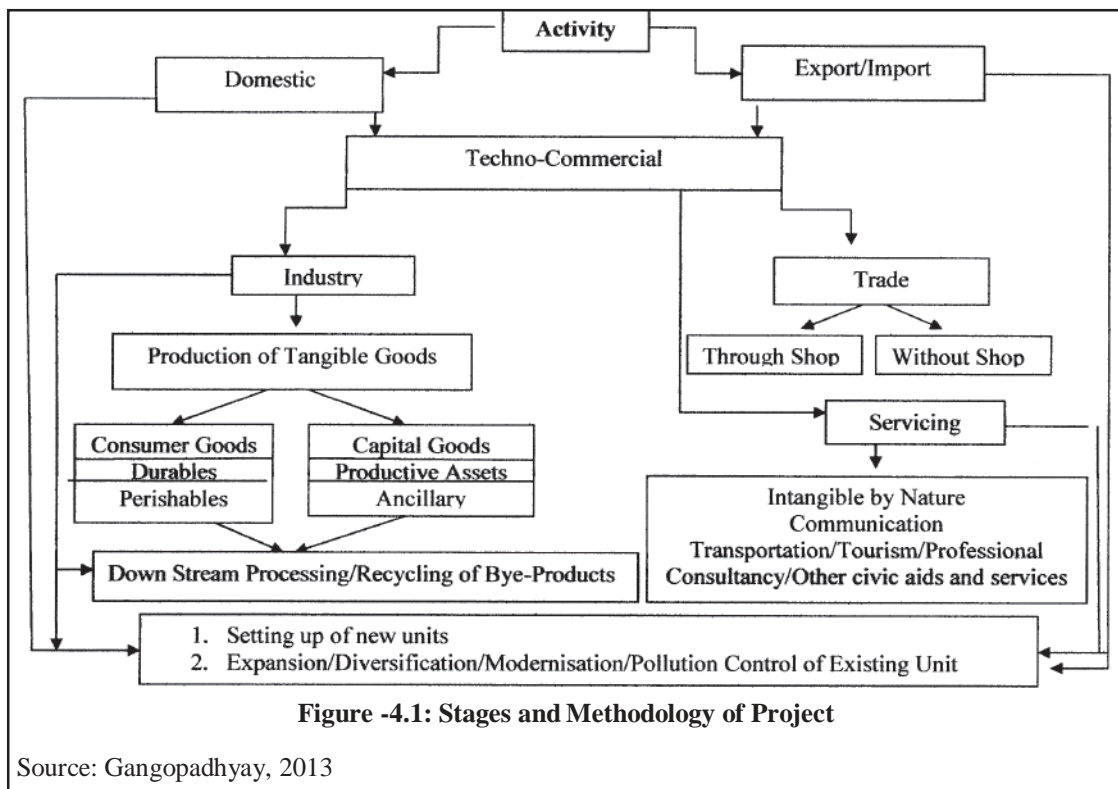
resources to derive benefits i.e. mainly monetary rewards with a distinct mission or point of termination for a specific geographic location and a group of population and by a specific authority to implement it.

The *Webster New 20<sup>th</sup> Century Dictionary* defines a project as a scheme, design, a proposal of something intended or devised.

So project can be defined as an organized unit, dedicated to the attainment of a goal or a set of objectives by successful completion of committee tasks in scheduled time within the budget according to predetermined programme specifications.

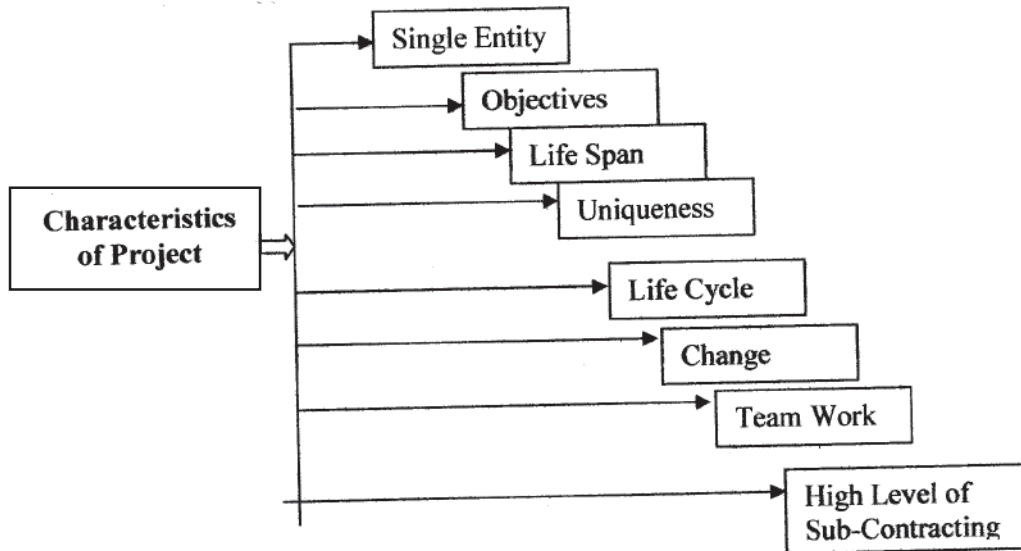
Every project has three basic attributes – The input characteristics (what the project will consume like raw materials, energy, man power, financial resources and an organisational set up), the output characteristics (what a project will generate like production of additional goods/provision of additional services) and social cost benefit characteristic (the sacrifice for the project and the benefit which the society will accrue from it).

