

KARNATAKA TOURISM VISION GROUP RECOMMENDATIONS

JANUARY 2014



KARNATAKA TOURISM VISION GROUP (KTVG)

Recommendations to
the GoK: Jan 2014

Task force KTVG

FOREWORD

Tourism matters. As highlighted in the UN WTO 2013 report, Tourism can account for 9% of GDP (direct, indirect and induced), 1 in 11 jobs and 6% of world exports.

We are all aware of amazing tourist experiences globally and the impact of the sector on the economy of countries. Karnataka needs to think big, think like a Nation-State if it is to forge ahead to realise its immense tourism potential. The State is blessed with natural and historical advantage, which coupled with a strong arts and culture ethos, can be leveraged to great advantage.

If Karnataka can get its Tourism strategy (and brand promise) right and focus on promotion and excellence in providing a wholesome tourist experience, we believe that it can be among the best destinations in the world. The impact on job creation (we estimate 4.3 million over the next decade) and economic gain (Rs. 85,000 crores) is reason enough for us to pay serious attention to focus on the Tourism sector.

The Government of Karnataka had set up a Tourism Vision group in Oct 2013 consisting of eminent citizens and domain specialists to advise the government on the way ahead for the Tourism sector. In this exercise, we had active cooperation from the Hon. Minister of Tourism, Mr. R.V. Deshpande; Tourism Secretary, Mr. Arvind Jadhav; Tourism Director, Ms. Satyavathi and their team. The Vision group of over 50 individuals met jointly in over 7 sessions during Oct-Dec 2013. The sector heads submitted their suggestions, which are part of this Vision group report put together with assistance from Vikram Sampath. We thank the Government authorities and the Vision group members for their time and effort in this joint endeavour.

Vision groups tend to give their reports and move on. We have suggested setting up a Vision Implementation group that will work closely with the government, the proposed Tourism Promotion and Infrastructure Corporation and Tourism stakeholders to ensure that our common vision gets implemented on the ground.

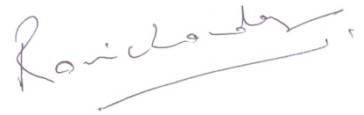
Together, we can make it happen!



T.V. Mohandas Pai

Chair

Karnataka Tourism Vision Group



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A. EXECUTIVE SUMMARY

RECOMMENDATIONS: KARNATAKA TOURISM VISION GROUP (KTVG)

1. Over 4 million new jobs can be created over the next decade with an emphasis on sustainable Tourism development

The Vision group has modelled the fresh employment possibilities (based on global norms of employment in the sector), additional revenue potential (through direct and indirect taxes) and the investments (infrastructure, destination and mobility) needed for providing a fillip to Tourism in the State by 2024 when over 210 million tourists (up from 100 million currently) is possible if we adopt the right strategy and implement it well. The key highlights:

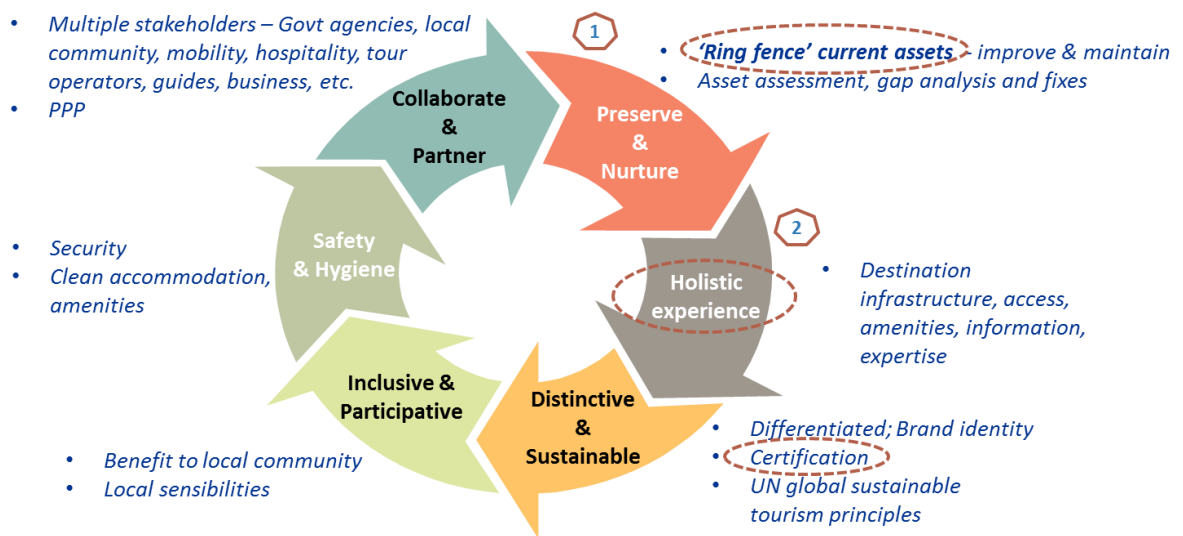
- Additional employment possibilities – 4.3 million
- Revenue generation – Rs. 85,000 crores
- Investment needed – Rs. 73,000 crores with about 50% being catalysed as investments from the Private sector.

We should aim to provide engaging experiences for four distinct categories of tourists - National, Regional, State and International tourists. An engaged visitor would spend more time (and money) in the State and would be interested in visiting more places, some of them as a repeat visitor. We need to increase the per capita tourist spending. This would involve a tiered approach covering both mass and niche tourism. In meeting this sense of purpose, we need to adhere to a few maxims – any promise made is delivered and the traditional Karnataka ‘Punniyakoti’ is used as a hospitality guide. Karnataka should aim to be in the top 2 tourism destinations in India and top 50 in the world.

2. Generic guiding principles should be followed to achieve the overall Tourism vision

While it is tempting to go after fancy new initiatives, it is important to ensure that current assets are ‘ring fenced’ based on the core principle of preserving and nurturing what exists. High tourist traffic and repeat visits is dependent on a holistic experience and expertise is often required to ensure it. This requires paying attention to the Primary tourist asset, the Supporting asset covering public / private infrastructure (roads, hospitality and amenities), People, Other entertainment options, Access and Knowledge information including ease of booking and annual calendars for prominent events.

Collaboration with partners, Being sensitive to local communities, Visitor safety and Planning a distinctive, sustainable tourist experience and credible Accreditation is needed irrespective of the nature of tourism be it urban, cultural, heritage, wildlife, adventure, etc. Another important dimension is staying within the carrying capacity of the place – this is also a core tenet of any sustainable tourism initiative.



3. We could go beyond our current World Heritage sites in Karnataka

Inclusion in UNESCO's World Heritage list brings significant international recognition and tourist traffic. Currently Karnataka has heritage sites in Hampi and Pattadakal. While the process for listing new sites is rigorous, it is worth pursuing applications for the Hoysala region, Srirangapatna and the Deccan Sultanate architecture. The Hoysala region detailed report is ready. It needs an appropriate governance structure (taking into account the multiple entities) and long term site management plan before it can be submitted.

4. Brand Mysore's charm through a Royal City association and leverage the extended regional attraction for wild life and eco-tourism

We could leverage Mysore's potential brand ('Royal Heritage city') identity with better connectivity from Bangalore and positioning the Bangalore Palace to Mysore Palace road through Kanakapura as the Royal trail. Local historical trails including Srirangapatna and better internal transport arrangements (including parking on the outskirts), Cable car for Chamundi hills can enhance the Mysore tourist experience. It is necessary to have visitors stay overnight while visiting the city and for this entertainment options need to be created.

Within the geographic region, Coorg has considerable potential and needs a differential approach with a greater focus on certified home stays and coffee tourism. Jog falls, Elephant camps beyond Dubare is feasible under eco-tourism and in wildlife; KTVG suggests undertaking a pilot project to improve Bandipur (or any other sanctuary in the State) in line with the best practices of wildlife tourism which balances between needs of tourism and conservation.

5. Culture, Festivals and Heritage tourism has historical roots in Karnataka. They can be run more professionally with advice from knowledgeable resources

We could focus on 3 premier events as National events – Mysore Dasara, Hampi Utsav as a bi-annual music festival and Badami for a prestigious dance festival. There could be a set of State events (Kadambotsave, Kittur, Gadag, etc.) and local events run at the District level. There is a need to give the events a distinctive flavour and distinguished, knowledgeable individuals should be tapped as advisors whose inputs are heeded.

For Heritage, historical ‘walk throughs’ to be done for the major heritage sites. Upgrade ‘seed’ towns near the heritage centres. Residences/ birth places of renowned artistes should be declared as memorials / heritage sites, with funds provided by the Government for its restoration / maintenance.

6. Coastal tourism potential in Karnataka is currently under leveraged

We could focus on Mangalore and the restoration of the old town. There is considerable scope along the Netravati river. Karnataka has identified 41 beaches and 11 islands for redefining CRZ norms and this needs to be taken up as set out in the Swaminathan Committee report. The relaxation of distance norms and liberalisation of the bar licences, timings around the beach areas can go a long way to attract private investment for coastal resorts.

7. Considerable potential for Adventure, Medical and Spiritual tourism in the State

Adventure tourism has huge potential if done right and there is scope to attract private investments. This is a sector that could provide options for urban citizens and Corporates. The State will need to provide clarity about insurance liability. The State could participate in setting up an Adventure sports academy.

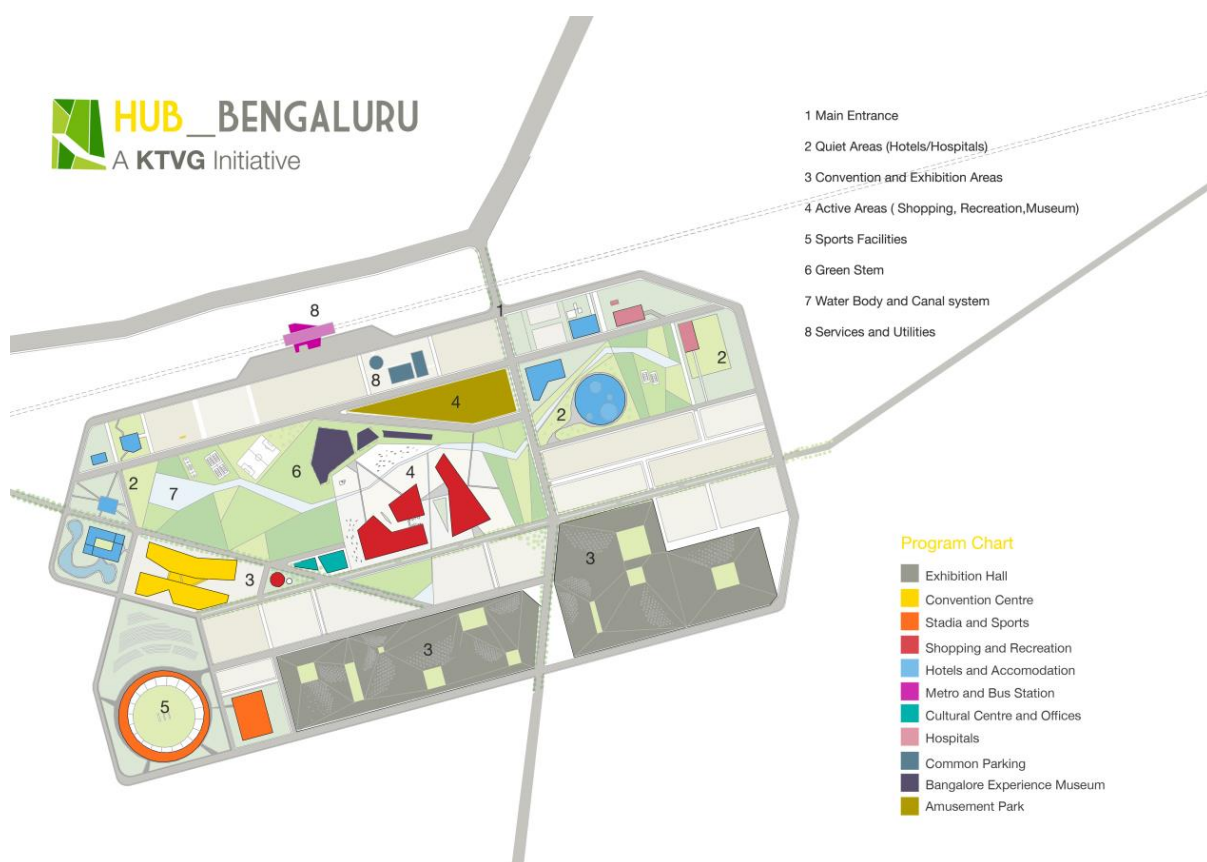
Integrative medicine combining allopathic and alternative medicine along with wellness focus (yoga, ayurveda, spas) could go a long way to attract tourists seeking treatment (cure) and rejuvenation.

8. Urban tourism around Bangalore to tap into its large visitor base and local population is necessary

Keeping the city open longer (till 1 am) if the city has to shed its ‘boring’ tag; a Museum district near Cubbon park, access to the Turahalli forest range, an Arts and Craft village (‘Haat’) under a plan to make its public spaces come alive; using the Golden Chariot train in off season as an offbeat culinary location are a few initiatives that could be done. Further, supporting and enabling a few seminal annual arts and culture events (Literature, Music, Theatre in the park) could help position the city as a ‘Cool’ metropolis and away from its current association with messy infrastructure and garbage.

We have a chance to create a world class MICE facility near Bangalore airport

The 435 acre plot near Bangalore airport offers an opportunity to set up a world class MICE (Meetings, Incentives, Conferencing, Exhibitions) facility effectively making Bangalore the 'Go To' destination for events. A master plan covering 4 mn square feet of exhibition space, 150 – 6000 seater conference halls over 600,000 square feet, 10,000 hospitality rooms, an entertainment district, experiential museums has been envisaged (set out in the report). Around this MICE hub, there is scope for promoting Adventure Tourism in Nandi Hills, heritage trails around the Devanahalli fort and wine tours for local and out station visitors. Done right, this has the potential to put Bangalore on the international MICE map.



A first cut financial analysis indicates an investment in this facility of around Rs. 13,200 crores – the suggested investment is 12% by Government of Karnataka (mainly land), 20% by the SPV developer and 68% by private developers. The direct employment potential is around 40,000 and the income to government through taxes and rentals over a 15 year period is around Rs. 8,700 crores.

It is possible to consider taking up the project in phases. However it is important to 'master plan' the entire 435 acre at the outset by setting up an appropriate town planning scheme and then take up the necessary modules initially – the convention / exhibition centre with some accommodation would be part of the first phase.

Set up a Cubbon Park Management Authority (CPMA) to secure public spaces

It is suggested to set up an autonomous body with nominees from the various stakeholders of the Park such as Horticulture, Kannada & Culture, Archaeology, Bal Bhavan, High Court, Museums, etc. as well as representation from private sector/ civil society. The CPMA shall get a master plan prepared through international bidding process to develop Cubbon Park as a State-of-the-art urban park, restoring all the heritage buildings housed within and putting them to adaptive re-use (as museums for example). CPMA shall work on a self-sustainable model (with initial grant/ annual grant from the State Govt.) and be built on principles like English Heritage / National Trust in the UK. This would also prove the guiding principle of 'ring fencing' existing assets to maintain and improve them. KTVG requests a government decision about CPMA – meetings have been held with the various stakeholders.

9. Branding and HR critical

Getting the core value proposition and the brand identity is critical. In the vision group multiple views about the branding options were discussed. One suggestion related to building it around Karnataka's best known brand, Bangalore as a gateway into the rest of the State. Others spoke about Karnataka being one of the few States that is blessed with abundance of Nature (Coasts, Forests, and Wildlife), Heritage and History, Arts and Culture (with the Mysore Dasara as a flagship product) and scope for urban and adventure tourism. The current 'One State, Many worlds' theme attempts to capture this but it was felt that we needed a stronger connect with the target audience. The brand identity and credible positioning needs to be considered at the earliest once the State Tourism Council is in place.



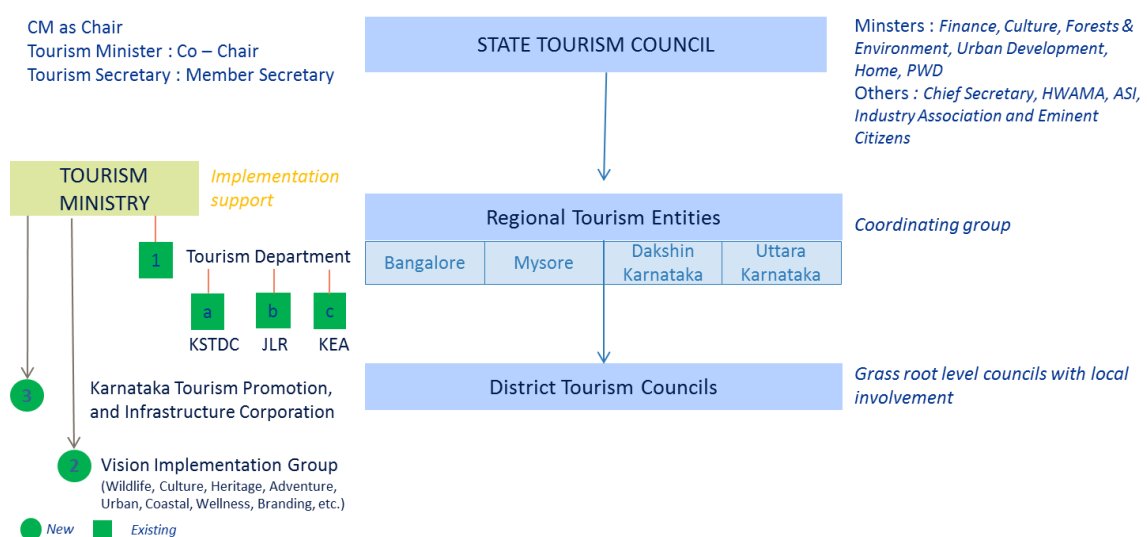
People development, particularly vocational training around hospitality and guides are important. In order to achieve the skill development goals, there will be a need for agencies involved in skill building (government and private sector particularly hospitality) to align their individual initiatives under an overarching goal of enabling

thousands of tourism sector employees / entrepreneurs to earn in the sector while being the frontline 'army' on providing a delightful visitor's experience.