The project should be identified first in terms of the product groups and then in terms of the activity of the enterprise. The stages and methodology followed in the project now can be depicted as under in Figure – 4.1.



### 4.3.2 Characteristics of Project

A project has different characteristics based on different circumstantial issues. The characteristics are structured below



A project is considered as a *single entity* that is one responsibility centre with varied participants. It continues its activities with a definite set of *objective* and a specific termination point. So it has a specific *life span* which represents the end which would be found out clearly in the set of objectives. All the projects are *unique* in terms of technology, equipments, materials, machinery and people etc. A project has a *life cycle* which is reflected by growth, maturity and decline and is expected to experience many *changes* throughout its life. Here, the members belonging to different disciplines, organizations and even countries engaged themselves in performing the said activities in *team work* and a high level of sub-contracting agency is associated with all the connected parties with that project.

### 4.3.3 Classification of Project

Project is to be classified on the basis of Geographic Location, Industry, Level of Technology, Size, Ownership and Qualification.

On the basis of the *geographical location*, a project can be operated in national arena or in international field of activities. It may be connected with *industrial activities or non-industrial work* that means, any course of work may be associated with industry or other scheduled work where a routine course of action is performed are done under

this project. In this project work, different *levels of technology* are applied. Sometimes, the project work requires very high levels of technology, sometimes, the technology is supposed to be conventional, while in some cases low grade of technology can solve different project related problems. As per the *size of the project*, it may be large, medium or small. The large project holds long gestation period and high volume of fund, while the same will reduce gradually with the size of it. The project may be framed and initiated by government or private institutes or sometimes the same may be constructed jointly by both of government and private institute. On the basis of quantification, projects may be classified into Quantifiable (a plausible quantitative assessment of benefits can be made like industrial development, power generation etc.) and Non-quantifiable Projects (assessment is not possible like projects of health, education etc.). Different government agencies, authoritative bodies etc. have specified the classification of project which is mentioned in Box – 4.1.

#### **Box – 4.1**

##### **Classification of Project**

The **Planning Commission** has accepted the sectoral criteria for classification of a project. The sectorwise projects have been classified under the following categories:

- Agriculture and allied sector,
- Irrigation and Power sector,
- Industry and Mining sector,
- Transport and Communication sector,
- Social Services sector,
- Miscellaneous sector.

**All India and State Financial Institutions** classify the projects according to their age, experience and the purpose for which the project is taken up and denote the projects as *BMRED* which can be explained as under.

- Balancing Project (takes up to do away with the unutilized capacity of the plant and machinery),
- Modernised Project (removes the old machines and installs the new machines with a view to cope up with dynamic and competitive business environment),
- Replacement Project (replaces the existing assets with more economic ones, reduces the maintenance cost and increases operational efficiency,

- Expansion Project (takes up to cope up with the growing demand for the product in the market and accepts the same to meet the permanent growth),
  - Diversification Project (takes up entirely new project not connected in any way with the existing line of business).
- International Standard of Industrial Classification (ISIC)** is based on the techno-economic characteristics of a project and used by the United Nations and specified agencies. Techno-economic classification includes –
- **Factory – intensity oriented** classification like capital intensive, labour intensive,
  - **Causation oriented** classification like demand based, raw material resource/ infrastructure based,
  - **Magnitude oriented** classification like large scale, medium scale and small scale.

Source: Gangopadhyay (2013)

#### 4.3.4 Formulation of Project

Project formulation is the thought and idea in a planned manner. It is a means to transform the idea into related activities to accomplish goal. Formulation of project has two specific aspects – non-financial (pertaining to the technology for producing such goods and services) and financial (relating to the commercial activities fetching the desired finished gains). The size of a unit and nature of production will determine the level of information. The information will have produced at the time of preparing a project report. The project formulation can be done through the below mentioned stages (Figure - 4.2).

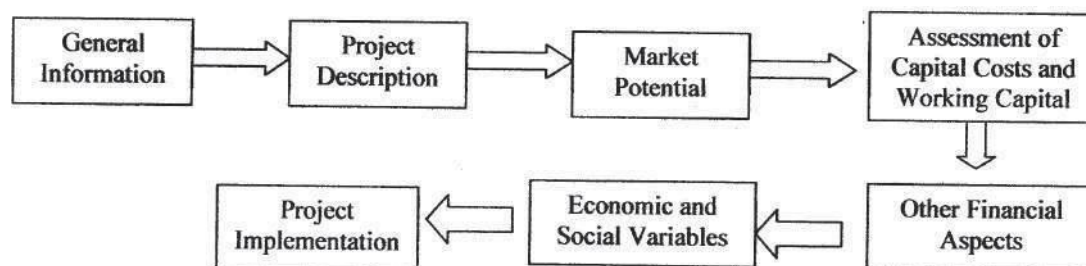


Figure – 4.2 Steps in Project Report

### **General Information**

The information of general nature given in the project report includes different aspects –

1. Bio-Data of Promoter
2. Industry Profile
3. Constitution and Organisation (Registration Certificate can be available from the Directorate of Industries/District Industries Centre/Registrar of Firms as the case may be)
4. Product Details (product utility, range, design etc.)