10. To achieve this, a State Tourism Governance structure under the CM's leadership imperative

If Karnataka is to realise its tourism revenue potential and create 4.3 million jobs and generate Rs. 85,000 crores in the next decade, a CM driven State Tourism Council that sets out overarching policy, goals and monitors progress is required. There is a need to align the direction of spends and actions of the multiple government agencies involved in delivering a wholesome tourist experience – if we leave it to the current silo structure of government agencies then the Tourism sector in the State will remain an under achiever. This Council would have an equal number of Non-Government representatives (eminent citizens, tourism domain experts) as the Government and meet at least twice a year. Public Private Partnerships (PPP) in a participative manner will be enabled by Government particularly through the proposed Corporation.

The detailed planning and implementation facilitation will be at the decentralised Regional level for the four regions (Bangalore, Mysore, Dakshina and Uttara Karnataka) working under the guidance of a Vision Implementation Group set up under the State Tourism Minister. At the implementation level, there will be a need for a professional team who will coordinate and facilitate roll out of policy goals, tourism promotion and back end implementation. Karnataka Tourism Promotion and Infrastructure is visualised as an independent Corporation with public and private contribution that foresees increased private involvement in the Tourism sector. The Tourism department will aid in coordination across relevant government departments. The regional entity will have local private participation through eminent, interested citizens and industry associations. The District Tourism Councils will continue as currently in vogue.



11. The role of Karnataka Tourism department is to be a Force multiplier of all tourism related initiatives

Under the new 'avatar', KTVG recommends that the Tourism department has to move away from its current focus (for which it is ill equipped) on last mile provider of infrastructure and facilities to one that truly leverages the Tourism potential and initiatives of multiple entities. It has to be able to facilitate Tourism marketing and promotion nationally and globally through an external facing arm. On the delivery side, it needs to assist the State Tourism Council in policy making and the Regional Tourism entities with implementation assistance by strategic, tactical interventions and coordination among multiple government agencies. The role of the Tourism department would also include developing the tourism 'properties' in conjunction with others, effectively position and communicate the brand promise and ensure that it gets delivered on the ground.

To do all this effectively, we need a Private Corporation (with minority government holding) that covers the activities of Tourism Promotion, Planning and Infrastructure provisioning with competent professionals on board – institutions like ILFS could be sounded out for private participation. This Corporation will have the ability to structure Special Purpose Vehicles to attract private sector investment for specific Tourism 'properties'.

Tourism promotion within Karnataka, India and globally is a role that needs attention and the Ministry should focus on selling the dream effectively and delivering it on the ground locally. The Tourism department can act as the bridge among multiple government agencies and private entities that have roles and responsibilities that impact Tourism in the State. It can help conceive and develop tourist 'properties'. As an enabler, it can unlock constraints that hold back the State from realising its tourism potential.

The current Tourism department's annual budget is Rs. 340 crores. This in our view can be redirected based on the new imperatives around tourism promotion, viability gap funding and matching private funds for deserving projects. Further additional infusion (Rs. 500 crores) over the next 3 years (with Rs. 50-100 crores in 2014-15) is advocated to help get the independent Corporation's SPV projects going and increased spending on Tourism branding and promotion.

We suggest drawing up a long list of all activities related to tourism planning, branding, promotion, implementation, coordination, etc. and split the activities between the Tourism department and the proposed private Corporation. The department's role will be more in the nature of policy planning, facilitation with the Corporation as the Implementer.

12. Next steps

Policy initiatives

The updated Tourism policy is due by April 2014. There is a need to modify and introduce new Trade facilitation Acts to make it easier for businesses in the Tourism sector to operate. Draft documents have been drawn up by IDECK. KTVG will review and give its suggestions to align these instruments with the overall Tourism goals.

Actions to be taken

- Submission of the KTVG report to the Chief Minister / Tourism Minister
 - Need an in principle acceptance (and suggestions, if any) that the directions set out in this report is pursued
- Notify the revised State Tourism Council and hold a meeting with the members with CM as Chairman and Tourism Minister as Co-Chair
 - Focus on setting out goals, policy and road map
- Set up a VIG (Vision Implementation group (6-8 members)) under the Tourism Minister (similar to IT / BT advisory group)
 - Members selected on a rigorous criterion involving domain knowledge, eminence, track record, etc.
- Provision a budgetary allocation the 2014-15 State budget for the initiatives suggested by KTVG
 - VIG to be involved in deciding on the direction of spends; Tourism budget to be redirected too with emphasis on promotion, branding
- Set up the proposed Karnataka Tourism Promotion and Implementation Corporation
 - Get a lead partner like ILFS
- Set up the Cubbon Park Management authority
- Examine the MICE proposal and authorize its implementation
 - Master plan for the 435 acres and phase wise implementation to be considered
- Set out the District Tourism entities for guiding regional initiatives

B. KTVG REPORT

1. INTRODUCTION

The Tourism Minister vide Government Order TD / 237 / PraVaE / 2013 dated Sept 4, 2013 set up a Karnataka Tourism Vision group (KTVG). The intent was to provide a road map for making Karnataka a tourist experience destination on par with International standards.

Initially there were 22 citizen members and 9 Special invitees with Mr. Mohandas Pai as the Chairman. This was subsequently expanded to another 17 Special invitees. The terms of reference and the list of Members / Invitees is set out in Exhibit 1.

2. KTVG FOCUS

The Karnataka Tourism Master Plan 2010-2020, circa Feb 2010 was the first master plan, based on Vision 2020 and the New Tourism policy (2009-2014). Subsequently, 31 detailed district-wise reports about the state potential and action plan for Tourism across Karnataka's districts was made. This exercise was completed in early 2012. Apart from these two, there are reports suggesting specific initiatives – some examples of these would be the 'Site Management Plan for Sustainable Conservation and Development of Hoysala Heritage Region, Mysore tourism promotion plan which also includes inner city development with a focus on tourist infrastructure. KTVG feels that the past reports should be put online so that the best ideas can be harvested instead of reinventing the wheel.

At the outset, the KTVG realised that achieving the Tourism goals depended on effective implementation of ideas and solutions, both current and those articulated in the past. To do this, it was imperative for an overarching governance structure (centralised on policy and direction and decentralised in roll out) that recognised the vital importance of the Tourism sector and the role of collaboration between government and non-government players.

The KTVG focused on a few key areas with an emphasis of what needs to be done and the 'vehicle' to get there – Guiding principles that would act as a compass for any current or future decision regarding the Tourism sector; Governance and Implementation framework; Critical requirements at tourist locations, particularly the major attractions and a criteria to determine relative importance of a location / event; Tourist circuits (Heritage, Coastal, Nature / Wild life, Adventure, Culture, Urban, Wellness, Spiritual) and Common themes that cut across the categories (Human resources, Brand, Finance, Policy, Infrastructure, Connectivity, Technology, Communication, etc.).

3. VISION, MISSION AND GUIDING PRINCIPLES

3.1 Mission

The purpose of Karnataka Tourism is to provide engaging experiences for four distinct categories of tourists:

- Regional tourists who travel mostly for pilgrimage and to participate in *jatre* festivities. These are generally large numbers at specific times of the year and requiring budget facilities
- National tourists visiting from other States
- Metro tourists looking for getaways during long weekends from metros like Bangalore, Chennai, and Hyderabad. They are good candidates for repeat visits
- International tourists

An engaged visitor would spend more time (and money) in the State and would be interested in visiting more places, some of them as a repeat visitor. In meeting this sense of purpose, we need to adhere to a few maxims – any promise made is delivered and the traditional Karnataka ‘Punniyakoti’ is used as a hospitality guide.

3.2 Vision

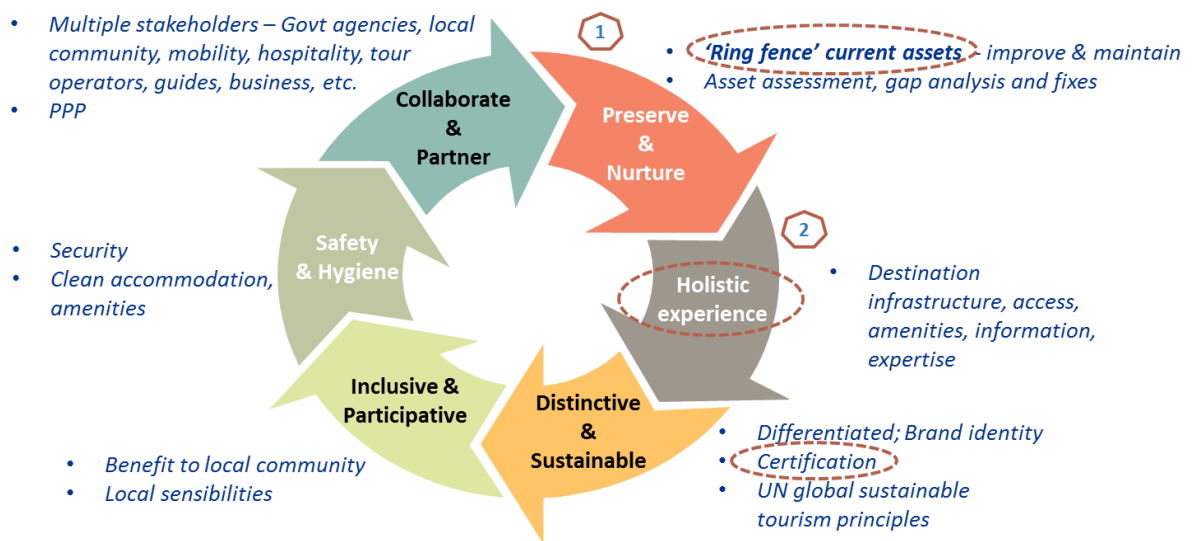
The scope for tourism is huge. As per the UN WTO, a World Tourism Organisation, Tourism in the world accounts for 9% of GDP through direct, indirect and induced impact. 1 in 11 jobs in the world is in this sector and nearly 6% of export (foreign exchange earnings) is accounted for through foreign tourists. Internationally Tourist tracking is through foreign visitors. However in India given the population numbers, local State residents and other State visitors would account for bulk of the Tourists. Exhibit 2 A&B sets out the tourist statistics for Karnataka since 2011 (about 95 million visitors, mainly domestic – about 1.5 times the State’s population) and the relative visitors to major tourist destinations.

Currently, the tourism indicators would be less than 50% of the international norms in Karnataka. The inflow of foreign tourists is particularly low and given the extent of business visitors to Bangalore, there should be scope to engage them as Tourists. The Tourism sector can be a large employer in Karnataka. There is scope for over 4.3 million new jobs in the sector over the next decade. In terms of local spending (and taxes), Tourism can be a large revenue generator with significant growth prospects if handled well. The section on Finance sets out the highlights from a modelling exercise on the employment, revenue potential and investments needed in Tourism.

Karnataka should aim to be in the top 2 tourism destinations in India and top 50 in the world.

3.3 Guiding principles

To achieve the overarching goals, we need a compass that guides policy, decision making and implementation in the Tourism sector. The chart below sets out some of the key guiding principles. Adherence to these principles is necessary across tourist options be it heritage, wild life, culture or any other tourist pursuit. These principles need to be viewed as a common unifying thread that makes for an engaging experience for any visitor – the whole package works if they are implemented.



Preserve and Nurture

The primary principle suggested by the KTVG is to ensure that all current assets are identified, inventoried, mapped, preserved, improved and maintained. A community's cultural, historic and natural resources are valuable and often irreplaceable. If we don't take care of what we have, it is pointless focusing our energies in new areas.

In order to accomplish this goal, we first need to create an exhaustive list of all existing and potential assets and classify them into groups – A, B and C based on classification criteria. 'Ring fencing' these assets is important since it will prevent any further degradation, by ensuring preservation rules apply to them. A master plan and clarity about who is responsible is necessary. Next, a thorough audit of these assets needs to be conducted to understand the current status and features of the asset vis-à-vis the desired ideal. This will provide a basis for addressing the gaps for each asset. Based on resources available and priorities, an action plan to conserve and improve these assets through regular audits / certification, will need to be undertaken. We also need to plan and manage development. Set regulations for compatible development in and around each destination

There is scope to adapt from international practices framed for heritage monuments. If the concept is extended to the idea of important tourist sites as being analogous to heritage monuments, one can adapt from practices for preservation following the international norms and standards like the UNESCO's World Heritage management guidelines, charters, recommendations and conventions, and those of ICOMOS. We should also integrate relevant principles from the work of the European Council, ICCROM, Burra charter (Australia), Rome, English Heritage and Natural England. The last two are non-departmental public bodies with State patronage but run by private trusts.

Holistic experience

Once the assets are identified, KTVG recognises that it is imperative to have an efficient support infrastructure to ensure all visitors have a truly enjoyable and holistic experience. Without this, even the most appealing, promising destinations / events will end up as 'train wreck' experiences with attendant negative information dissemination through word of mouth and social media.

Access to the 'destination', particularly with a focus on the 'last mile' will determine the tourist traffic. Road networks are normally the preserve of departments like PWD, local Corporations, Municipalities and Panchayats. It would help if the direction of spends is aligned to ensure these 'last mile' connections, given the multiplier effect it has on tourism and consequently jobs and revenues.

Once at the location, information needs to be easily and widely available. Needless to stress, access to this information (timings, pre-booking, etc.) should be available online. Multi lingual signage, use of international symbols, audio guides, brochures and trained guides all contribute to the information infrastructure. Clean accommodation and Public amenities particularly clean toilets, drinking water, food courts need to be provisioned at places that attract or have the potential to be high traffic tourist destinations.

Making the tourist experience a 'wow' one, needs expertise in various domains and functions. This could be achieved by bringing on board knowledgeable people as part of the advisory board. These experts will bring in domain knowledge - be it wildlife or an arts / cultural event or sprucing up urban tourist spots. However, this will work only if the advisory board is authorised & empowered to take decisions and their suggestions are accepted.

Distinctive and Sustainable

Competition for time is fierce. To attract visitors, we must ensure that the destination is worth the travel and Accreditation of places and service providers is imperative. There is an old saying about tourists - on an average they remember 10% of what they hear, 30% of what they read, 50% of what they see and 90% of what they do. To this end, it is imperative that Karnataka Tourism offer a distinctive experience and activity based tourism to what can be experienced elsewhere. It boils down to making visits memorable – a series of 'awe and

inspire' moments. From distinctiveness that gives us differentiation, we can build the Tourism brand identity for the State.

We need to ensure that increased tourism activity does not degrade the environment and conforms to sustainable practices – sustainable tourism principles are well documented in the UN Global Sustainable Tourism Council and we could adhere to them instead of reinventing the wheel. The key principles - Demonstrate effective sustainable management; Maximize social and economic benefits to the local community and minimize negative impact; Maximize benefits to cultural heritage and minimize negative impact; Maximize benefits to the environment and minimize negative impact.

Inclusive and Participative

In a similar vein to the earlier principle, there is need to ensure that any tourism activity in a particular destination is sensitive to the local community's culture and practices. Understanding local sensibilities and acting with sensitivity will go a long way in garnering local support. Bringing on board key local community members and having platforms for locals to voice their views would be in line with the Panchayat Raj principles that Karnataka gave the country.

Balancing the needs of residents and visitors is important to ensure that tourism benefits everyone. It is important to understand the kind and amount of tourism that any community can handle.

Safety and Hygiene

Physical safety and security of all visitors is paramount. Fast track courts to prosecute any offenders help reassure visitors (particularly foreign) about the environment while travelling through the State. Personal health concerns should be addressed by hygienic environment at the tourist venues and effective crowd management. Access to police and medical networks, should the need arise should be available and communicated widely.

Collaborate and Partner

The KTVG recognises that delivering truly enjoyable experiences for tourists is best achieved by collaboration and partnership between government agencies, local community, hospitality sector, tour operators and private businesses.

Much more can be accomplished by working together than by working alone and successful tourism programs bring together partners who may not have worked together in the past. Government cannot manage the sector sans the assistance of others.

While Public Private Partnerships (PPP) is an overused term, it is extremely critical in the Tourism sector. Not only can the Private sector bring in finances, its expertise and customer oriented outlook are most welcome. Again, for a successful PPP, Government needs to be a

true Enabler of such partnerships. It requires Government to think deeply about the role of an Enabler like removing obstacles, investor friendly policies, single window clearances and light policing.

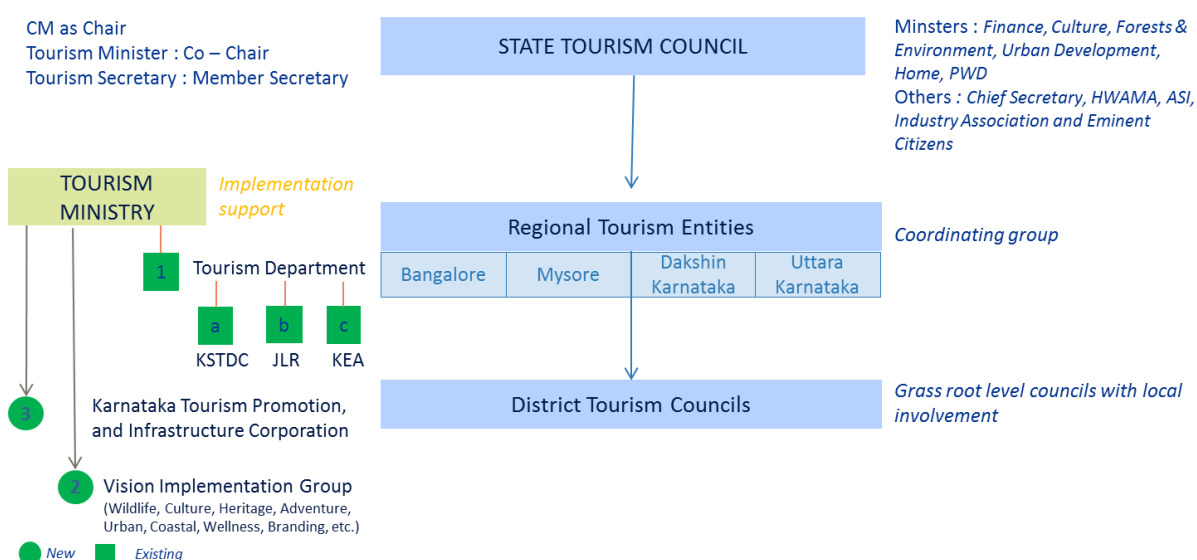
By giving multiple stakeholders a place at the table, all partners have a strong vested interest in increasing the Tourist sector numbers and quality of experience. Care must be taken to involve the local community such that they benefit and are proud of the tourism in their area.

4. GOVERNANCE MECHANISM

Currently, Tourism department is expected to deliver on the Tourism promise and potential in Karnataka within an annual budget of around Rs. 340 crs. A closer look at the direction of their current spends shows that over 80% of these expenses are being spent on items that are the core responsibility of other Ministries like developing access roads, properties (PWD, local bodies), cultural events / festivals (Culture), SC / ST schemes (necessary for inclusiveness).

Coordination between various government agencies and departments is a crucial need. To deliver a holistic experience for tourists, many of the government agency silos need to come together. It needs to be a priority of the State Government at the highest levels lead by the Chief Minister, since it positively impacts job creation on scale and has significant scope for revenue generation for the State's coffers. Political signalling about the importance of Tourism and its effect, across the State is imperative.

4.1 State Tourism Council



If the State's Tourism potential is to be realised we need a central authority which plays a pivotal role – a State Tourism Council (STC) which has the following key responsibilities:

- Set out / Approve policy that binds all Stakeholders
- Signal tourism priority areas – short and long term
- Budgets reside in the respective Ministries - commandeer the relevant fund utilization to align with Tourism priorities
- Identify, evaluate, inventory, and map all cultural and natural heritage sites in Karnataka
- Develop and approve a clear set of policies and guidelines for tourism development
- Prior to approving any tourism destination, prepare and approve a master plan that will guide preservation of the tourism asset and the unique character of the place,

local development and growth including any new construction in the vicinity, and the development of tourism facilities.

- Establish a governance structure for regular management of each major destination/ tourism asset. HWAMA (Hampi area) is not a replicable model. Appropriate alternative structures for management and oversight are necessary for each.
- Brand, Communication and Promotion plan
- Move towards being an Enabler through more PPP
- Provide guidelines for Tourist infrastructure (hard and soft) provisioning
- Oversee implementation & Regulate
- Unlock Tourism inhibitors like labour laws, land acquisition, etc.

As stated earlier, the State Tourism Council needs to be chaired by the Chief Minister with the Tourism Minister as Co-Chair. The Member Secretary would be the Tourism Secretary supported by Tourism Director. The other members of the STC need to include the following Ministries – Finance, Culture, Forests & Environment, PWD, Urban Development, Home and the Chief Secretary. The implementation of the wishes of the STC will be carried out by the Tourism department – in this they will be aided by a proposed independent Corporation to handle tourism promotion, planning and infrastructure provisioning.

The STC needs representatives from outside of Government, ideally eminent citizens interested in promoting Tourism and Associations connected with Tourism. The split between Government and Non-Government members should be 50:50. We suggest 6 representatives consisting of 3 eminent individuals and 3 Association Presidents (Hotel, Tour Operators and Industry).

The Tourism Ministry will have an Vision Implementation Group consisting of eminent citizens / experts in the Tourism ‘verticals’ like Wildlife, Culture, Heritage, Adventure, Coastal, Urban, Branding, etc. willing to offer their time for realizing the Tourism goals.

The STC should meet at least twice a year and have its decisions communicated through the Tourism website that provides transparency to the policy decisions and the implementation plans.

4.2 Regional Tourism Entities (RTE)

While the STC is a central board for the State, the roll out of specific initiatives will reside with the Regional Tourism Entities (RTE) – this is a grouping of all entities involved in making the wholesome tourism happen at the local level. This is essentially a decentralised arrangement, where local communities come together with local government to implement a shared tourism vision for the region across Tourist verticals.

These RTEs are being suggested on a regional geographic basis – Bangalore, Mysore, Dakshina Karnataka and Uttara Karnataka to ensure coverage of the entire State. The members of the RTE will have the following government members - Development

Commissioner (DC), Joint Collector, City Commissioner, Superintendent of Police, District Forest Officer, Archaeology department representative. Like in the STC, there will be eminent citizens and Association members in the RTE as well - 3 individuals and 3 Association members (from Hotels, Tour Operators and Industry) are being suggested apart from a 50:50 representation between Government and those outside of Government. The Member convenor of this group will be the District Tourist Officer of the Tourism Department. The implementation will be taken care of by the proposed Karnataka Tourism Promotion and Infrastructure Corporation.

Their key responsibilities:

- Clear planning covering locations, events, etc.
- Co-opt and Empower local experts as Advisory panels for the vertical streams like Culture, Festivals, Wild life, Adventure, etc.
- Coordinate fund allocation by agencies as per budgets
- Emphasize Implementation focus by the proposed Corporation, Government agencies and through PPP. To reduce Government implementation over time
- Oversight on private initiatives; Regulate`
- Revenue share part of the Tourist income
- Planning, Implementation and Regulation at the tourist sites in greater detail as set out for STC. Use planning and design specialists.

Proposed Tourism promotion and Infrastructure Corporation

To undertake the revised responsibilities of the Tourism department with a focus on coordination and implementation, we propose an independent public-private Corporation encompassing activities related to Tourism promotion (external facing) and Infrastructure / Services provision (back end delivery). The Corporation will have professionals who will be drawn from outside of Government and responsible for Tourism promotion and implementation of the regional plan within the overall State guidelines. The CEO of the private Corporation would be supported by a professional team.

Currently we have the Tourism Department, Karnataka State Tourism Development Corporation (KSTDC), Jungle Lodges & Resorts (JLR) and Karnataka Exhibition Authority (KEA) responsible for various aspects of the State Tourism. In the revised structure we foresee the Tourism department with these 3 entities continuing but with a clearer definition of the role of the Tourism department – their focus is on inter government agency coordination and facilitating the Karnataka Tourism and Infrastructure Corporation to be a very effective promotion and implementation corporation. The department (with the Tourism Director being on the board) will assist in developing ‘properties’, Marketing and Promotion and implementation support across government agencies.. KSTDC (hotels and tours), JLR (wildlife) and KEA (Mysore exhibition) would continue to focus on their respective areas.

We suggest drawing up a long list of all activities related to tourism planning, branding, promotion, implementation, coordination, etc. and split the activities between the Tourism department and the proposed Corporation.

4.3 Finance

We suggest that the bulk of the government funding be achieved by aligning / redirecting spends of government agencies like PWD, local bodies, Culture, etc. in line with the overall Tourism goals. The typical areas where funding is needed (apart for salary and administrative costs) are Basic infrastructure, Tourism infrastructure, Tourism product development, Promotion, HRD and for specific events.

Currently, a review of funding options for Tourism, indicate the following sources:

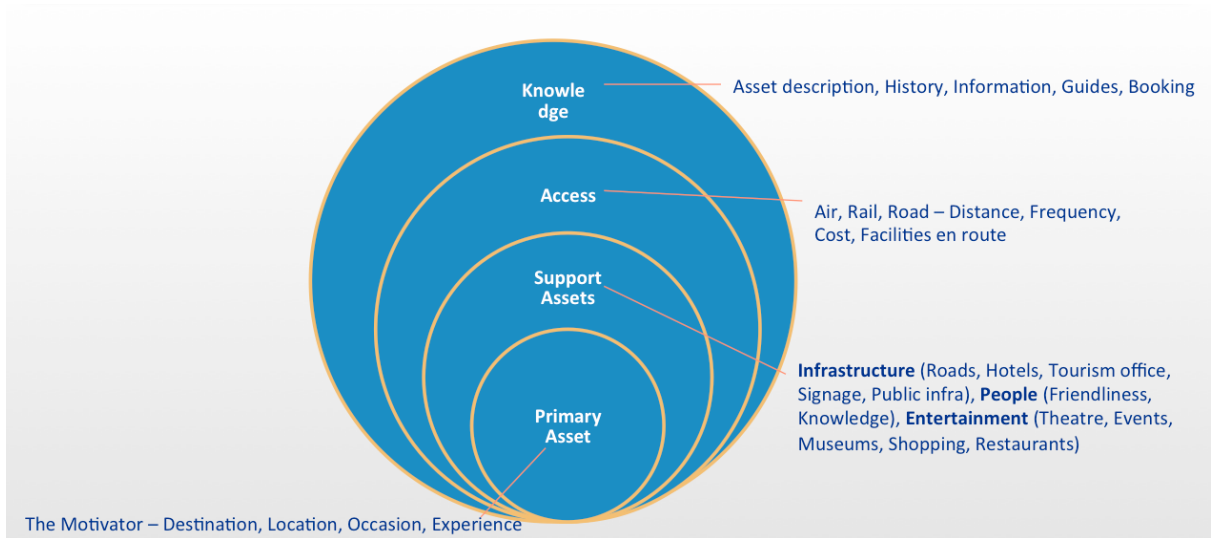
- Central Financial assistance – these cover the gamut of Product and Infrastructure development, Integrated tourism development, Viability gap funding for PPP, Heritage, Rural and Adventure tourism
- State Financial assistance. Here KTVG feels redirecting resources of existing government departments in alignment with Tourism goals could leverage the existing State budget significantly. The current budget is around Rs. 340 crores annually. There is scope to consider an additional Rs. 500 crores over the next 3 years apart from redirecting the spending heads of the current budget.
- Private investment with Government acting as an Enabler. Proper structuring of PPPs. There are other smaller options like adoption of parks, places and the like by Corporates.

The Vision group has estimated the fresh employment possibilities at 4.3 million (based on global norms of 10% employment in the sector), additional revenue potential of Rs. 83,000 crs (through direct and indirect taxes) and the investments of Rs. 73,000 crores with 50% government funding (infrastructure, destination and mobility) needed for providing a fillip to Tourism in the State by 2024 – Exhibit 5.

4.4 Policy

The current Tourism Policy needs to be revitalised in order to stay relevant and include the changes proposed. This can be best achieved after the State Tourism Council is created and it sets out the direction and priorities for Karnataka Tourism. The current Tourism Policy expires in 2014 and there is a need for an updated policy driven by the intent of the State Tourism Council under the leadership of the Chief Minister. Similarly there is a need to look at the Trade facilitation Acts to make it for businesses in this sector to operate more freely.

5. THE TOURISM 'INFRASTRUCTURE' LADDER



The chart above sets out the framework for viewing each tourist destination / event around themes of the primary asset, supporting asset, access and knowledge. This essentially combines both 'hard' and 'soft' infrastructure. The first level is the primary asset infrastructure and the focus of the tourist activity. The second level, the support asset infrastructure is the foundation. The third level access and fourth level & knowledge infrastructures are critical for enjoyable usage of the primary asset.

5.1 Primary asset

The primary asset is the main attraction of a particular location which attracts tourists to the place. The primary asset could refer to a particular monument or destination, a larger geographic area, a particular occasion or festival. As mentioned earlier, a 'preserve, repair and maintain' approach is necessary for these primary assets.

In this context it is worthwhile dwelling on the definition of primary assets. There are myriad tourist locations and events across the state, that local communities could consider the most important ones to nurture and fund. It is essential to create a hierarchy of tourist assets and classify them in terms of their relative importance vis a vis the overall Tourism goals of the State. This has to be done scientifically using a well thought out criteria. Exhibit 3 sets out a classification basis that can be further refined and adopted.

5.2 Support assets

The support infrastructure includes all necessary and crucial facilities at the destination, required to make the journey to the asset worthwhile. This covers roads, hotels, accessibility of the tourism office, Clean & hygienic toilets, multi-lingual signage and public infrastructure (footpaths, cycle tracks, seating, disabled access, etc), Information kiosks with Maps

&Brochures, Books &Memorabilia on sale. People resources like guides and tourist staff are important and the local community needs to be friendly towards tourists. Any tourist location needs alternative entertainment facilities in the area such as theatres, events, museums, shops and restaurants.

5.3 Access infrastructure

Access infrastructure constitutes air, road, rail and water routes that allow access to the primary asset. It also includes mobility in the local area that makes it easy for visitors to commute. Transport links to the primary asset, distance of the asset from travel hubs, the frequency and availability of transport to the asset, the cost of the transport and finally, the wayside facilities available en route should be mapped and communicated. In this context it is worth highlighting the proposed Suvarna Karnataka expressway (Exhibit 4) Projects of this kind have the scope to create multiplier effect for tourism through improved access to tourist sites within the State.

5.4 Knowledge infrastructure

Knowledge infrastructure refers to the knowledge of the primary asset, information about the supporting assets and access options. This includes multi-lingual audio guides, educated tour guides, appropriate sign boards and detailed (authentic) stories around the primary asset. Easy to use websites (and a mobile app) to be developed giving all information, linking places and entities, addresses, booking capability, clusters, road side stops, safety, etc. Interpretation centres with multimedia digital interpretations of major cultural and natural heritage sites would form part of this. These can also be made available along with books and publications at schools,libraries, and bookstores.

Certification using external agencies has to be par for the course in respect of Tourism infrastructure. These would cover hotels, home stays, road side facilities, primary tourist infrastructure, human resource capabilities, etc.

6. KARNATAKA'S OPPORTUNITY: UNESCO WORLD HERITAGE PROPERTIES

UNESCO's World Heritage list is an internationally renowned selection of the most outstanding heritage sites in the world. They are recognized as being so exceptional that they represent achievements of humanity at large beyond that of the region or the nation in which they are located. An inscription in UNESCO's listing provides international recognition of the highest calibre – recognition of the quality and value of a place and its heritage.

Inclusion in UNESCO's World Heritage list brings significant international recognition and status both to Karnataka and India. Karnataka already has three significant sites that are UNESCO World Heritage Properties:

- 1) Hampi (Cultural)
- 2) Pattadakal (Cultural)
- 3) Western Ghats as Natural Heritage.

Inscription on the UNESCO World Heritage list brings status and visibility and an enormous increase in tourism as well as the potential for international funds and partnerships for conservation work. However, in order for Karnataka to get the maximum benefit from these sites, appropriate policies need to be put in place to address conservation, local development, and tourism development.

At the same time, we need to prepare for some new nominations as this is a long and important process and we must compete nationally for a slot to compete at the international level. Within India, all the states compete for the opportunity to nominate a site because the nominations each year must be selected from those put forward by each of the States. All other states are rushing in to push their nominations. The national Advisory Committee for World Heritage under the Ministry of Culture has just completed extensive national process to identify, evaluate, and shortlist cultural heritage and natural heritage properties throughout India to place on UNESCO's Tentative List for nomination to World Heritage. The properties in Karnataka that the Advisory Committee for World Heritage has shortlisted for the UNESCO's tentative List of World Heritage properties are:

- 1) Hoysala Architecture Series including Belur, Halebeedu, and Somnathpura
- 2) Srirangapatna
- 3) Deccan Sultanate Architecture including Gulbarga, Bidar, Bijapur, Golconda

Furthermore, a proposal is already underway from the ASI and the Ministry of Culture to extend the UNESCO World Heritage property from Pattadakal to include Badami and Aihole.

Hence, the careful management (conservation and sustainable development) of these premier properties is of utmost value to Karnataka. Recognizing and making accessible its rich history and heritage will make Karnataka a more attractive destination for international investors and tourists.

Here is the economic case for working on listing more places as part of UNESCO's heritage sites. In Luang Prabang, a World Heritage Site in Lao, the number of direct jobs increased from by about 10.3% from 2000 to 2005 and the number of commercial establishments has doubled over last six years. As a result, direct employment in the tourism sector has grown at a compounded annual rate of 8.5%. Angkor Wat in Cambodia was listed as World Heritage in 1992 and since then tourists arrivals have grown at an impressive 21 %(CAGR) annually. In 1993, the tourist arrivals were about 1.2 and in 2010 the recorded figures were over 25 lakhs. Tourism receipts have grown from 100 million USD in 1995 to 1786 million USD in 2010. Another World Heritage Site, Lumbini in Nepal recorded at 22,000 tourist arrivals annually in 1997 when it was inscribed as a World Heritage Site. With greater political stability after 2007, tourist arrivals indicate an annual growth rate of 54.3% since 2002.

The process of being accepted into UNESCO's World Heritage list is rigorous. The process is as follows:

- The Government of Karnataka proposes the properties for India's tentative list of World Heritage Sites. India's nominations each year are chosen from within the tentative list
- Karnataka first prepares a detailed Site Management Plan for the properties proposed to be nominated.
- The Site Management Plan has to be adopted and Implemented
- The Government of Karnataka prepares a detailed nomination dossier
- Once the Government of India forwards the nomination dossier to UNESCO the World Heritage Committee will evaluate the nomination for its inscription in the World Heritage list.
- International advisory groups to UNESCO (such as ICOMOS) visit the sites to verify its condition and management.

The Site Management Plan for Hoysala Heritage of Karnataka has already been fully prepared by UNESCO and the Tourism Department of Karnataka and needs to be immediately implemented. The Site Management Plan for Srirangapatna is partially prepared as is the Site Management Plan for Badami.

7. CIRCUITS

Instead of listing out “Circuits”, the KTVG group examined “Clusters” of tourism interest by themes. Accordingly, seven clusters were identified based on a ten point rating scale (1 lowest and 10 highest) based on Domestic (within State) and Inbound (Outside State) tourist interest. Culture and Art are not separately addressed since they are an integral part of all Clusters.

While we have separated destinations by type of tourism, it is necessary to consider developing different types of activities in any important destination. For instance rock climbing and land adventure with Badami Aihole or nature walks with Belur, Halebeedu or wellness with Belur, etc.

The Clusters of interest are listed below, starting from the one with the highest rating.