### **Project Description**

In project description, the size of the enterprise (location of enterprise, owned or leased land, industrial area etc.) should be considered. Besides, the physical infrastructure like raw material (requirement, sources), skilled labour (sources and training) should be taken into account systematically. Project description will also focus on the availability and requirement of power, fuel and water in the project. In formulating a project, the aspect of pollution control (scope of dumps, sewage system and treatment etc.) should be mentioned. Apart from these factors, project description also adopts the communication system, transport facilities, other common facilities, production process, machinery and equipment, capacity of the plant, technology selected and research and development, requirement of facility, the advancement of technology and methodology of production process.

### **Market Potential**

Project report should also consider the expected prices arrangements made for selling the product under marketing strategy, provisions made for after sales service and the requirement for transportation.

### **Assessment of Capital Costs and Working Capital**

In preparing a project report, it is highly required to measure the requirements of different capital items like land and building, plant and machineries etc. and working capital and the sources of the same.

### **Other Financial Aspects**

Profitability of a project is to be measured on the basis of the projected profit and loss (reflecting sales, revenue, allied cost and profit) and projected balance sheet and cash

flow statement. In addition thereto, break-even analysis should also be presented in the project report.

### **Economic and Social Variables**

Some socio-economic benefits available from the project (employment generation, import substitution, export, development of area etc.) and probable environmental damage should be stated in the project.

### **Project Implementation**

Every entrepreneur should draw a time-table for his project to ensure the timely completion of all activities involved in setting up an enterprise. Timely implementation is important because if there is a delay, it causes, a project cost overrun. Delay in project formulation questions the viability of the project and for which the entrepreneur may be disinterested to set up new unit. The implementation schedule can be drawn as below.

**Table – 4.1**

**An Illustrative Implementation Schedule**

<b>Tasks/Months</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>
Formulation of Project Report												
Application for Term Loan												
Term Loan Sanction												
Possession of Land												
Construction of Building												
Getting Power and Water												
Placing Order for Machinery												
Receipt and Installation of Machinery												
Manpower Recruitment												
Trial Production												
Commencement of Commercial Production												

*Source: Khanka (2012).*



In this context, *Project Evaluation and Review Technique (PERT)* and *Critical Path Method (CPM)* can also be used to get better insights into all activities related to implementation of the project.

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## **4.4 Project Planning: Concepts and Steps**

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Project planning takes into account necessary aspects of a project such as task, schedule, risk, communication, quality etc. and thus provides a path which a project should follow during the execution of work.

The project plan expresses the objectives and requirements of the project in terms of (i) project scope, (ii) project schedule, (iii) resource requirements, (iv) project cost estimation, (v) project quality and (vi) project risk management.

The project planning translates the project requirement into Work Breakdown Structure (WBS) (a breakdown/decomposition of project work into distinct work items at higher level), task list, Gantt Charts, resource assignment and risk register etc. Project planning activity can begin based on the project charter document, project requirement document.

A project planning should have an appropriate *Project Goal*, *Project Deliverables*, *Project Schedule* and *Supporting Plans* (Human Resource Plan, Communication Plan, Risk Management Plan).

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## **4.5 Project Report: Concepts and Contents**

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Any project can be carried on with a proper structured report which gives the way to be followed to reach the target. Project report is a written statement and a kind of guide or course of action which gives an entrepreneur a way out of doing his/her activities to achieve organizational objective. It serves like a kind of big road map to reach the destination determined by the entrepreneur. The project report is a well evolved course of action devised to achieve the specific objective. Here, a good project report should contain some important contents and a specific format. The contents of a project are presented below respectively in Box 4.2.