No	Cluster Details	Domestic	Inbound	Total
1	Urban tourism - Bangalore, Mysore, Coorg in focus. Belur-Halebeedu, Srirangapatna as options in the Southern area Entry/Exit points: Bangalore, Mangalore, Wayanad, Ooty	8	6	14
	<i>This region has been the most popular one in Karnataka for long. It also has the highest number of rooms in multiple locations. Bangalore-Mysore-Ooty is one of the oldest circuits in Southern India. It has been gaining prominence with Coorg emerging as a very popular destination in the last decade and emergence of Nagarhole/ Bandipur as one of India's leading wildlife destinations.</i>			
2	Hampi (Heritage) Hampi, Badami+Aihole+Pattadakal, Bijapur, Gulbarga, Bidar Entry/Exit points: Bangalore, Goa, Hyderabad, Hubli	4	8	12
	<i>Hampi has been gaining fame as one of the greatest destinations in India. Along with the other ancient locations around Hampi, it becomes Karnataka's top destination for Inbound tours. Being a UNESCO World Heritage, widely acclaimed to be the future star of Indian tourism, close behind Taj Mahal. However, it may take a great amount of marketing, to draw domestic interest towards this circuit.</i>			
3	Western Ghats (Nature) Shimoga, Uttara Kannada, Chickmagalur, Hassan, Kodagu	6	5	11
	<i>Western Ghats is a biodiversity hotspot and has recently been selected by UNESCO as a proposed World Heritage Site, pending Govt. acceptance. Discerning travellers are looking for high value destinations like this. This region has huge potential to be developed as a regulated tourism area in lines with Botswana's Gorilla Tourism.</i>			
4	Wildlife Nagarhole, Bandipur, BRT, Kavery, Bannerghatta	7	4	11
	<i>Asian Elephants and Tigers have been successful crowd pullers among the Indian wildlife. Karnataka is blessed with abundance of both. We have the largest population of Asian Elephants. Today we have overtaken all other states in terms of Tiger population too. However, unlike many other states, we are not yet tourism friendly and have not leveraged this</i>			

No	Cluster Details	Domestic	Inbound	Total
	<i>great asset. If regulated and developed, Karnataka could easily become the leading wildlife circuit with best practices, at least in Asia.</i>			
5	Medical (Wellness) Bangalore	6	5	11
	<i>Medical and wellness tourism has already made substantial headway, primarily in Bangalore.</i>			
6	Spiritual Mookambika, Udupi, Dharmasthala, Karkala, Muradeshwar, Gokarna, Shravanabelagola, Gulbarga+Bijapur+Bidar+Ramnagar (Sufi)	8	2	10
	<i>Karnataka already has highly developed individual Spiritual Sites. However, there is a strong case to connect all the sites, develop them further and increase footfalls in all sites – primarily from the domestic market.</i>			
7	Coastal (Sun, Sea & Sand) Mangalore, Udupi, Kundapur, Muradeshwar, Karwar & Gokarna	6	4	10
	<i>The coastline of Karnataka extends over 300 Kms, as against that of Goa, which is about 100 Kms. Coastal tourism requires a good mix of Sun, Sand & Sea. While we have sun and sand, our sea inferior to other famous beach destinations stretching from Africa to Indochina. Except in small pockets, our seas are rough, dark and deep. We will need to put in significant efforts & investments to build world class beaches comparable to international destinations like Maldives, Mauritius, and Goa.</i>			

8. URBAN TOURISM

Karnataka has 4 main urban centres- Bangalore (population: 8,499,399), Mysore (population: 983,893), Hubli-Dharwad (population: 943,857) and Mangalore (population: 619, 664).

The broad goals of urban tourism need to be as follows:

- Create and market half day, full day, three day, and seven day, tourist packages centered on each of these urban centres.
- City Branding and identity
- Create connected positive experiences
- Prioritize an area as a tourist precinct. Focus on all aspects of tourism within the precinct. Accommodation may be within or outside the precinct but travel to it should be made comfortable and safe
- Increase the likelihood of overnight stays at the urban centres and repeat visits.

8.1 Bangalore

Key Attractions

Nature: Lal Bagh, Cubbon Park, Nandi Hills, Lakes, Bannerghatta National Park. Apart from Bannerghatta park, there are mini forests at Turahalli, Jarakpande and BM Kavar around Bangalore's suburbs that can be utilised effectively.

- **Heritage and Monuments:** Bangalore Fort, Tipu Sultan Palace, Bangalore Palace.
- **Museums and Gallery:** Government Museum, Folk Museum, Aerospace Museum, Planetarium, Venkatappa Art Gallery, NGMA, etc.
- **Amusement parks/Sports:** Cricket Stadium, Wonder La, Film City, Fun World
- **Race Course, Golf courses**
- **Future potential** – Bangalore as Fashion city, MICE venue.

As the fulcrum of the State's economic progress, Bangalore is globally recognized as the IT/BT capital of the country. But reimagining Bangalore as a cultural world-city and putting the 'Bang' back is quintessential since the city is the gateway to Karnataka. With great entertainment options and youthful energy being the USP, Bangalore's 'zest and zing' needs to be marketed to visitors. Extending closing time for pubs and restaurants is an essential pre-requisite for Bangalore to be seen as a city worth staying over in. For starters, a closing time of midnight on week days (Monday through Thursday) and 1 am on weekends (Friday-Sunday) is suggested. A city that stays awake later is a safer city. London and New York are examples of cities that do not have any forced closing hours. This needs to be coupled with public safety, particularly for women. If done right, Bangalore like many international business cities can develop theatre districts, heritage show casing, multiple museums, night tours, etc.

Preservation and appropriate showcase of whatever is left of the heritage monuments is needed. In 2013, till August, the two main places of tourist attraction in Bangalore (Urban) were Tipu Sultan's Summer Palace/Fort and the Bangalore Palace that drew barely 2% of domestic plus 5% of foreign tourists and 1% of domestic + 4% of foreign tourists. The birth place of Tipu Sultan in Devanahalli drew about 20% of domestic tourists and no foreign tourists.

There is an urgent need to recognize the presence and potential of some of the heritage sites of the city. In association with organizations like INTACH, Bangalore Walks, etc. many of these sites should be identified and heritage walks organized. Heritage Walks should be planned and improved to make them attractive walks. Digital multimedia shows (such as the one prepared for Tipu Palace, Fort, and Devanahalli, should be promoted). Culture walks can be an integral part of Bangalore's experience, not only the heritage. These need to be planned and designed.

One potential futuristic project is to make Bangalore the country's fashion city. This would involve a mini township (possibly near Doddballapur) which caters to the needs of the Bangalore based Textile, Fashion and related Industries by creating a platform of International Standards that can become one of the World's most important business destinations for fashion with its attendant footfalls and revenue. This can be a PPP venture with significant private investment and industry – academia involvement. The State Government could catalyse this by bringing land and necessary infrastructure to the project under its "Suvarna Vastra Neethi" (New Textile Policy) – another instance of how the STC can redirect spending to meet composite goals.

Key Challenges

- Overwhelming traffic and solid waste management issues
- Absence of significant cultural or natural heritage
- No regulated form or visual identity
- Lack of a concentrated area for tourist activities
- Absence of mobility options that are safe and comfortable
- Inadequate information on places to see and things to do
- Low availability of 'local' experiences for tourists
- No major convention centre, MICE focus that could increase business travellers and consequently tourists.

Key Strengths and Opportunities

- Opportunities for music, dance, film, fashion, and other literature, art festivals
- Fort-Chikpet, and Cantonment are two areas with architectural identity
- Local cuisine, flower markets, wrestling arenas, and colorful festivals like Ganesha habba which can be made into tourist attractions
- Most tourists to Karnataka visit Bangalore. City is a transit point/ base for Mysore, Hampi, Badami and Belur- Halebeedu
- Explore potential of Bangalore as a Science and technology centre

- Opportunities for safe nightlife including a night-market. This implies need for a later closing hour for city restaurants.

Recommendations - Short Term

- Identify/map culture and heritage assets. Prepare a plan to protect and manage them
- Identify heritage precinct (s). Protect and manage its built form and visual identity
- Pedestrianize: Select area within precinct for specified duration
- City Branding : Emphasis on local flavour with global technology and science
- Package local history and experience (including cuisine and flower markets) as Culture Walks within a precinct or as Culture Routes on a Shuttle bus that connects main theatres as well.
- Map and create itineraries for 3-5 days in and around Bangalore
- Create small public spaces for cultural events – pop-up urban spaces even under and around flyovers. Would boost creativity in the city
- Increase cultural events and festivals. Create an annual calendar that can be advertised everywhere in advance
- More expensive and well-maintained pay-per-use toilets for visitors
- Develop interpretation materials – digital and print.

Recommendations - Medium Term

- Develop initiatives to support Creative industries
- Increase variety of hotels, food, and other experiences
- Sports and other activities
- Manage identity with regulations and guidelines
- Improve flower markets and local *darshini* for an authentic Bangalore experience
- Integrate brand identity with tourism related activities, and souvenirs
- Establish comprehensive ticketing system to increase revenues from tourism
- Develop safe night market for vendors
- Establish / strengthen festivals for art, music, literature, dance, fashion, design and science
- Improve quality and types of museums.

Recommendations - Long term

- Tourism Precincts : Areas within which tourists are given priority and protection and experiences are coordinated
- Coordinate various types of tourism in Karnataka such as wellness and eco-tourism with short stays in Bangalore
- Integrate business visitors with short recreational stay
- Create organized markets and vending areas
- Manage built form and land use in the city
- Manage traffic, infrastructure and solid waste management.

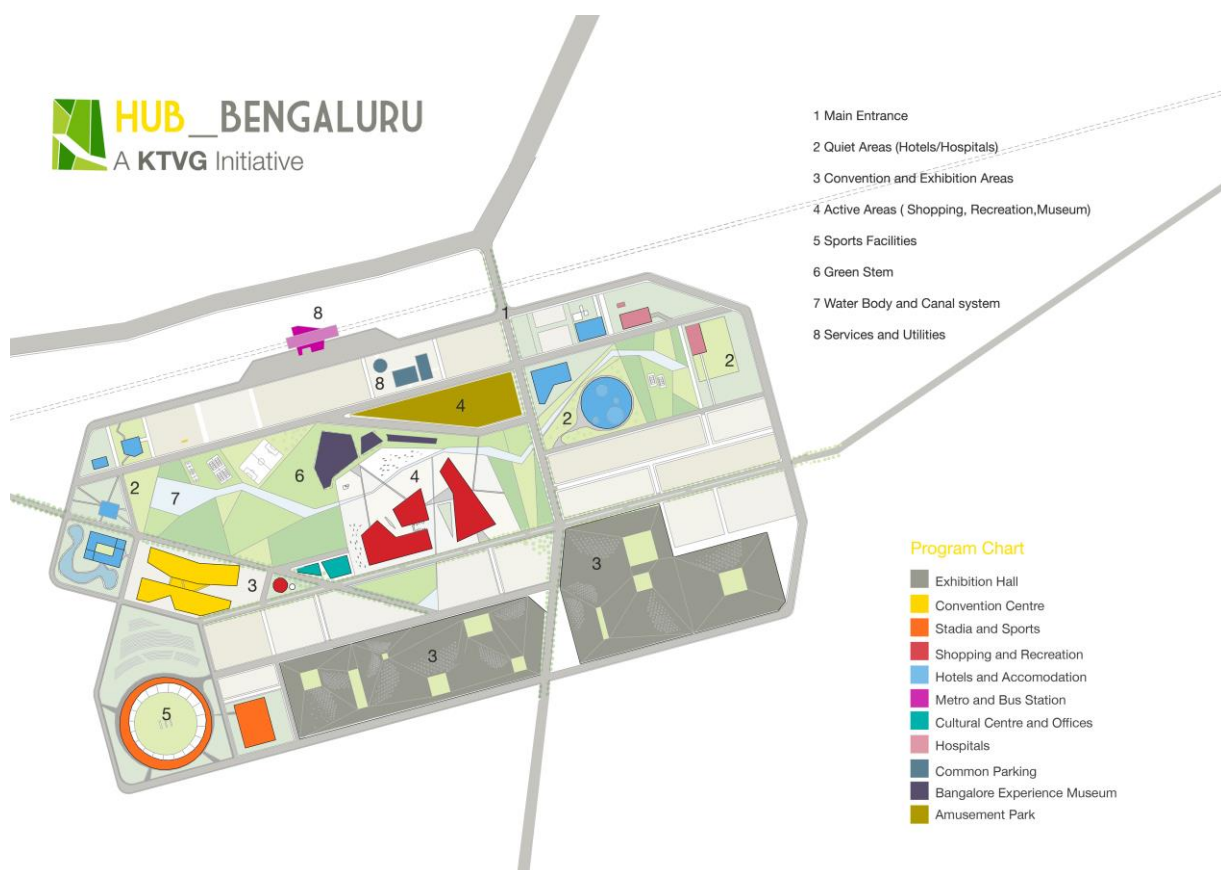
Key Dependencies

- Assessment and mapping of assets
- Culture/Heritage/tourism based master plan which establishes legal areas of controlled growth that will be in sync with the heritage, culture, and tourism goals
- Inter-departmental coordination
- Training and skill development
- Timely investments in assigned focus areas
- Policies and investments to improve and manage infrastructure.

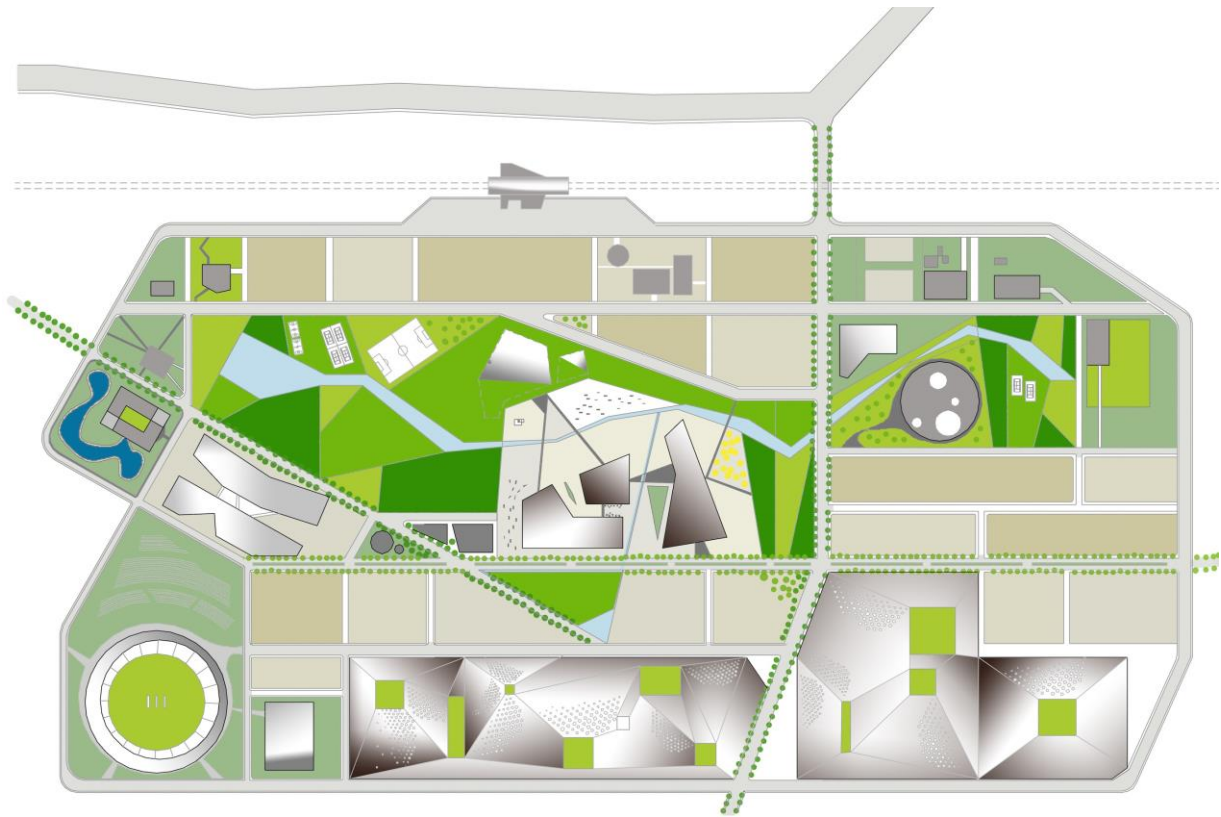
A MICE project for Bangalore

- Master plan prepared for an extent of about 435 acres at the proposed Devanahalli Industrial Park, preserving Bengaluru's reputation as "Garden City", keeping more than 60% of the area as open and green spaces and develop Bengaluru as a preferred MICE destination and also be the Urban tourism destination for the Bengulurean's.
- Program includes Exhibition Halls, Convention Centre, Theatres, Shopping Malls and Commercial Areas, The Bengaluru Experience Museum's, Cultural Centre and offices, Hotels (In different Budget levels), Cricket Stadium and other Sports Facilities and a Multi-specialty Hospital cluster to serve as Medical Tourism purpose too with Sustainable development as the key.
- Space planned for different sizes of convention centre's ranging from 6000 seaters to 150 seaters, meeting all types of needs, Mall with multiplexes' in over 2 Mn sft and exhibition halls of over 4 million sft, 10,000 key hotels of all categories, 2 x 500 bed multi-specialty hospitals, Experience Museums covering Natural history, Science, Technology & ICT, Art & Culture, Space & Nano technology and parking for over 5000 cars.
- Cluster's demarcating Quiet areas, active areas, green's and the services with potential for future developments
- A special Intermodal transport hub including Bus, Metro Station and a 5000 multi-level Car park is planned to serve the large numbers of visitors expected to visit the venue for different events with a view that internal movements within the Hub be on bicycles and non-polluting vehicles
- The 'Green Stem' a rich green reserve expands through the site. Sports and play areas, canals and water bodies and special botanical gardens are included within this park.
- Program like the Bengaluru Experience Museum and shopping malls about the Green Stem, taking direct advantage of the pedestrian public.
- Wide pedestrian paths, promenades and public squares activate the heart of the site. A network of cycling tracks connects various activities.

- A street grid based circulation system serves all the buildings, making automobile and service mobility efficient and interconnected.
- The green stem expands into parks that serve in isolating and buffering the active areas from the quieter program like hospitals and hotels.
- The Green Stem is planted with trees and fauna that are local to the Bengaluru region giving outside visitors a chance to enjoy and appreciate the flora and fauna that is unique to the city and region.
- The Complex will have a comprehensive rain-water harvesting system. The water-bodies and canals are part of this system and serve to collect, clean and channel rain-water. The large rooftop surface areas of the exhibition halls will use photo voltaic cells embedded in the folded roof.
- A fresh and unique Architectural vision characterizes the project and makes it an attractive venue for locals and tourists alike: A world-class innovative hub with the grace, beauty and character of Karnataka and Bengaluru.



Concept Master Plan



Site Master Plan

A vision for the extended area around the MICE

- The Bangalore Experience Museum is a comprehensive multi-category set of museums including Natural History, Culture and Heritage, Contemporary Art and Science and Technology Museums. It is designed as a 'landscaper' complete with a large museum square as a forecourt. It forms an important continuous program which will be an attraction to local and foreign visitors throughout the year. It is clustered along with commercial and entertainment program, together forming the active heart of the project.
- In close vicinity of the HUB is a major tourist attraction, the Nandi Hills. An adventure tourism program can be developed around the Nandi Hills area including Trekking routes, rock climbing sports, bird watching routes and para gliding events.
- The presence of the Bhoganandishwara Temple at the foothills of the Nandi Hills and the Devanahalli fort and village provide opportunities to create a heritage route connecting these places.
- Also in the vicinity are large vineyards and wineries which can become an important element of interest in the region in agricultural tourism. Wine tasting tours and events can be organized, considering that Bangalore and Nandi Hills is one of the most important wine growing regions in the country along with Nashik and Pune.
- Together with the Nandi Hills and the vineyard region and a heritage tourism opportunity, Hub Bengaluru becomes an active tourist node, a new centrality for leisure for locals and foreigners alike.

A fresh and unique Architectural vision characterizes the project and makes it an attractive and convenient venue, A world-class innovative hub with the grace, beauty and character of Karnataka and Bangalore.

A first cut financial analysis indicates an investment in this facility of around Rs. 13,200 crores – the planned investment is 12% by Government of Karnataka (mainly land), 20% by the SPV developer and 68% by private developers. The direct employment potential is around 40,000 and the income to government through taxes and rentals over a 15 year period is around Rs. 8,700 crores.

It is possible to consider taking up the project in phases. However it is important to ‘master plan’ the entire 435 acre at the outset by setting up an appropriate town planning scheme and then take up the necessary modules initially – the convention / exhibition centre with some accommodation would be part of the first phase.

Exhibit 6 A-E sets out the financials associated with the MICE project.

8.2 Mysore

Mysore district is considered the cultural capital of the State with Dasara being the flagship event. It is one of the developing urban centres and used to be a major administrative centre in the pre-independence era. The region was under the rule of Wodeyar dynasty who have contributed immensely to the art, architecture, culture, heritage, social and tradition of the place. The district is well known for its heritage and cultural destinations. It is one of the major destinations on the list of the International tourists visiting India and also the most visited place among domestic tourists. The magnificent palaces, proximity to the historical city of Srirangapatna, traditional handicrafts, cultural and health tourism facilities have been the major attractions for international tourists. For the domestic tourists the place also offers some important and popular religious and recreational destinations. The city also offers reasonable tourist infrastructure like good hotels, travel agencies, tourist information, connectivity which facilitates visits to various places within and outside the city. Mysore district is a complete package of heritage, culture, nature and religion. Despite this, Mysore District attracts on an average just about 15% of the total tourists coming to Karnataka.

Strengths

- Cultural capital of Karnataka, rich heritage and culturally important places.
- Several areas of interest close by like Srirangapatna, Krishnaraja Sagar Dam, Sivasamudra Falls, Coorg, etc.
- Well connected by road, rail and air
- Fairly good tourism infrastructure like hotels, transport, restaurants, travel agencies.
- Tourist destinations fall under 2 major categories currently- Heritage/Cultural and Natural/Ecological- forests, hills, waterfalls, scenic beauty
- Known for traditional handicrafts, sandalwood, Mysore Silk saris, Rose wood handicrafts.
- Dasara Festival is the brand of the city; Royalty is its heritage.

Weaknesses

- City level infrastructure like organized parking areas, public open spaces, traffic management, pedestrian pathways along the roads connecting to the various tourist destinations, city bus stand, etc.
- No tourism activities made available during the evenings / night
- Proper management through organized traffic and people movement yet to be developed, especially during peak and festive seasons like Dasara which is held annually on a grand scale.
- Various private and government agencies maintain various destinations - lacks a holistic approach towards the development of tourism at the district level.

Recommendations - Top 3 Suggestions for immediate action

- **Branding:** Top priority to be given to Mysore as the 'The Royal Heritage City'
- **Connectivity:** Air link to Mysore via Goa, Hyderabad, Kochi, Chennai and Pune on daily basis even with the existing airport facilities is feasible. Completion of NICE Expressway between Bangalore and Mysore would help road connectivity immensely. Six Lane highway to Mysore from Bangalore. Hastening of rail double tracking.
- **A cable car circuit** linking Mysore to Chamundi Hills. Connecting Srirangapatna to Mysore is also necessary as it is likely to be considered for world heritage nomination.

Recommendations - Short-term

- Publicity related:
 - Brand ambassador for the city
 - A world class map of Mysore
 - A well designed dynamic website with mobile app based access
- Some specific activities:
 - Upgrade Brindavan Gardens to provide Laser, Sound and Light show with themes. Create food court.
 - Rangayana to be converted to 'Activity Centre' with cultural activities going on, into the night.
 - Dinner for select tourists at the Palace
 - Heritage Night Tours (P) with all Heritage buildings having good outdoor lightings
 - Tour Circuits- Sandalwood, Silk, Heritage, Spiritual, Nature/Eco-tourism
 - Spruced up Tonga Service with trained Drivers – through the year
 - Promote Mysore Walks
 - Improve Kukkarahalli and Karanji Lakes with paid boating service, bird watching and laser shows

- Multi lingual, multimedia shows
 - A hi-resolution photo gallery depicting the history of Mysore - from Ancient to Contemporary.
- Separate budgets for Mysore and Coorg instead of one combined budget
- Connectivity related suggestions
 - Frequency of Fly-bus services to BIAL to be increased. To persist with the services till it becomes popular
 - Hop-on, Hop-off Bus Circuits
 - Vehicle Entry Tax for Buses & Taxis on par with other States
 - Roads leading to Tourist spots to be given special emphasis
 - Complete Ring Road
- Establishment of statutory bodies/ PPP
 - Establishment of special Tourism Police
 - Statutory Body to inspect & certify: Road, Sanitation, Garbage removal
 - Mechanised waste management
 - Train public servants interacting with tourists to be courteous.
 - Include eminent Technical Experts in the Permanent Dasara Authority.
 - In tourist spots, where the Local Bodies are unable to deliver good maintenance, private entities to take over Sanitation, Souvenir and Eateries near such spots, with a royalty to the Local Bodies.
- All tourism offices to be open 365 days
- Courses for Tour Guides with certification.

Recommendations - Medium Term

- Promote investments in the tourism industry with single window and tax holiday benefits.
- Promote Knowledge City / Health City concepts and invite internationally reputed Institutions to set shop here with tax benefits for initial years.
- Establishment of Holistic Health University emphasising on Yoga, Ayurveda, Unani, Naturopathy and other alternate systems of medicine.
- Upgrade Mysore Airport to handle large aircrafts
- Set up Tourist Facility Centres, beginning with one between Srirangapatna & Mysore
- Create a 'Four Seasons' Mysore – One festival for each season : Culture (Dasara), Literature, Film and Dance
- Nehru Loka to be converted into a Botanical park
- Promote 'Green Tag' by planning mandatory dedicated cycle paths in all the new layouts
- Creation of four welcome arches in tune with the heritage design
- Have ample multi-level parking facilities at congested tourist hot spots.

Recommendations - Long term

- Heritage House / Chowkidani on a 10-15 acre plot
- Set up State of the art Convention centre to promote International Conventions (MICE)

- Govt. to sponsor recognized Charter Tour operators to participate in Travel Shows abroad
- A Cricket Stadium capable of hosting an International One-Day match. Suggested location: 60 acres of MUDA land near Police Layout on T Narasipur Road.

8.3Coorg

Recommendations

- Establish eco-sensitive zones prohibiting commercial activity, in consultation with the stake holders
- Tourism offices to be established in all major road heads
- Promote Tour Circuits for Coffee, Religious, Adventure Sports, Wildlife, etc.
- Initiate pre-paid taxi services
- Coorg Institute for Adventure Sports to oversee all adventure related tourism.
- Carrying capacity needs to be assessed before granting additional/ new licences in eco-sensitive zones.
- District Tourism Council meetings to be held regularly with representations from all stakeholders
- Elephant training and joy ride camps to be distributed, instead of being concentrated presently only in Dubare.
- Ban plastic in all eco-sensitive zones.
- Exclusive web site for Coorg with a link to the Karnataka Tourism Website.
- Home Stays:
 - Regularise all unregistered Home Stays.
 - Representation in District Tourism Council
 - Annual Tax for Gold & Silver categories to be the only tax. No additional Luxury Tax to be levied
 - Inspection, Certification & Licensing of existing units.

9. HERITAGE

Karnataka is home to several heritage sites, forts and palaces. 507 of the 3,600 centrally protected monuments in India are in Karnataka, second only to Uttar Pradesh. Of these, the State is lucky to have over 50 unique monuments, temples & palaces, as also 2 UNESCO World Heritage sites at Hampi & Pattadakal. Further, several remnants of the various dynasties are scattered across the State such as The Chalukyas, Rashtrakutas, Kadambas, Deccan Sultanates, Vijayanagar Empire, Wodeyars of Mysore, Nayakas, Haidar Ali, Tipu Sultan. Not to mention various British colonial monuments.

9.1 Mapping the cultural heritage terrain

Keeping in view the proliferation of heritage destinations in the State, it is proposed that 5 heritage clusters be created:

- **South Zone:** Belur, Halebid and Sravanabelagola.
- **Mysore Zone:** Mysore city, Srirangapatna, Somanathapura and Talakad.
- **Bangalore Zone:** Bangalore city and around.
- **Central Zone:** Hampi, Badami, Aihole, Pattadakal and Chitradurga.
- **North Zone:** Bidar, Bijapur & Gulbarga.

As per the sub-committee for circuits of Karnataka, currently the North and Central Zones, with entry points from Bangalore, Goa, Hyderabad and Hubli are rated only 4 in terms of Domestic footfalls and 8 in terms of Inbound tourism, on a scale of 1-10 (lowest to highest). The South, Mysore and Bangalore zones are rated 8 on Domestic tourism and 6 on inbound tourism. This region also has the highest number of hotel rooms in the State in multiple locations. The presence of World Heritage sites in the North and Central zones presents a potential that has been vastly untapped so far.

It is proposed that in each zone a 'Seed' city or town is upgraded. Eg: Bijapur in the North Zone, Hospet/ Bellary in the Central Zone; Hassan in the South Zone along with Mysore and Bangalore cities for the remaining zones. The Department needs to concentrate on creating excellent Rail/Road/Air and last mile connectivity to these 'Seed' zones—either from the nearest major hub or from Bangalore city.

Common issues across tourist sites related to site conditions, access, mobility, support infrastructure, holistic experience have been laid out in earlier sections. However, in the case of the heritage sites, the sub group has re-emphasised some specific aspects in this regard which have been set out below.

9.2 Connectivity

Intra-zonal connectivity: Customized package tours, taxis and tourist buses from each 'Seed' town to some/all heritage sites in the immediate vicinity. Special kiosk at BIAL to do spot bookings of these specific, customized packages making it a simple and hassle free process

for tourists. Since intra-zonal travel would be predominantly through road, ensuring last mile connectivity from the 'Seed' town to the identified cluster of heritage sites around it is vital.

Inter-zonal connectivity: Apart from luxury trains like the Golden Chariot that connects each of these zones, economical and affordable train options too to be made available for all income brackets of tourists. Special carriages can be added to existing trains, exclusively for tourists particularly during peak season.

Particular attention has to be paid to the North and Central zones to develop better hotel facilities. Single window clearances, tax holidays and other incentives are a must to boost investments in starting new hotels in these zones. Promotion of home-stay facilities in the heritage venues after suitable due-diligence on host credentials, infrastructure, sanitation, quality of food, etc.

9.3 On-site Holistic experience

- A sense of walk-through history to be planned in the heritage sites through trained and accredited organizations and guides. History needs to be brought alive through story-telling and creation of a sense of drama and anticipation. For example: A walk themed '4th May 1799: Last day of Tipu Sultan' that takes the visitors to all the major spots that the Sultan visited before meeting his end would make Srirangapatna a much more fascinating and sought after location than the uninformed and staid experience one has currently in this historically important town. Likewise a walk-through the Obavvana Kindi at Chitradurga fort keeps the memory of the historical importance of Onake Obavva in the minds of tourists for a longer time!
- Walks need to be designed carefully and the places need to be enhanced for walking with paving, signages, lighting, etc. Haphazard construction takes away from the experience of a heritage walk
- This could be achieved through partnering with existing private organizations (Bangalore Walks, Royal Mysore Walks as illustrative examples), creating and nurturing new private groups of this kind in places where they hitherto do not exist. Local students, interns, NSS volunteers to be roped into the exercise too on a part-time basis, trained and co-opted into the heritage walks.
- Digital multimedia presentations including digital walkthroughs and reconstructions could be used to introduce and explain heritage sites (both cultural and natural heritage) to visitors. These can be shown also on buses and at train stations
- A 'Heritage Asset Inventory' at each 'seed' town to identify clusters of sites where visitors could be taken to on heritage walks to be done by the Regional Tourism Boards of that zone. To include unconventional places also in addition to the conventional forts and palaces. For instance, in Mysore can we look at having book-readings and literary sessions at an R.K. Narayan's house or a music concert in a Veena Seshanna's house, in addition to the usual Palace and gallery walks.
- Promote bicycle tours and walking tours for these heritage centres

- At all sites, interesting, colourful and informative signage, maps and boards in English, Kannada and Hindi to explain the story of the dynasty, the significance of the history and of the monument and of all the exhibits displayed is mandatory
- Extensive use of multi-lingual audio guides (in Indian and select foreign languages) is a MUST at all sites. The script to be backed with extensive and credible historical research work that is whetted by a suitable expert
- To enhance the experience of the tourists coming to these heritage sites, sound and light shows to be commissioned after suitable clearance from a competent historical experts and ASI approval.
- Showcase of local art, craft and cuisine at all heritage sites
- Historical and cultural immersion packages for tourists. Eg: Drawing from the highly successful Rajasthan experience, attractive packages of spending a day as a royal guest at the Mysore palace with a holistic experience of the royal customs, cuisine and ambience would help attract more visitors.
- Museum shops should be encouraged at each site with carefully designed souvenirs. Designers need to be involved to train local people
- Designers need to train local food providers so restaurants and café's with local cuisine and sale of nicely packaged/presented local foods.
- Guidelines and training needs to be provided to local homeowners to establish home-stays
- Guide training is necessary for these other experiences

9.4 Hampi specific recommendations

While Hampi does not need to be singled out over other World Heritage sites in Karnataka, it does have good tourism value as the first of its kind in Karnataka. There is a single authority in charge of Hampi, the HWAMA. This could be more effective.

Hampi presents an immense and untapped potential as the State's most spectacular heritage and tourism asset, as the 'Taj of the South' and hence special attention to be focused on development, branding and promotion of Hampi as a preferred destination of the State.

- The Government should think of Nationalizing historical/heritage monuments to ensure the continuity and preservation of these beautiful structures and the buffer zone around them
- To bring Hampi under a single Government Authority who will be responsible for the Administration, Maintenance, Security and Tourist movement at this Heritage Monument in a more effective manner than done currently
- To create an Inclusive program with the Local Residents that allows them to participate in the profits generated by Tourism. Also making them caretakers who benefit from the process and ensures their cooperation in preserving this historically significant monument & its environs.

- Of actively pushing Infrastructure Development and Connectivity to Hampi - from improving road, rail and air connectivity to monitoring the Civic Bodies of Hampi
- The hospitality options currently available in Hampi are inadequate. Encouraging Home-stay, budget & luxury hotel projects with Public-Private Partnerships should be high on the list of priorities.
- With Infrastructure improvements in place, the promotion of Hampi both Nationally & Internationally should be taken up on a major footing, the way Angkor Wat & Machu Picchu are promoted to create enormous tourist inflows that actually reflect on the GDP's of their respective nations.
- Digital multimedia shows, Museums, Festivals, etc. need to be planned to make the whole Hampi Experience a superb and memorable one for all visitors. Proper pamphlets & Guide Books, Guide Training Institutes and other peripheral projects need to be planned.

10. ECO TOURISM / WILDLIFE

The scope for Eco tourism is considerable. It is important to set out what constitutes 'responsible' tourism in the Western Ghats and what is unacceptable. This will prevent over-exploitation of natural resources and also help avoid conflicts between developers, government and environmental groups. The sub group focused on tourism potential in Wildlife.

10.1 Context

About 22.6% of Karnataka's geographical area is constituted of forests. The Karnataka Forest Act, 1963 and Rules 1969 regulate working in the forest areas. The State has 5 National Parks and 22 Wildlife Sanctuaries covering an area of 6576.76 sq. kms which forms nearly 15.17% of the total forest area as protected area. Wildlife (Protection) Act was enacted during 1972 by Government of India to provide for the protection of wild animals, birds and plants and with a view to ensuring the ecological and environmental security of the country. The elephant population in India is around 25,000 of which the estimated population in Karnataka is around 5590 (Census 2010), which constitutes about 22% of the total population. Karnataka has 10% of the country's Tiger population. The 5 National Parks are Anshi, Bandipur, Bannerghatta, Kudremukha and Nagarhole. There are also several conservation and community reserves, about 5 Tiger reserves, and biosphere reserve at Nilgiri. 60% of the Western Ghats are in Karnataka.