**Box – 4.2**  
**Contents of Project Report**

- 1. General Information:** Information on product profile and product detail
- 2. Promoter:** His/her name, educational qualification, work experience, project related experience.
- 3. Location:** Exact location of the project, lease or freehold, locational advantages.
- 4. Land and Building:** Land area, constructed area, type of construction, cost of construction, detailed plan and estimate along with plant layout.
- 5. Plant and Machinery:** Details of machinery required, capacity, suppliers, cost, various alternatives available, cost of miscellaneous assets.
- 6. Production Process:** Description of production process, process chart, technical knowhow, technology alternatives available, production programme.
- 7. Utilities:** Water, power, steam, compressed air requirements, cost estimates, sources of utilities.
- 8. Transport and Communication:** Mode, possibility of getting costs.
- 9. Raw Material:** List of raw material required by quality and quantity, sources of procurement, cost of raw material, tie-up arrangements, if any, for procurement of raw material, alternative raw material, if any.
- 10. Manpower:** Manpower requirement by skilled and semi-skilled, sources of manpower supply, cost of procurement, requirement for training and its cost.
- 11. Products:** Product mix, estimated sales, distribution channels, competitions and their capacities, product standard, input-output ratio, product substitute.
- 12. Market:** End-users of product, distribution of market as local, national, international, trade practices, sales promotion devices and proposed market research.
- 13. Requirement of Working Capital:** Working Capital required, sources of working capital, need for collateral security, nature and extent of credit facilities offered and available.
- 14. Requirement of Funds:** Break-up of project cost in terms of cost of land, building, machinery, miscellaneous assets, preliminary expenses, contingencies and margin money for working capital, arrangements for meeting the cost of setting up of the project.
- 15. Cost of Production and Profitability** of the first ten years.
- 16. Break-Even Analysis.**
- 17. Schedule of Implementation.**

Source: Khanka (2012).

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## 4.6 Registration of MSMEs in India

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MSMEs have to be registered as per the MSMED Act, 2006 which is not statutory but is highly beneficial for business as it offers competitiveness to the said sector in way of easy financial availability from banks, protection against delay in payment from buyers and right of interest on delayed payment, preference in procuring Government tenders, stamp duty and octroi benefits, concession in electricity bills, reservation policies to manufacturing/production sector enterprises, time-bound resolution of disputes with buyers through conciliation and arbitration, Reimbursement of ISO Certification expenses, credit prescription (priority sector lending), differential rates of interest, participation in Government purchase registrations, waiver in earnest money (Security Deposit ) in Government tender, 15% weightage in price preference etc.

Though for MSEs, the registration is discretionary or optional, for Medium Enterprises, it is compulsorily under the MSMED Act.

With the permission of National Board for Micro, Small and Medium Enterprises (NBMSME), the concerned enterprises may file the memorandum with respective District Industries Centres and can obtain the acknowledgement for the proposed set up in prescribed form of *Part I Employers' Memorandum (EM)* (valid for 2 years only) and *Part IIEM*. The *Part IIEM* may be claimed with the commencement of production only. Box- 4.3 exhibits the process of registration of MSMEs.

### Box – 4.3

#### Process of Registration

Section 8 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 provides for filing of memorandum by a MSMEs. Sub-section (2) of section 8 stipulates that the form of the Memorandum, the procedure of its filing and other matters incidental thereto shall be such as *notified* by the Central Government. The memorandum may be filed by all three categories of enterprises with the DIC in the jurisdiction of which the enterprise is (or, is proposed to be) located

#### **Procedure for Filing Memoranda:**

- Form of the Entrepreneurs Memorandum can be downloaded from the Internet, the address of which can be obtained from Directorate dealing with MSMEs of

the State Governments/UTs. or the hard copies of the same can be obtained from the District Industries Centres. This form can also be downloaded from the SIDO website i.e. [www.laghu-udyog.com](http://www.laghu-udyog.com) or [www.dcmsme.gov.in](http://www.dcmsme.gov.in).

- Any person who intends to establish a MSE, at his discretion; or a medium enterprise engaged in providing or rendering of services may, at his discretion shall file the Memorandum of MSEs or as the case may be, of Medium Enterprise with District Industries Centre of its area.
- The DIC shall fill all the codes in the form of the Memorandum and issue an acknowledgement after allotting an EM number, date of issue and category of the unit within five days of the receipt of the form of Memorandum by post or same day, if the form of Memorandum is submitted in person as well as online.
- Before issuing the acknowledgement, the District Industries Centers shall make sure that the form is complete in all respect and particularly the form is signed and is accompanied with an undertaking, which is a part of the form of EM.
- The DICs shall maintain record of all the EM so filed in respect of MSMEs engaged in providing and rendering services. DICs shall forward a copy of the EM so filed with EM number allotted to the MSME-DIs of their State/ Jurisdiction.
- The DICs shall maintain record of all the EM so filed in respect of Medium Enterprises engaged in production/manufacturing of products and forward one copy each of the EM with number allotted to MSME-DIs of their State/ Jurisdiction and to Joint Development Commissioner (MSME Pol.) in the Office of the Development Commissioner (Small Enterprises).
- The form of Memorandum is in two parts. Any person who intends to establish a MSMEs engaged in providing or rendering of services may file or those who want to establish Medium Enterprise engaged in the production or manufacture of products shall file Part 1 of the EM to DICs.
- Once the above enterprises start production or start providing or rendering services, they should file Part II of the EM to DICs.
- In case of non-filing of Part II of the EM within two years of the filing of Part I, the Memorandum (Part I) filed by the entrepreneur will become invalid.

- In case of change in the investment in plant and machinery or in equipment, the enterprises who have already filed EM should inform the DICs of the same in writing within one month of the change in investment.
- In case of change of products and that of services or addition in products or services, the enterprises who have already filed EM should inform the DICs of the same in writing within one month of the change.
- The DICs shall, in addition of keeping a record, in writing, shall also maintain records electronically on computer.