Tourism plays a vital role in the protection and conservation of wildlife apart from providing the department with constant influx of revenue. However, tourism must be handled very carefully to maintain the right balance. Various measures are recommended to ensure that the right balance is maintained and they are set out below. A pilot project in Bandipur is suggested. Alternatively other sanctuaries in Chincholi, Gadag, Rani Benne, Magadi could be considered for the pilot.

- Separate sub department
 - A separate sub-department which is independent of the Wildlife Range staff should deal with tourism.
 - Ecologically viable habitat management is the key and hence the need to create a separate section of personnel. This will also lessen the burden on the current staff that deals with tourism more than managing the park itself.
- Tightening movement within the forest area
 - There needs to be clear demarcation between the area where visitors and vehicles are received and the forest area. E.g: In Bandipur, the current Visitor Reception centre is in the middle of the forest and needs to be shifted out of the boundary – closer to where Jungle Lodges & Resorts is located. A separate 100 acre area can be separately utilized for this purpose.
 - The park can be open to tourists between 6AM – 10AM in the mornings and between 3PM to 6:30 PM in the afternoons.

- It is imperative that a main gate to the Reserve is provided at the entrance where the proposed Reception area is located to monitor vehicular movement on the highway. For e.g: In Bandipur every vehicle that passes through the park has to register at the main gate with an electronically generated ticket that is required to be shown while exiting at the border
- None of the vehicles are allowed to stop at any point on the highway and every errant vehicle should be heavily penalized if found violating this code.
- Patrolling of the highway at all times is mandatory to reprimand offending violators. A separate patrol team can be created under the tourism team.
- Vehicles and naturalists
 - Scrap, dispose existing vehicles and purchase new tourist & eco-friendly vehicles that provide a clear viewing area to sight and enjoy wildlife while on safari rides.
 - 3 numbers of 15 seat vehicles and 5 numbers of 6-8 seat open vehicles are ideal for watching wildlife and making the paying tourists experience more enjoyable.
 - Every safari vehicle must have a naturalist on board plus a trained driver who is sensitive to the animal's personal space. This shall also provide an opportunity for locals around the area to seek employment as naturalists or drivers.
 - Drivers and naturalists should be in uniform making it easy for identification.
- Vehicle movement in the forest
 - Two separate zones can be set apart as routes for the tourist-carrying safari vehicles to use. These routes are pre-set for each of the vehicles and cannot be changed at any instance.
 - Every vehicle including that of the lodges & resorts shall carry an identification number that shall be prominently displayed at four different locations of the vehicle; on the bonnet, on the rear and on the two flanks.
 - In the event that any vehicle sights an animal or stops to sight one, there shall not be more than 4 vehicles at any given point in time – any vehicle found violating this norm to be penalized severely.
 - All vehicles should enter the forest zones through a common gate (separate for two zones) and exit at the same gate without any exception. The gate can be managed electronically using smart key technology that will also maintain vital data about the vehicle and occupants alike.
 - Only registered vehicles will enter and exit from the forest.
 - A GPS device can be incorporated into every vehicle that enters the forest (including that of the forest officers) providing the PCCF a facility to monitor movements whilst sitting in the office in Aranya Bhavan, Bangalore.
- The fee structure needs to be re-examined
- An interpretation centre depicting the flora and fauna of the forest area should also be set up at the Reception area apart from providing clean & hygienic toilet facilities. Pre-booking to be made mandatory for day visitors and provide residential facility for tourists only outside the forest boundary – near the Reception Centre
- A certification process for all resorts & lodges surrounding the park has to be made mandatory which shall be renewed on an annual basis.

11. MEDICAL AND WELLNESS

11.1 Context

Wellness is a way of life oriented towards optimal health and well-being in which the body, mind and spirit are in a balanced state. People travel to different destinations for-Improvement of health, relaxation, De-stress and enhancement of Physical, emotional and spiritual wellbeing. While the “sickness business” is reactive as people become customers only when they are sick and no one wants to be a customer, the “wellness business” on the other hand is proactive. Here people voluntarily become customers – to feel healthier, to reduce the effects of aging and to avoid becoming sick. Everyone wants to be a customer!

India is the only country which practices the largest systems of medicine. Indian systems of medicine focus on prevention and health improvement. There is a growing interest for Indian medicine all around the world and Indian medicine provides a new way of life, optimum health and wellbeing. Herein lies the opportunity and advantage for Karnataka to house the largest number of systems of medicine and institutions in one location to cater to Ayurveda, Allopathy, Naturopathy, Homeopathy, Siddha, Unani, Yoga Therapy, Tibetan medicine etc. Other complimentary therapies include Acupressure, Acupuncture, Auriculotherapy, Colon Irrigation, Dietetics, Hydrotherapy, Magnetotherapy, Massage Therapy, Mud therapy, and Natural packs, Nutrition, Reflexology, Relaxation and Yoga Therapy.

Karnataka’s increasing popularity as a tourist destination, Eastern Healthcare Wisdom along with the Expertise of Western Medicine, Air Connectivity from most parts of the world, supportive Government, largest number of teaching hospitals in one location in the world, friendly hospital work force, and Government having quality control regulations for wellness centres all present an advantage for the State in this domain.

Bangalore can be the world’s hub for Integrative Medicine. The same patient undergoes Western Medical treatments along with Holistic/ Ayurvedic/ Naturopathic treatments. Conditions like Arthritis, neurological disorders, rare disease conditions have very effective treatments with Integrative medicine. The US alone has more than 25 million Arthritis patients and many are looking towards India for the cost advantage and superior quality of medical help.

The different components of the Wellness and Medical Tourism sector that need focus are:

- Hospitals: with general health check-up, scans, MRI, Dental and surgical facilities.
- Naturopathic & Ayurvedic Centre: Detoxification, rejuvenation, anti-ageing.
- Yoga retreats
- Wellness spas
- Lifestyle centres
- Holistic centres (Ayurvedic, Naturopathic and Yoga).

11.2 Integrated Healthcare and Wellness

Patients from over 40 countries are being treated at Hospitals in Bangalore. Most sought after treatments include Cardiac care, spinal surgery, cosmetic surgery, joint replacement, and dental work. Holistic, Ayurvedic and Naturopathic centers have patients of more than 80 nationalities coming with 30% repeat visits. The largest number of corporate hospitals in one location is available in Bangalore - Fortis, Manipal, Columbia Asia, Apollo Group, Yashomati etc., in addition to cost effective places like Jayadeva, Narayana Health City etc. These are spread across all ranges to attract patients from India and abroad.

Some of the advantages offered

- Internationally qualified and Experienced Specialists
- Aided by professionally dedicated support staff
- High quality of service
- No waiting time
- Indian hospitality, personalized care, warmth
- Technological sophistication - 3rd Generation technologically advanced equipment

Cost benefits

- Allopathy - The medical, surgical and dental treatments cost is 1/10th to 1/4th that of the western countries. Stay is 1 to 2 weeks. The patient and their family contribute towards economy, not only by medical or wellness treatments but also through travel and shopping
- Holistic/ Ayurvedic/ Naturopathic/ Yoga - Person spends anywhere from Rs. 5000 to 2 lakhs a day. Stay is 2 weeks to 2 months.

11.3 Steps to be taken by the Tourism Department

- Allopathy: Focus promotions on select regions like Middle East, Africa, Iran & Iraq with a clear communication of Karnataka and Bangalore's advantages
- Health and Holistic Centres: Promotions in regions like Middle East, South Africa, Tanzania, Russia, Ukraine, Europe (Germany, France, Italy, Switzerland), UK, USA, Canada, Australia and New Zealand.
- Focussed Promotion for Bangalore to be the Hub of Integrated Medicine for India and the World.
- (NABH) - National Accreditation Board for Hospitals & Healthcare Providers by Quality Council of India is set up by the Government of India to establish and operate accreditation programme for healthcare organisations. NABH Centres should be promoted by the Tourism Department. Currently it takes 6 months to a year for accreditation. This needs to be renewed every three years after inspection. NABH accreditation is considered mandatory for promotion by India Tourism. The same should be applicable to Karnataka Tourism also.
- **Promotions**
 - Road shows to selected countries

- Advertisements in selected magazines focussing on Bangalore and Mysore.
- Websites to be linked with Karnataka Tourism
- Promotion of the Brand and tagline “Welcome to Karnataka: India’s Best Wellness, Medical and Health Destination”
- Airport special facility for health and medical tourists.
- An advisory committee for representation from this Industry can be formed to take it forward.

12. SPIRITUAL

KTVG realises that there is a huge market for spiritual tourism. Due to time and manpower constraints, this segment was not explored at this point of time.

13. COASTAL

13.1 Context

Coastal tourism is based on a unique resource combination at the interface of land and sea offering amenities such as water, beaches, scenic beauty, rich terrestrial and marine biodiversity, diversified cultural and historic heritage, healthy food and good infrastructure.

Coastal and Beach Tourism forms one of the most important segments of a tropical country like India. Beach tourism is the largest segment used by the inbound tourists from western countries as well as domestic tourists. Locations such as Goa, Kovalam, Puri, Mahabalipuram, Pondicherry, etc. are extremely popular and well marketed.

Karnataka's coastal tourism is still at its infancy. Karnataka coastline is 300 km long where 8 main rivers drain into it – Nethravati, the Gurupur, Udiyavara, Mulki and Pavange, Sita and Swarna, Haladi, Chakra, Kollur and Baindur. Two major ports –Mangalore port and Malpe Fishing Harbour and 6 minor ports are located in the state. The NH 17 (west coast, road – Mumbai to Kanyakumari) and Konkan Railways link the state with Mumbai and Thiruvanthapuram. The major issue of beaches in the district is sand mining and solid waste management.

The unique architectural and cultural character of the coastal areas should be preserved while developing the new tourist facilities so that we do not rush into trying to creating coastal monstrosities. Regulation and master planning is important.

13.2 Strengths

- Long, virgin, pristine, and unexploited coast line. From Ullal to Karwar, Karnataka has the most beautiful and amazing coastal landscape. Also, it has a coastal location which is located in between two similar destinations i.e. Goa and Kerala.
- Due to the draining of two major rivers into the sea near Mangalore, the city has one of the longest and most scenic riverfronts. And there is scope for village tourism around Mangalore
- Unlike Goa where most of the beaches are crowded and commercialized, Karnataka can truly create a classy coastal destination focused on experiences of ethnic culture, serenity, exclusivity and quality action/adventure.
- Ample opportunities exist to set up quality accommodation facilities in the sea coast where only few properties have been developed.
- Other than the beautiful beaches one can see innumerable river mouths that have stunning backwaters around cute islands. These Backwaters and islands are yet to be discovered for Tourism where opportunities are unlimited.
- Snorkeling locations that we have along the coast is an added advantage which many other states do not have.
- Festivals like Kite Festival at Pannambur Beach can be promoted.

13.3 Strategic efforts

- **Marketing:** While marketing, we can target various groups within the coastal tourism segment itself, like the young and adventurous, who would enjoy water sports, paragliding, etc. or tourists who would come to experience the serenity, calmness and exclusivity. The idea is to segregate locations according to the activities that are offered in each location and market such locations to attract each segment.
- **Infrastructure:** It is most important that facilities and properties are developed in each location. Hence, a parallel activity for drawing investors and developers to set up projects in these areas have to be taken up, or else we will have large inflows into these locations with no capacity to service these tourists and the entire exercise will turn out to be negative. Water sports complex, development of Beach entrance plaza, etc. need to be undertaken. The other support activities such as construction of boat jetties, construction of fuelling stations, dredging, etc. need to be taken up by the concerned authorities.
- **Festivals:** To ensure wider publicity for the beaches of Karnataka, it would perhaps make sense to organize some beach festivals at some of the coastal locations in the State. One way could be to hold a cultural/ literary/ art festival at one such location. This would attract those with creative bend of mind to the shores of Karnataka and at the same time ensure wide publicity to beaches of the State. Another way could be to encourage some of the Hindi film makers to shoot some of the film sequences along beaches in the State. This would ensure publicity to our coastal treasures.
- **Connectivity:** Direct connectivity is the key to attracting more visitors to the coastal areas. Perhaps, it may not be possible to have air connectivity to all coastal locations. But train connectivity from some major centres can play a crucial role in increasing the inflow of tourists.
- **Building carrying capacity:** State already has a pro-active policy to encourage Home Stays for the tourists. The same may be leveraged to increase the number of rooms available for tourists in the coastal belt. At the same time, efforts would have to be made to ensure availability of friendly and hassle free means of transport for local travel within and around towns/ cities adjoining the coast.
- **Maintaining the Environment:** While aspiring to increase the number of tourists to coastal destinations, efforts will have to be simultaneously made to ensure that coastal ecosystems are protected so that there is no negative impact on lives of local population as well as health of our ocean and the creatures residing under it. 'Environmental footprint' of tourism is an important concern.

13.4 Weakness

One of the major drawbacks for developers in Karnataka is the difficulty in acquiring land and permissions for new projects as well as the ever changing laws and regulations which hamper operations even after setting up the project.

13.5 Focus on Mangalore

Given the strategic importance of Mangalore as a gateway to the Coastal tourism of the State, the overall strategic objective should be to maintain Mangalore beach as a premier beach resort and lead Mangalore as one of the leading tourist destinations of Karnataka. Upgradation of infrastructure to international standards is a must.

13.6 Creating Water recreation zones

Recreational activities to be developed around the 12 Km, Nethravathi riverfront in an integrated planned manner with residential and commercial activities along its side. Various water front related activities can be planned depending upon the availability of land like motor boat rides, Cubing, rafting, river cruises etc. The Sports Authority of India (SAI)/Karnataka Sports Association shall provide guided canoeing, yachting, boating etc. facilities to domestic and foreign tourists on payment basis. Nethravathi River – Gurupur and Sea Coast of the district can be developed as a water-transport circuit for tourists. Interested tourists can also take up houseboat cruises and the starting point can be of a Gurupur River – Nethravathi River– Arabian Sea Coastal water transport circuit for tourists in the District as excursion tour. For this boat terminals and jetties need to be constructed and an administrative mechanism put in place.

13.7 Specific coastal tourism products

Product	Category	Activities
Sand and Sea	Beaches <ul style="list-style-type: none">• Shopping• Surfing• Windsurfing• Swimming• Pier/ Quay• Botanical & scenic gardens	<ul style="list-style-type: none">• Fun fair/theme park• Snake park• Water world parks• Aquarium• Zoo• Herbarium• Animal farm• Crocodile farm• Research centre
Activity	<ul style="list-style-type: none">• Boat/fishing trip• Hiking/walking trail• Horse trail• Freshwater fishing	<ul style="list-style-type: none">• Marine fishing• Golf• Horse riding• Sailing
Adventure	<ul style="list-style-type: none">• Canoeing• Bike• Riding	<ul style="list-style-type: none">• Abseiling• River rafting• Scuba diving

13.8 Proposed beach locations for different possible segments of tourists

Segment	Requirements	Proposed location
Family	<ul style="list-style-type: none"> • A family orientated beach, with safe swimming and other beach and water related activities for children and parents. Safety mechanisms paramount. Coastal Tourism police and beach security guards to be stationed. • Ample parking and clusters of food courts, beverage and beach products. • Commercial/ retail activities to be developed along the length of Snell Parade, with sub-tropical plants. • Beach sub-zone allocation for families, cultural privacy, swimming, surfing, fishing, motorized craft (jetski's), etc. should be included • A continuous walkway and cycle-way to be provided along the length of this zone. • Boating, fishing camp, temporary huts type of accommodation in Ullal beach. • Water Sports, resorts and hotels in Someshwar beach 	Panambur Beach Surathkhal Beach Ullal Beach Someshwar Beach
Up-market	<ul style="list-style-type: none"> • A more up-market beach providing an exclusive quality environment for tourists—even hotels extending their services onto the beaches. • Resorts to be developed with accommodation, swimming pools with swim-up bars, rooms Spa with exotic therapies and massages, Fitness Center, Jacuzzis, steam and sauna rooms. 	Tannir Bavi beach
Young	<ul style="list-style-type: none"> • A more activity based beach with beach sports, surfing, wind-surfing, body boarding and other on motorized waters port, with equipment available for hire from concession operators. More fun and adventure related activities to target the youth, both on the beach and in the sea, including facilities for live music and beach parties. 	Pannambur beach

13.9 Other recommendations

- A Water Sports Complex can be created especially to foster seawater sports in the area. Given the considerable depth of the river and large waves, water sports like water scooter, water skiing, Kayaking, etc. can be developed. Water Park could be developed to offer water sports facilities such as fishing docks, boating, kayaking, parasailing etc.
- Support infrastructure like restaurants, toilets, sports gear renting outlets, changing rooms, shower, lockers and trained security personnel are important.
- Arrival Plaza, Beach festivals, landscaped green area, horse riding, boating and water skiing in Pannambur and Suratkal beach.
- The Culinary Arts Museum of Johnson and Wales University is a model that can be adopted. Here people take a journey into cooking history from olden days to modern times. The collection of more than 500,000 items includes utensils dating back to ancient Egypt, Greece, and China; kitchen gadgets and equipment; an extensive collection of cook stoves and thousands of cookbooks. Given the wide-range and antiquity of cuisine of Karnataka and the coastal region in particular, a museum featuring these different utensils, recipes, etc with demo rooms where tourists can try cooking themselves, an out-door plaza for eating and live music and dance floors, and hop on hop off to river cruises where people could eat too as also sing and dance would be an attractive package.
- Spruce up the existing old town areas, market places and other cultural attractions next to such tourism locations and facilitate tourists to experience our culture, folklore, food & people.
- Complete 4 lane roads from Udupi to Karwar with World class wayside facilities.
- Conserve snorkelling locations and provide land adjoining it to set up facilities for snorkelling to private players.
- Government to acquire land for at least 4 or 5 pilot projects which could be auctioned to private investors as executed in Bekal area, Kasargod.
- Introduce hovercrafts services / fast boat transfers which can move at 60 to 90 km/hr to all coastal tourism locations starting from Mangalore to Goa.

14. ACTIVITIES CUTTING ACROSS CLUSTERS – CULTURE, MUSEUMS, ADVENTURE

14.1 Culture & Festivals

Bangalore

Considering that Bangalore is the gateway to Karnataka, it is essential to develop a vibrant cultural atmosphere in the city all year round.