In the time of registration, the unit must maintain the following:

- The unit has obtained all necessary clearances whether statutory or administrative. e.g. drug license under drug control order, NOC from Pollution Control Board, if required etc.
- Unit does not violate any locational restrictions in force, at the time of evaluation.
- Value of plant and machinery is within prescribed limits.
- Unit is not owned, controlled or subsidiary of any other industrial undertaking as per notification.

*Sources: MSMED Act, 2006*

In this context, it can be said that if MSEs grow and investments are found to be more than Rs.10 crores in plant and machinery in case of manufacturing unit and more than Rs.5 crores in plant and machinery in service unit, the enterprise should apply for de-registration.

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## **4.7 Summary**

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An enterprise initiates and performs its activities after getting assurance of the prosperity and success of the enterprise. For this, the promoter has to follow systematic steps containing estimation of opportunity and threat of the external environment and strength and weakness of the proposed enterprise and the promoter of it. After getting green signal of all the steps and processes, the unit will be established. In this context, the

project which is the design, proposal of doing something intended or devised should be considered systematically. Projects have specific characteristics and classification based in the nature/quality of it. It should maintain a specific way/step in its formulation. Now, to make project a successful one a planning process should be followed and maintained scientifically in different steps. A specific report containing the detail of the project programme here should also be maintained. In this regard, to get smooth functioning, the sector should make its registration from Government concerned authority in a specific way. The registration here is voluntary for MSEs and compulsory for Medium Enterprise.

### **Self – Assessment Questions**

#### **Objective Type Questions**

1. Project is classified as under
  - (a) Geographic Location
  - (b) Level of Technology
  - (c) Ownership
  - (d) All of the above
2. In Project Registration
  - (a) EM Part I is compulsory,
  - (b) EM Part II is compulsory
  - (c) Both EM Part I and Part II are compulsory
  - (d) None of the above is compulsory
3. As per Planning Commission, the following sector-wise categories are found under projects
  - (a) Agricultures
  - (b) Social Service Sector,
  - (c) Industry and Mining, Rs.5 crore.
  - (d) All of the above

#### **Short Type Question**

1. Define the word 'Project' from the perspective of .Project Management.
2. What do you mean by Project Planning? What are the steps followed in Project Planning.
3. What is Project Report?

### **Long Type Question**

1. What are the contents of Project Report?
2. Explain the ways of formulation of a project.
3. Narrate the ways of registration of a project.

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## **Unit - 5 □ Assistance to Micro, Small and Medium Enterprises in India**

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### **Unit Structure:**

#### **5.1 Introduction**

#### **5.2 Government Assistance to MSMEs**

##### **5.2.1 Assistance to MSMEs from Central Government**

##### **5.2.2 Assistance to MSMEs from State Government**

#### **5.3 Government Rehabilitation Scheme for Sick Viable MSMEs in India**

#### **5.4 Summary**

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### **5.1 Introduction**

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Micro, Small and Medium Enterprises (MSMEs) can firmly be regarded as the most vibrant sector of Indian economy, introducing appraising performance in different dimensions like production, employment generation, export promotion and value addition. So the sector is always under the central point of attention of Central and State Government. In this context, different promotional packages and schemes are declared by them to motivate the sector in its activities and also rehabilitate the viable sick ones. The present unit highlights on the different assistance and schemes as declared by Government to MSMEs for their regular and smooth performance and process of rehabilitation of the viable sick ones.

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### **5.2 Government Assistance to MSMEs**

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The assistance in different dimensions as provided by the Central and State Government here are reflected respectively in two sub-sections -

#### **5.2.1 Assistance to MSMEs from Central Government and**

#### **5.2.2 Assistance to MSMEs from State Government**

##### **5.2.1 Assistance to MSMEs from Central Government**

The assistance as provided by different Central Government institutions to MSMEs in



different dimensions like marketing, technical, training, financial and infrastructure can be discussed as under.

### **Marketing Assistance:**

Ministry of MSME has declared National Manufacturing Competitiveness Programme (NMCP) and package for promotion in marketing to the extent of Rs.1.50 crore p.a. to all MSMEs. The scheme provides (a) Support for entrepreneurial and managerial development of MSMEs through incubators, (b) National Campaign for Investment in Intellectual Property Rights (IPR) and (c) National Programmes on Application on Lean Manufacturing. DO-MSME aims at promoting priority to boost up the marketing potentiality of MSMEs by (i) simplifying the marketing and export procedures, (ii) ensuring incentives for higher production of exports, (iii) granting preferential treatments in the market development fund and (iv) providing alluring scope to the small entrepreneurs to display their products in international exhibitions at free of cost.

Different authoritative institutions have declared support services to the very sector. Out of these, National Small Industries Corporation (NSIC) Limited and Micro, Small and Medium Enterprises - Development Institutes (MSME-DIs) are specially notable.