- A cultural calendar to be mapped out with different focus areas for each quarter - dance, music, theatre, literature, fashion, art/craft, performances, plays, book readings, exhibitions, crafts melas, arts-workshops, etc. To foster the mantra “something happening in the city everyday”.
- The Metro Stations to be used for cultural activities, street plays, Hyde Park like sessions.
- In the long term, there is need to create a centrally located convention centre or cultural space for the city to host large-scale events. (Development of the Cubbon Park for such activities is a recommendation. Has the right ingredients- central, open space, greenery, flora fauna, library, water, sport, stadium, etc. This can become the art and culture district- and become a model for the rest of the country to follow). In the short term: Develop new/existing centres to house these events in 4 zones of the city.
- The soft power of culture is seldom recognized in boosting Tourism and the potential of Festivals in this regard is grossly under-utilized. In view of this, the State Government must create a matrix to evaluate and rank existing Festivals in the city and adopt 6-7 Top-Notch Festivals of international standards (Bangalore Habba, Bangalore International Arts Festival, Ranga Shankara Theatre Festival, Art Bengaluru: Contemporary Art Festival, Bangalore Literature Festival, Jagriti Theatre Festival, etc. to name a few). A representative body of eminent experts from the field of arts, music, culture, literature, dance, theatre, etc. to be drawn to assist the Government in creating and evaluating this matrix for Festivals. This Advisory Committee to also oversee these Festivals in terms of curation and ensuring content quality. The Government could provide start-up support (financial and otherwise) with a commitment to help incubate these Festivals for 5 years till they find their own path. Government must help advertise these Festivals - online, in their brochures and on-ground to help tourists plan their visits to Bangalore/Karnataka around the time of these Festivals. If some of these are timed strategically around festivals like the Mysore Dasara which draw an influx of tourists, it could help amplify the tourist footfalls many fold. These Festivals need to be spaced across the year to ensure equitable spread.

Rest of Karnataka

It has been a tradition to boost tourism through the showcase of art and culture mediums. Most of our heritage sites have got huge visibility with the art festivals that have been organized at those venues. For eg: Khajuraho, Konark, Kashi Vishwanath temple Benaras,

Hampi, Elephanta Caves, Ajanta & Ellora, etc. Currently, festival as a tourism opportunity in Karnataka is grossly under-utilized. The execution, content, frequency, infrastructure, PR and Advertising leave much to be desired.

14.2 Key recommendations

- The verticals of classical dance, classical music, folk dances, popular and light music, fashion- ethnic, puppetry and handicrafts must be the focus areas for the festivals at these heritage sites.
- Some of these Festivals could be annual and some others bi-annual so that it gives sufficient time to plan and organize the next edition.
- The Government to be an enabler/facilitator, while the content and curation of these festivals to be handled through a constituted body of renowned experts whose decisions on the content should be final.
- Depending on the genres, these Festivals should feature three levels of performers: internationally known artists from India; well-known artists from Karnataka and young & upcoming local artists.
- The Government should concentrate on Three international festivals—the Mysore Dasara, Hampi Utsav and one more from the heritage sites. Given the popularity and brand of the Mysore Dasara, it could continue to be an annual function but include more professionally & aesthetically curated dance, music shows, exhibitions that include handicrafts, folk performances, popular music, local cuisine, puppetry, etc.
- Hampi Utsav is recommended as a bi-annual festival as an exclusive venue for music-classical, contemporary and world music; while the other heritage site could be developed as an exclusive international dance festival venue. Inclusion of other mediums like fashion, puppetry must be explored.

14.3 Museums

Bangalore

The purpose of a museum is not only for education, knowledge and curiosity but also to give a sense of history, pride and belonging. The five most popular museums and galleries in both London and Paris receive more than 20 million visits between them while Shanghai's and Istanbul's 'top five' attract more than six million. 'Newer' cities too are keen to develop their museums and galleries. Singapore alone has more than 50 museums, and 40% of its residents visit a museum or gallery each year. Highest percentage of residents attending museums and galleries are as follows: London (53.6%); Shanghai (47.5%); Paris (43%). Just one museum in Paris (the Louvre) gets more than 1.5 times the number of visitors that all of India gets in terms of foreign visitors according to the last statistics given by the Indian Tourism department. (9.72 million vs. 6.29 million).

What we have currently in the way of museums& art galleries, whether geared towards history, culture, health, sport, law, aerospace, defence is extremely meagre. The total number of art galleries total to less than 15. They include Government Museum, Kempegowda Museum, Karnataka Folk Museum, Gandhi Bhavan, HAL Aerospace Museum,

Madras Sappers Museum & Archives, Visvesvaraya Industrial and Technological Museum, NIMHANS Brain Museum, Philatelic Museum, Law Museum, Legends Motorcycle Museum, Jawaharlal Nehru Planetarium, Venkatappa Art Gallery and National Gallery of Modern Art.

Just in terms of international scale and standards, if we compare this with 3 cities with the highest number of national museums: Shanghai (27); Paris (24); Berlin (18) or with 3 cities with Highest number of other museums: London (162); Berlin (140); New York (126) and even with cities with very little history- it becomes amply clear that we fall woefully short. Singapore has more than 50 museums and in recent years, about 100 museums have opened annually in China, peaking at nearly 400 in 2011 alone.

While it might not be entirely feasible to develop museums in every part of the State at heritage sites, Bangalore could have the 'Museum District' (like in London) or the 'Museum Mile' (in New York) set up with public private partnership to become a showcase of the culture and arts of the entire State and also for different facets like science, IT, sound, defence, cricket, etc. which have developed indigenously in Bangalore.

In addition to national museums, regional and community museums need to be encouraged and provided for to showcase regional culture and heritage. For instance a botanical museum for the Western Ghats would be a unique asset.

A Case-study in India

Bihar has taken up an ambitious and well thought-out project to rejuvenate and rebuild its crown jewel — the Patna Museum. The State government conducted an international competition that brought in the best talent from around the world — including the architects involved in rebuilding the World Trade Center — to design a Rs. 400-crore new museum in Patna. The most impressive feature so far is the approach adopted by the Bihar government. Chief Minister Nitish Kumar neither waited for assistance from the Union Ministry of Culture, which has not acted on the year-old B.N. Goswamy Committee's report on modernizing Indian museums, nor did he look to cultural tsars from Delhi for directions. After deciding to build a new museum, the State appointed Lord Cultural Resources, a Canadian Museum Planning consultant, to advise it. Six spacious government bungalows, housing a university and a church among others, spread over 16.59 acres on Bailey Road area will be demolished to build the museum. In 2012, the State government cleared the way for the construction of the new museum at a cost of Rs. 400 crore (inclusive of construction, exhibits, landscaping and all soft costs). A similar approach to replicate in Bangalore is advocated.

14.4 Adventure tourism

Context

Adventure and outdoor tourism has become an important segment of the tourism business worldwide as well as in India. In the proposed strategy for 12th five Year plan, Ministry of Tourism has identified Adventure Tourism for suitable development and promotion and accepted it as its niche area of strength.

Adventure Sports is increasingly becoming popular amongst the youth. Earlier adventure was considered synonymous with daredevilry and domain of 'adrenaline junkies' but lately that thinking has seen a paradigm shift. Done properly, with certified guides and outfitters, using state of the art gear and following international safety and sustainability guidelines these activities have a way of vitalizing the mind and soul. The participation itself is a manifestation of the adventurous spirit of the youth.

Towards this the Youth Empowerment and Sports Department had established General Thimayya National Academy of Adventure (GETHNAA) in 1982. This academy has established Adventure Centres in the state and conducts regular Terrestrial, Aqua and Aero adventure activities. The number of people opting for adventure sports is growing tremendously and the present infrastructure and facilities are not sufficient for these large numbers. The state of Karnataka is yet to realize the immense potential it holds to attract Adventure Tourism. Some goals to work towards:

- The State Government must aspire for a 10% pie of overall tourism revenues from adventure.
- Aspire to be among the top 5 States in promoting adventure activity.
- Karnataka to be among top 100 adventure destinations in the world.
- 1 Million (10 Lakh) people to be exposed to adventure activities in 5 years.
- Karnataka to produce at least 10 world class talent to compete and win in international competitions in 5 years.

Assessment of current situation

The naturally rugged terrain and the wide expanse of the blue waters make the state of Karnataka an ideal place for several interesting outdoor activities. Blessed with Rolling Meadows, beautiful valleys, meandering and roaring rivers, and gushing waterfalls, thick forests rich in wildlife, swampy deltas, and magical moonscapes - Karnataka has something for everyone looking for adventure. In order to analyse the situation we need to segregate all adventure activities in three parts and analyse them separately.

- Aero Adventure Activities
- Aqua Adventure Activities
- Land Adventure Activities

Aero Sports

These activities mostly involve flying in some form of the other, which can be undertaken without extensive ground and technical support. Karnataka has some aero adventure sports being organized in a small way by the Government at some places and by private enterprises at others. Some activities like Skydiving and Microlight flying could utilize existing air strips. The activities and potential locations:

- **Paragliding:** Nandini Hills, Hoskote, Yellagiri and Mullayanagiri
- **Skydiving:** Unused commercial airstrips

- **Hot-air ballooning:** Exploit for tourism over heritage and wildlife sites.
- **Para Motor:** Can take off and land in a football size field, follows air space restrictions.
- **Microlightflying:** Jakkur, Mysore, etc.

Water Sports

Karnataka has a 300 km coastline, meandering backwaters and large untouched water bodies, which make a perfect backdrop for exciting aqua adventure sports. Some popular aqua adventure sports are being offered by private enterprises but the potential is far from being realized. Some activities and potential locations:

- **White Water rafting:** Dandeli, Kemphole, Sitanadi, Netravali, Madikeri
- **Windsurfing:** Several places on the 320 Kms coastline: Gokarna, Murudeshwara, Suratkal, Marawanthé, Almaty
- **Surfing:** Kapu, Mulki, Marawanthé, Karwar and Gokarna.
- **Canoeing and Kayaking:** Sharavathi back waters.
- **Kite-surfing:** Beaches with moderate to high winds.
- **Scuba diving:** Devbagh near Karwar and Netrani near Murudeshwara.
- **Other beach aqua sports like Aqua Sailing etc.;** Beaches like Suratkal, Kaup, Karwar, Marawanthé, Malpe, Murudeshwara, St. Mary Island and Gokarna.

Land based

Karnataka has unique Rock formations, Rolling Meadows, beautiful valleys, thick forests - perfect for anyone looking for land based adventure. Some activities and potential locations:

- **Rock Climbing:** Geethna Artificial Wall, Badami, Yana, Ramnagar, Fort in Chitradurga, Shivgange, Tekal, Utsav Rock garden, Kodachadrigiri in Shimoga, Kumaraparvat, Mullayanagiri, Brahmagiri, Jenukallubetta, BR Hills, Nandi Hills, Nandi Hills and Male Mahadeshwara Hills.
- **Trekking:** Shimoga, Chikmagalur, Hasan, Kodagu, all Ghats districts of North and South Karnataka.
- **Rapelling:** All the rock formations can be used for rock climbing.
- **Water fall rappelling:** Jog Falls, Magod Falls, Kodachadri, Mulliyangiri; Baba BudanGiri, Kundadri, Hebbe Falls, Gokak Falls, Abbey Falls, Lalguli falls, Onke Abbe, Kalhatti Falls, Kudremukh, Sathodi Falls, BR Hills, Agumbe, Iruppu Falls, Chickmagalur, Coorg, Shivasmudra Falls, Kemmanagudi, and other places which become active falls during monsoons
- **Mountain Biking:** Through jungle trails that cut through giant trees and undulating streams. Eg: Cauvery Valley and the Dandeli Forest.
- **Camping:** Western Ghats and river trails in Karnataka.
- **Cave exploration:** Siddhabetta, Tumkur, AntaraGange, Kolar and Badami.

Only 50% of the potential locations mentioned above have been exploited for the activities mentioned primarily because of lack of knowledge, infrastructure, expertise, marketing support and equipment (availability and difficulty in importing them).

Suggested Strategy

Create an environment conducive for adventure tourism

- **Identify Locations**
 - Encourage Basic Study and research by existing operators and experts.
 - Hire known experts from India and abroad to get a list for each activity.
- **Formulate a long term vision.**
 - Draw out a plausible Implementation road map.
 - Calculate funds requirement over a period.
- **Build Infrastructure to meet the industry requirements.**
 - Connectivity of roads and transport etc.
 - Local Administration support.
 - Improve existing facilities specific to activities.
 - Make available high resolution digital maps as open source.
 - Formulate single window permissions and licenses.
- **Incubate and Support Local Entrepreneurship.**
 - Improvements to the regulatory framework.
 - Formulate a conducive taxation strategy
 - Initiate a government led program to educate the locals
 - Demonstrate success through a small pilot
 - Evaluate fee structure and support them in initial stages.
 - Procure basic equipment and rent them out to entrepreneurs to initiate activities.
 - Facilitate equipment import and make them duty free.
- **Promote the Location and activity aggressively**
 - In international travel marts by publishing and printing dedicated brochures, CDs and Posters.
 - Use of Social Media.
 - National promotion through Incredible India Campaign.

National Adventure Academy

- **Plan outline**
 - The Academy to cover all three sectors of Adventure (Air/Water/Land). It should ensure conformance to world safety standards and serve as a reference point for the country w r t safety & standards
 - To become the source of expertise for all adventure tourism in the country
 - To work on a hub and spoke model
 - Create freedom of movement with equipment.

- Investment
 - The major investment will be on Equipment, Expert & Dedicated Teams and Creating Standards
 - Establishing of the academy could be done in stages:
 - Utilize Ex-Service men with extensive background in these activities and international experts
 - PPP Model; low interest loans
- The indicative costs for the creation of one node is as follows:
 - Aero Adventure:
 - Sky-diving: Rs. 6 cr (Rs. 5 cr for the Aircraft)
 - Paragliding: Rs. 1 cr
 - Paramotor: Rs. 2 cr
 - Aqua Adventure
 - Kite surfing: Rs. 85 Lakhs
 - Surfing: Rs. 15 Lakhs
 - Wind Surfing: Rs. 1 cr
 - Land Adventure
 - Climbing: Rs. 1.5 crs
 - Mountain biking: Rs 1 crs.

Some facilitating policy (and other) initiatives:

- Set up four Tourism and Adventure plazas in Bangalore, Mangalore, Mysore and North Karnataka – of 10 Acres each.
- Adventure and associated activities to be exempt from entertainment tax.
- Indigenization of equipment over time.
- Government to lease out 20-50 sites to private companies in the next two years.
- Allocate space permanently in 4 containers to subsidize temporary import of adventure equipment.
- Warehousing and manufacturing units in KIADB zones.
- Insurance fund creation to subsidize premiums.
- KSTDC packages for Adventure Tourism.
- Hot-air ballooning networks.
- Scholarship funds: both State and Central

15. HUMAN RESOURCES



In order to truly capitalise on the tourism potential in Karnataka, it is essential to have a strong human resources policy that enables citizens to seek employment in the hospitality / tourism sector. The creating of tourism infrastructure will increase employment in two phases – the construction phase and the operations phase. At present, there exists huge employment demand: one additional room can approximately generate 40 jobs through direct and indirect channels.

There are two fundamental ways by which human resources in this industry can be improved – vocational training institutes and legal reform.

15.1 Vocational Training

This is primarily facilitated by a strong focus on vocational institutes that deliver intensive training to those interested in either tourism or hospitality. Karnataka Tourism should introduce at least one Government aided and sponsored vocational training centre in each major city in Karnataka with special emphasis on training for Tourist Guides and support staff in housekeeping, front office, reception, etc. across all tourist destinations

In order to ensure employment generation and relevance of the syllabus, it is required that the vocational institutions and the tourism industry are strong linked together. This can be done by encouraging internships, case studies and allowing the State Tourism Department to advise on potential curriculum topics.

15.2 Legal Reform

There must be an alignment of state and national schemes that empower citizens to seek vocational training in such industries to prevent redundancies, maximise efficiency and bring about legal reform. The Tourism Industry should be brought under the Essential Service Act - this will give the tourism industry immunity against frequent disruption in business like strikes/ bundhs, protecting visitors to the state from any on-going dispute.

Additionally, liberal policies and rules under contract labour act are required to ensure availability of larger work force in non-core areas of Hospitality, such as security, kitchen stewarding, maintenance and cleaning services. Technology improvement can allow on-line compliances and effective implementation to various mandatory licenses like, such as labour, social security (ESIC & PF), excise and food safety. It is also required to amend the Karnataka Shops and Establishment Act to accommodate 12 hours shifts and extend the cap on overtime hours per day for all staff in the Tourism and Hospitality Sector.

Finally, it is essential to encourage recruiting of skilled foreign staff in the Tourism and Hospitality Sector, such as spa therapists. This is best achieved by seeking a reduction in minimum threshold level to USD 10,000 as against the present USD 25,000 limit per annum.

16. IDENTITY, BRANDING AND POSITIONING

Best practices in branding for tourism across the world stresses on being distinctive and offering a unique travel experience. Karnataka has a rich diversity of culture, heritage, wildlife, nature and urban tourism available to showcase. From this diversity, it is important to send out a cohesive, unique message of what Karnataka has to offer and brand accordingly. Paradoxically, it is unwise to position across all tourism options such that Karnataka does not have a distinctive position.

16.1 Identity

- Characteristic built form, visual, and experiential elements associated with a place and its people
- Unique and particular to different places, regions, and cultural groups
- Not only grand palaces with particular architectural styles have an identity but also small villages or farms
- Identity is formed by elements such as built form/architectural style, materials, and technology, types of uses and activities, types of streets and street activities, public spaces and social interactions, geography (hills/desert) sounds, arts, crafts, and natural elements such as plant material and proximity to water
- Requires a coherent master plan that guides and regulates development to be compatible with the tourism asset, preserves, and supports it.

What enhances Identity and Experience?