- **National Small Industries Corporation (NSIC) Limited**

The nodal agency, NSIC Ltd. aims at upgrading the marketing skill of MSMEs by (i) showcasing their competencies, (ii) updating them about the prevalent market scenario, (iii) disseminating of various programmes of the Government, (iv) facilitating the formation of consortia of Micro and Small Enterprises (MSEs) for marketing of their products and services. The marketing programmes of NSIC for MSEs are Tender Marketing, Consortia Marketing, Government Purchase and Price Preference Policy, Intensive Campaign.

- **Micro, Small and Medium Enterprises - Development Institutes (MSME-DIs)**

MSME-DIs (i) support the sector to get registered with NSIC for participating in the Government Stores Purchase Programme and for issuing competency certificate in this respect, (ii) arrange trade fare and exhibition exclusively for the MSMEs and provide assistance to take part in the International Trade Fare, (iii) organise Educational Training Programme on packaging for exports, export management, policies, procedures etc. in International Trade Fare and (iv) disseminate information on export promotional quarries. The institutions ensure marketing support service to MSMEs through sub-contracting exchange, Vendor Development Programme, buyers seller meet, workshops and seminars.

Apart from these institutions, the Export Import (EXIM) Bank and District Industries Centre (DIC) also provide marketing support services to MSMEs.

### **Technical Assistance:**

Ministry of MSME in its 2007 Promotional Package Policy has undertaken the objectives like (i) establishment of four Training-cum-Product Development Centres for Agro and Food Processing Industries at Ludhiana, Kanpur, Indore and Mangalore, (ii) strengthening of the existing Centre Footwear Training Institutes at Chennai and Agra, (iii) promoting of Vertical Shaft Brick Kiln technology in brick manufacturing MSMEs and providing of one-time capital subsidy, (iv) setting up of energy efficiency in electrical pumps and motors manufacturing MSMEs, (v) assistance in promotion of ISO 9000 and 14001 standards for MSMEs and covering of Hazard Analysis and Critical Control Points, (vi) Establishment of Technology Mission to assist MSMEs in techno upgradation, energy conservation and pollution mitigation.

MSME-DIs can be considered as the most important institution providing technical assistance to MSMEs.

#### **● Micro, Small and Medium Enterprises - Development Institutes (MSME-DIs)**

MSME-DIs aim at (i) offering technical services in the area of chemical, food, leather, mechanical/metallurgy, electrical etc., product-cum-process programme, modernisation programme through Computer Aided Design (CAD), Management Training and Technical Library Facilities, (ii) organising training on Information Technology through Computer Network and Total Quality Management (TQM), economic information and statistical services, (iii) introducing quality upgradation scheme through the Quality Management System (QMS) for obtaining the International Organisation for Standardisation (ISO) – 9000/14001 Certification (with an incentive of 75 percent of the amount of acquisition to a maximum of Rs.75,000), (iv) providing consultancy services for preparing model project profiles, feasibility report, technical guides, technology transfer documents and project reports at 0.5 percent of the project cost subject to a maximum of Rs.5,000 for the respective entrepreneurs etc.

In this context, National Small Industries Corporation (NSIC) Ltd., District Industries Centre (DIC) etc. also assist the very sector in sketching project report and providing technical services.

### **Training Assistance:**

Ministry of MSME has presented several promotional training programme for MSMEs

in India specially for the units which are owned and controlled by weaker sections of our society. MSME-DI here mainly organizes several training programmes for which, in this regard, the institution is considered to be the most important one.

- **MSME-DIs**

MSME-DIs ensure their best effort in designing the entrepreneurs development, skill development and management development planning in diverse areas like – Mechanical, Electrical and Electronics, Chemical and Food, Ancillary, Leather and Footwear, Glass and Ceramics, Hosiary, Metallurgy, Economic Investigation and Statistics, Information Facilitation Cell etc.

Other institutions, in this respect, are Indian Institute of Entrepreneurship (IIE), Guwahati, National Institute for Entrepreneurship and Small Business Development (NIESBUD), Noida etc.

**Financial Assistance:**

All Micro, Small Enterprises (MSEs) are allowed to avail of long-term and short-term bank finance at concessional rate in accordance with the RBI's priority sector lending principle. Medium Enterprises here are not considered under the purview of priority sector lending principle. Several Financial Institutions (FIs) here extend their financial support services to the very sector amongst which Commercial Banks and Small Industries Development Bank of India (SIDBI) are specially mentionable

- **Commercial Banks**

Commercial Banks have rigorously been extending their direct and indirect financial assistance in terms of (i) investment in the securitised assets, (ii) assistance in Medium Term Loan like Term Loan, Bridge Loan, Deferred Loan, Deferred Payment and Working Capital Finance like cash credit at concessional terms and conditions, (iii) implementation of Credit Linked Capital Subsidy Scheme along with Credit Guarantee Fund Trust for Micro and Small Enterprises (mainly by seven special Commercial Banks viz. SBI, Canara Bank, Bank of Boroda, Punjab National Bank, Bank of India, Andhra Bank, State Bank of Bikaner and Jaipur) to facilitate technical upgradation at 15 percent capital subsidy, (iv) introduction of venture capital financing, taken under the National Equity Fund (NEF) Scheme, (v) establishment of specialised branches for the sector in identified clusters for rehabilitation of viable sick units. Besides, commercial banks with due respect of the principles and policies of the RBI, offer a composite loan

to MSEs to Rs.1 crore for both Working Capital and Term Loan from Single Window Scheme at concessional rate of interest.

- **Small Industries Development Bank of India (SIDBI)**

SIDBI (1990) promotes extensive financial support services to MSMEs to maintain its mission and to fulfill its vision. The mission of SIDBI is to empower the MSMEs through contributing in the process of economic growth, employment generation and balanced regional development and the vision of it is to emerge as a single window for meeting the financial and developmental needs of the sector.

The policy package, implemented by SIDBI is enumerated below:

- ◆ Single Window Scheme for Working Capital and Term Loan (not exceeding Rs.20 million) to the newly established MSMEs,
- ◆ Composite Loan Scheme maximum of Rs.2.5 million for purchasing of required equipment and work sheds,
- ◆ Direct Credit Scheme for new or existing manufacturing and service units (with project cost upto Rs.25 crore) by way of Term Loan, Working Capital Term Loan, Bill Discounting,
- ◆ National Equity Fund Scheme, practiced by State Financial Corporation (SFC), State Industrial Development Corporation (SIDC), Commercial Banks, Co-operative Banks for maximum of 25 percent of the cost of project (not exceeding Rs.5 million) or Rs.10,00,000 per project at 5 percent p.a. service charge on soft loan,
- ◆ Credit Linked Capital Subsidy Scheme for 15 percent of the cost of eligible plant and machineries or Rs.15 lakh whichever is lower and loan amount to maximum of Rs.100 lakh,
- ◆ SIDBI Venture Capital Finance (1992) for promotion, modernisation, technical upgradation etc.,
- ◆ Credit Guarantee Fund Trust for MSEs which is till 31<sup>st</sup> March, 2012, Rs.2158.79 crore.

Apart from these sources, MSMEs can have availability of finance from Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), National Bank of Agriculture and Rural Development (NABARD), National Small Industries Corporation (NSIC) Limited, Export-Import (EXIM) Bank, District Industries

Centres (DICs) and Foreign Banks. The banks and FIs here offer concessional loan finance to the very sector, introduce different developmental funds, assist in modernization and export promotion.

In Fiscal concession, MSEs in India are offered full exemption of excise duty upto Rs.1.50 crore turnover of items with effect from 01.03.2007.

### **Infrastructural Assistance:**

DO-MSME has sanctioned upto 40 percent or Rs.2 crore whichever is lower for setting up industrial estate for MSEs (in North-East region, the assistance is 80 percent or Rs.4 crore) under the Integrated Infrastructure Development (IID) scheme. Besides, under Industrial Infrastructure Upgradation Scheme (IIUS), DO-MSME ensures quality infrastructure through public-private partnership approach in selected functional clusters/locations which have greater potential to become globally competitive. In this context, NSIC Ltd. and DICs are considered as important ones.

#### **◆ NSIC Ltd.**

NSIC Ltd. provides infrastructural facilities to MSMEs by ensuring easy availability of machineries and raw material. It arranges machineries for a maximum of Rs.7.5 lakh at easy hire purchase terms and conditions (refundable within 7 years from the date of receiving terms) against earnest money of 5 percent or 10 percent of the value of machinery, interest at the rate of 9 percent p.a. with a rebate of 2 percent. It also assists for purchasing and procuring of raw material of both imported and/or indigenous at concessional rate.

#### **◆ DICs**

DICs (i) allot land/shed in industrial estate, (ii) promote new industrial estates, (iii) provide power supply/telephone connection on priority basis, (iv) control pollution, (v) distribute raw material etc.

### **5.2.2 Assistance to MSMEs from State Governments**

In India, different state governments offer their exclusive assistance to MSMEs in different fields mainly in finance, infrastructure etc.

### **Financial Assistance:**

In offering finance to MSMEs, State Governments of India have promoted financial

assistance programme through separate financial institutions like State Financial Corporation (SFC), State Industrial Development Corporation (SIDC) etc.

SFCs formulate financial policies to support MSEs in their respective states by (i) subscribing debentures from scheduled bank and state Co-operative Banks; (ii) guaranteeing deferred payments for purchasing of capital goods and (iii) providing long-term loans at concessional rate of interest and relaxed terms and conditions.

SIDC aims at assisting MSEs through single window refinance scheme for meeting the project cost within the prescribed limit. It also ensures financial assistance to the very sector in the form of long and medium term loan.

### **Infrastructural Assistance:**

The state governments of India offer different infrastructural assistance to MSMEs with the help of different authoritative institutions like Small Industries Development Corporation Ltd. (SIDCL), State Industrial Development Corporation (SIDC).

SIDCL offers extensive infrastructural and developmental facilities to MSMEs of the respective State by (i) establishing industrial estates with essential amenities like road, water supply, sewerage line and electricity; (ii) maintaining and developing industrial sheds and plots; (iii) acquiring land for setting up new industrial estate; (iv) procuring and distributing raw materials from various Government departments etc.

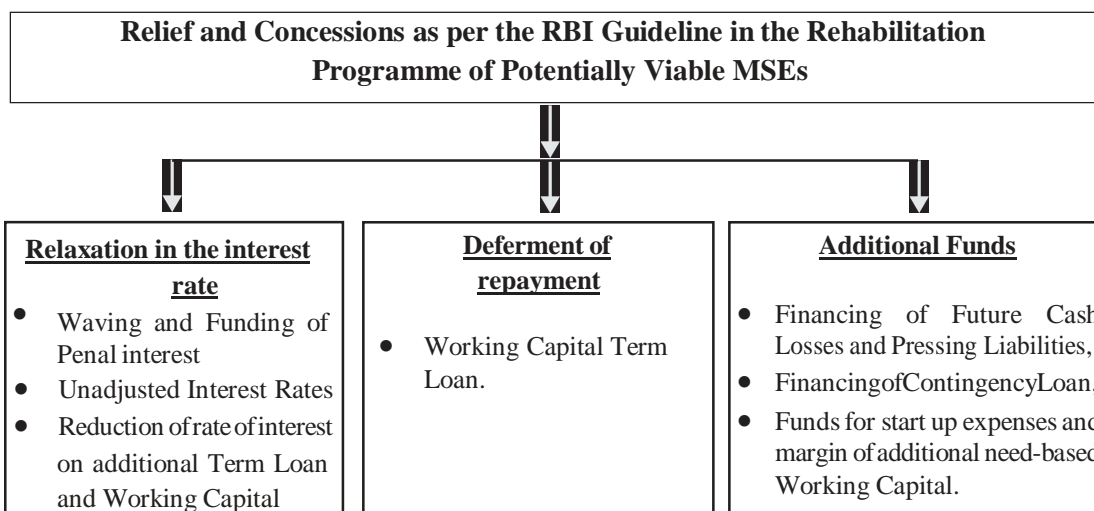
SIDC operates in several states of India. It promotes infrastructural development to the very sector by way of constructing sheds/plots in industrial estate on lease hold basis.

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## **5.3 Government Rehabilitation Scheme for Sick MSMEs in India**

Central Government has taken the rehabilitation process for sick MSMEs if they are identified as potentially viable ones. Therefore, it is essential to detect the potentially viable units and to implement the rehabilitation package to them. The viability shall be determined by the banks based on the acceptable viability benchmarks determined by them, which may be applied on a case-by-case basis, depending on merits of each case.

The relief packages are to be considered as per the policies of the RBI. Banks shall also have the freedom to extend reliefs and concessions beyond the parameters in deserving cases. Norms for grant of reliefs and concessions by the bank to potentially viable sick MSE units for rehabilitation are furnished below in Figure – 5.1.



**Figure -5.1**

### **The Relief and Concessions of RBI in Rehabilitation of Potentially Viable MSEs**

In this regard, the Medium Enterprises get these facilities but somehow lower than the level of MSEs like the interest on fresh and existing (renewed) working capital here is 1 percent below the applicable rate or prevailing bank rate whichever is lower, interest on existing Term Loan Reduction is by maximum of 2 percent from the applicable rate, interest on Working Capital Term Loan (WCTL) is 1 per cent below the prevailing BR or 1 percent below the applicable rate whichever is lower etc.

In this context, different nodal institutions like SIDBI, MSME-DI, DICs and also Industrial Investment Bank of India (IIBI) extended their hands to support the potentially viable sick MSMEs.

## **1.4 Summary**

MSME is the most promising sector of Indian economy, offering huge contribution in production, export and employment generation. Due to the appraising performance, the sector is at the central point of Government policy formulation. Here, different promotional policies in finance, marketing, technology related areas have been declared to uplift the sector to the fullest extent. In addition thereto, to revive potentially viable sick MSME, different initiatives mainly in finance related area, have also been taken by our Government.

### **Self Assessment**

#### **Objective Type Questions:**

1. The full form of NABARD is
  - (a) National Bank of Agricultural and Rural Development

- (b) National Bank of Agricultural and Rubber Development
  - (c) National Branch of Agricultural and Rural Development
  - (d) National Book of Agricultural and Rural Development
2. The full form of SIDBI is
    - (a) Small Industries Development Bank of India,
    - (b) Small Industry Development Bank of India
    - (c) Small Industries Development Branch of India
    - (d) Small Institutional Development Bank of India
  3. The full form of IDBI is
    - (a) Industrial Development Bank of India ,
    - (b) Institutional Development Bank of India
    - (c) Industrial Development Branch of India
    - (d) Industrial Development Bank of Indore

### **Short Type Question**

**Write Short Note on:**

- (a) NSIC,
- (b) SIDBI,
- (c) MSME-DI

### **Long Type Question**

1. Explain in brief about the State assisting institutions for MSME in India.
2. Explain in brief about the Central assisting institutions for MSME in India.
3. Write note on the Government assistance as provided to potentially viable sick MSEs in India.

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# INDIA TRAVEL MAP



**LEGEND**

- - - International Boundary
- - - State Boundary
- Country Capital
- Travel Destinations

Map not to Scale