- Identify, prioritize, and protect cultural and heritage assets
- Use of local materials and technologies
- Proximity of experience - walking or moving slowly through a place as opposed to speeding across a highway
- Coordinate quality, itinerary, and sequence of experiences. Use of local plants and materials
- Master-plan enhances and protects views and land uses to be compatible to the prioritized activity (especially valuable for heritage places such as Hampi, Belur-Halebeedu, and Badami but also for other tourist places for wellness, ecotourism or heritage). Guidelines and regulations for all new development and construction from road widening and street lighting to locations of toilets so as to be compatible with the tourism asset, preserve, and support it.
- Interpretation of heritage sites
- Design to hide away unsightly necessities such as parking areas and toilets

What challenges Identity and Experience?

- Absence of a clear vision and plan. Fragmentation and scattered experiences
- Absence of master-plans and regulations for each destination and place that results in haphazard growth in and around destinations
- Conflicting priorities and interests that do not prioritize shared set of goals aimed at tourism asset.
- Absence of coordination between departments and agencies
- Inadequate infrastructure so that traffic congestion and solid waste overwhelm the identity and experience of a place
- Inadequate planning and building regulations resulting in generic and universal concrete structures such as flyovers, apartment and commercial buildings, and parking spaces

16.2 Branding

At present, Karnataka is best known for the Dasara Festival and the world heritage site at Hampi. Bangalore is the most internationally recognised brand in Karnataka. Royal Mysore is a further sub-brand that is very strong and deep rooted in Karnataka culture and tradition. Karnataka offers a lot in Nature and Wildlife, while offering tremendous potential in Adventure. The challenge is to mesh these different streams and strengths into a cohesive Karnataka brand that promotes tourism. In order to brand Karnataka Tourism appropriately, a detailed exercise is required that conducts research into the advantages and disadvantages of different positioning strategies.

Like Gujarat Tourism, Karnataka needs to rope in an internationally renowned personality to be its Brand Ambassador to espouse the various tourism destinations of the State on Television, Radio, Print Media, Hoardings and Social media to create greater awareness of the availabilities here.

Tourism is oft considered an upper-end issue that is normally addressed last by any city or State or country. Global experience across destinations indicates this trend. Once the basics have been addressed, a society starts addressing the upper-end issues, and tourism is considered one. Karnataka is today a ripe destination that needs to look at Tourism Branding carefully. The properties that are valuable assets that could be branded to fruition are three in number:

1. Brand Bangalore
2. Heritage Karnataka
3. Rural Karnataka

Each of these has a dimension to offer that is distinctive, unique and different. While Brand Bangalore has emerged to be a magnet city that has an attraction quotient that is quite led by the IT/ITES and Biotech industries that brought it to recent limelight, Heritage Karnataka remains an undersold story in brand terms. The richness of Mysore, Hampi, Sravanabelagola

and 21 other destinations in Karnataka offers rich branding opportunities. The third frontier of branding lies with Rural Karnataka. The variegated nature of our rural offerings is something that can be used to advantage. Rural Tourism is slated to emerge as a big attraction across the world, as the entire world gets totally fed up with urbanization and its angst. India with its 6,43,740 villages offers possibly one of the largest possibilities for Rural Tourism. Karnataka can use this to advantage and be the first-mover in this realm.

While Karnataka offers very many opportunities to brand its offerings, across the realm of heritage tourism, royalty tourism, wildlife tourism, festival and festivities tourism, adventure tourism and more, it is important to hone in one singular focus statement that will ensure Karnataka stands out and apart from the rest of the clutter.

Several Indian states such as Gujarat, Madhya Pradesh, Kerala and more, have already taken the lead to add to this clutter. Out of this clutter must emerge a distinctive platform that will be Karnataka's base, and indeed Karnataka's claim to fame.

One big possibility is the fact that Karnataka at large is a peaceful state. The Kannadiga is an all-embracing, non-jingoistic entity at large. Add to it the fact that recent data from the markets of the US, Europe and even parts of Continental Africa indicate that India is seen to be a "troublesome" destination that is "unpredictable" and "dangerous" at times, and there is a case to brand Karnataka as "Peaceful Karnataka"!

The brand initiatives for Karnataka will look at both Internal Branding as well as External Branding needs. These will be carefully assessed post consumer understanding that is truly granular.

There is a certainly a need to invest in a Brand Ambassador for Karnataka, who will represent the true ethos and tradition of this land. The suggestion is not to look at a human brand endorser, but instead to look either at an animal or an icon that can be crated with animation. This will once again set the Karnataka effort to be distinctively different, as opposed to other States that have grabbed wither an Amitabh Bachchan or Sharukh Khan for themselves. States are properties that are larger than individuals and celebrities. It is important to use this to distinctive brand ability.

An important adjunct to branding will be the fact that foreign tourists typically look at India in general and Karnataka in particular as a terrain that does not invest in good tourist-related infrastructure. This starts from the fact that basic and clean toilets, guesthouses, hotels and taxis with a hygiene orientation are not available. A trained tourist friendly set of people in the tourism ecosystem is missing as well.

Karnataka holds the potential to use this USP to advantage after investing in the same. It would be good to showcase these facilities up-front in the brand building effort. It will help overcome a key hurdle that foreign tourists often quote when they choose destinations that offer comfort-infrastructure versus those that don't.

16.3 Communication

Communication and media is extremely important to attract and inform potential visitors of the unique travelling experience Karnataka has to offer. There needs to be a change in the current website – the new website must offer user friendly detailed information on popular tourist destinations, stay options, information on safety, healthcare, events, timings, detailed maps and booking options for travel. There is a need to constantly update the website.

In addition to a revamped website, Karnataka Tourism should have a well thought out social media plan that includes Facebook, Twitter and Foursquare. The aim of the social media should be to encourage new visitors to Karnataka or to engage citizens of Karnataka to travel across the State. A monthly target of 'followers' and 'likes' is required to ensure that the social media is always relevant and reaching out to a constantly increasing number of people. Systems must also be in place that reads and implements reviews and suggestions from tourists who have visited a location that are posted on social media websites such as Trip Advisor, Expedia, etc.

In order to facilitate advance planning of visits by tourists, it is crucial to have an annual calendar that lists out all of the various events, functions and celebrations occurring in different parts of Karnataka. This calendar is to be organised thematically and posted on the website and on social media sites. The use of mobile apps will greatly enhance information dissemination by tourists as well as improve engagement of Karnataka Tourism with visitors.

Finally, having workshops in many schools across Karnataka to encourage children to make their families visit popular tourist destinations will increase tourism activity within the State. It will also emphasise the educational benefits of tourism. 'Passport' plans to get tourists to visit multiple sites and photographs with plaques at venues could drive increased tourist traffic.

Developing digital multimedia interpretations that can be used on site, on website and social media, as well as sold at the site can be a good way to promote understanding of the tourism assets.

Exhibit 1

Terms of reference & KTVG and List of members / Special invitees

Terms of reference

1. To analyse & prepare a Road Map for providing infrastructure facilities of international standard at tourism destinations
2. To identify key projects which needs to be taken up as flag ship projects to show case Karnataka in various tourism sectors like heritage, culture adventure etc., and to identify private sector partner for taking up these projects within time frame
3. To identify prioritized circuits and to analyse and develop Human Resources and Infrastructure facilities at these sites
4. To identify new unexplored tourist destinations that can be developed into international destinations
5. To recommend necessary steps required for creating Human Resources and Infrastructure facilities in Tourism sector
6. The committee shall have the powers to co-opt experts in different areas of tourism sector for their deliberations
7. The committee shall have the powers to constitute sub-committees to analyse particular area of tourism
8. To develop a policy for maintenance and management of infrastructure facilities developed by the department at all tourist places
9. To analyse and give suggestions to be incorporated in the proposed new tourism policy as the present tourism policy is ending in 2014
10. To give any other recommendations/suggestions to improve tourism sector.

Members

1	Sri Mohandas Pai	Chairman
2	Dr. Kiran Mazumdar Shaw	Member
3	Sri Raman Kalia	Member
4	Sri Subhash Goyal	Member
5	Sri Anil Kumble	Member
6	Smt. Sudha Murthy	Member
7	Sri Abhishek Poddar	Member
8	Sri S.G. Vasudev	Member
9	Smt. Vani Ganapathy	Member
10	Dr L. Subramaniam	Member
11	Prasad Bidappa	Member
12	Sri Vinay Luthra	Member
13	Lt. General Ramesh Halagali	Member
14	Sri Vishveshwara Bhat	Member
15	Smt. Sangita Jindal	Member

16	Sri N. Ramesh	Member
17	CII Representative	Member
18	FKCCI Representative	Member
19	ASSOCHAM Representative	Member
20	BCIC Representative	Member
21	FHRAI Representative	Member
22	Sri Ravichandar	Convener

Special Invitees

1	Sri. Arvind Jadhav
2	Ms. G. Sathyavathi
3	Sri George T Ramapuram
4	Dr. Issac Mathai
5	Dr. Jyoti Hosaagarahara
6	Sri Ramkumar C.B.
7	Sri H.N. Srinivas
8	Sri Vineet Verma
9	Sri Vikram Sampath
10	Sri Abhay Jain
11	Sri Shashikanth
12	Sri Vinay Luthra
13	Sri Ramesh K
14	Sri Vineet
15	Sri George Ramapuram
16	Sri H N. Shrinivas
17	Sri Cherian Ramapuram
18	Sri Srinivasulu Mallampooty
19	Sri Soumitra Bhattacharya
20	Sri Kiron Shah
21	Sri T S Rajagopalan
22	Sri Sridhar Pabbisetty
23	Smt. Usha
24	Sri Ayanna
25	Sri Shivashankar
26	Sri Harish Bijoor

Exhibit 2 A
Karnataka Tourist statistics: 2011-13

Month	2011			2012			2013		
	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign	Total
Jan	7,939,364	72,439	8,011,803	9,077,753	71,004	9,148,757	10,133,593	73,446	10,207,039
Feb	5,785,241	70,459	5,855,700	7,472,954	72,503	7,545,457	8,160,789	61,130	8,221,919
Mar	5,845,227	54,664	5,899,891	5,744,302	53,844	5,798,146	6,680,357	62,647	6,743,004
Apr	6,828,344	43,650	6,871,994	7,145,412	46,427	7,191,839	9,091,137	43,048	9,134,185
May	8,683,433	43,384	8,726,817	10,490,020	35,970	10,525,990	10,683,545	39,184	10,722,729
June	5,470,244	36,705	5,506,949	6,170,042	28,676	6,198,718	6,989,057	27,216	7,016,273
July	6,776,156	33,045	6,809,201	6,756,083	40,532	6,796,615	6,736,199	43,607	6,779,806
Aug	7,423,273	40,871	7,464,144	7,892,307	49,128	7,941,435	8,472,253	50,129	8,522,382
Sept	5,616,546	20,181	5,636,727	6,634,878	21,044	6,655,922			
Oct	8,119,688	36,472	8,156,160	8,746,281	41,740	8,788,021			
Nov	6,401,722	55,851	6,457,573	7,932,336	62,520	7,994,856			
Dec	9,218,152	66,284	9,284,436	10,618,166	71,971	10,690,137			
Total	84,107,390	574,005	84,681,395	94,680,534	595,359	95,275,893	66,946,930	400,407	67,347,337

Exhibit 2 B

Relative Visitor Proportions to Major Tourist Destinations in Karnataka

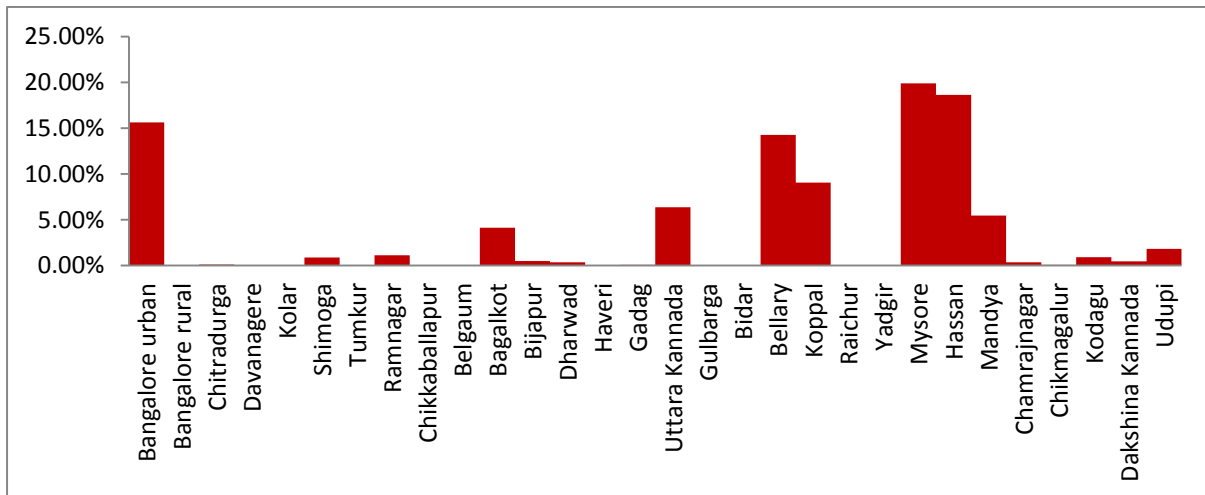
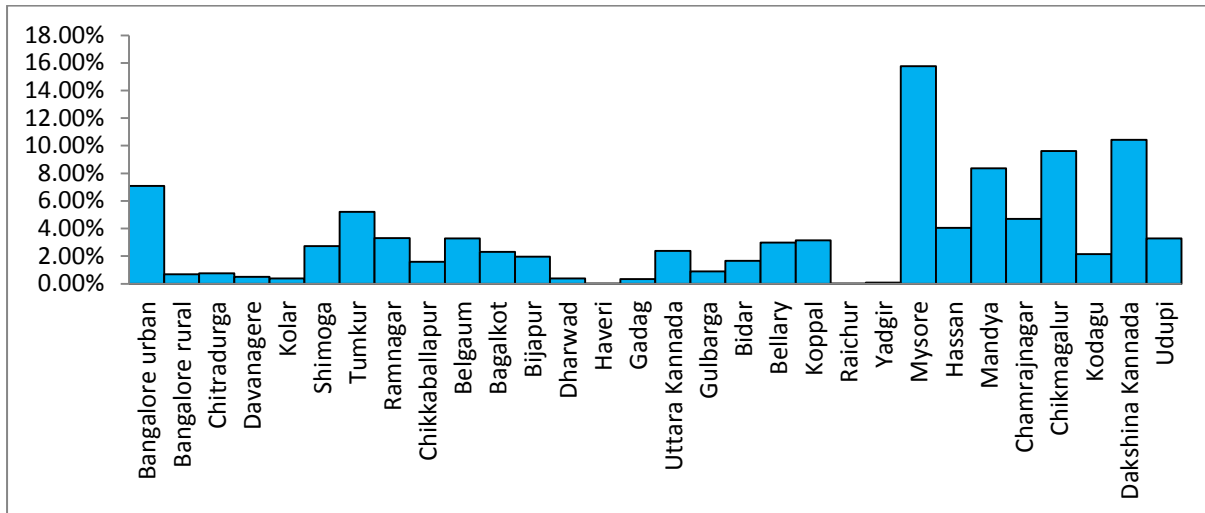


Exhibit 3

Tourist Destination Classification: Sample Guide

An exercise to develop a classification guide for the state of Karnataka is by no means a simple endeavour. The conceptual framework proposed below is an attempt that can be further developed into robust platform on which Karnataka's Tourism Development Plan can be developed with the involvement of all stakeholders anchored by the Tourism Department. The framework focuses on classifying the tourist destinations on the axes of

- Tourism Category - Culture & Heritage , Sports, History, Holiday & Nature
- Maturity levels - Exceptional, Excellent, Good and Potential for Development

The other crucial stakeholders to be involved in developing the plan are Ministries of Kannada and Culture, Sports, Wildlife, Karnataka Sangeetha Nrithya Academy, Karnataka Sahitya Academy, Karnataka Urdu Academy, Karnataka Janapada Academy, Lalitakala Academy, Chalanachitra Academy, Karnataka Shilpakala Academy, Karnataka Natak Academy, Promoters of Events, Luminaries in various sectors of national and international repute and subject matter experts.

Today planning an itinerary in India and even specifically in Karnataka relies heavily on the recommendations of earlier visitors or local friends. This is similar for tourists from different locations – residents of Karnataka (locals), from rest of India and foreign tourists. There is no single repository that tourists rely upon and this is a key missing gap that the tourism department can aim to fill. Interesting ways in which people are finding information depend on books - Lonely Planet and hundreds of guide books, online travel portals - HolidayIQ, , TripAdvisor, ixigo, Kayak, Incredible India and reach out to friends and acquaintances who are in Karnataka or been to Karnataka.

There are many dimensions on which tourism destinations can be classified. We have in this discussion taken the Type of Tourist Destination based on the activity that people can explore during their visit – For e.g. Culture & Heritage, Sports, History, Holiday, and Nature& Ecotourism.

We have gone ahead and captured various Culture and Heritage events and destinations in Karnataka and tried to categorize them based on the following parameters:

- #Number of Visitors (Actual / Potential)
- #Composition of Visitors (Local / National / International)
- Management Maturity
- Event Calibre

While the list of events and destinations is by no way complete, we can enhance this list in the final report along with events and destinations from all categories. This list can further be classified based on visitor types as described in “Defining Tourists” by Dr. Rong Huang

Criterion	Exceptional	Excellent	Good	Potential
#Number of Visitors #Composition of Visitors (Local / National / International) Management Maturity Calibre of talents & Depth of Intellectual pursuit	Mysore Dasara Kannada Sahitya Sammelana BIFFES Rangashankara Theatre Festival Suchitra Short Film Festival	Hampi Festival Karnataka Janapada Sammelana Bangalore Literature Festival Academy of Music Festival at the Chowdiah Memorial Hall Lalbagh Flower Show Kadalekai Parishe Bangalore Karaga	Pattadakal Badami Aihole Navraspur Sree Rama Seva Mandali - Fort High School St. Marys Festival Lalbagh Mango Festival	Vasantha Habba Bangalore Habba Bangalore Roof Top Film Festival Gudiya Sambrana

Exhibit 4

Proposed Suvarna Karnataka Expressway

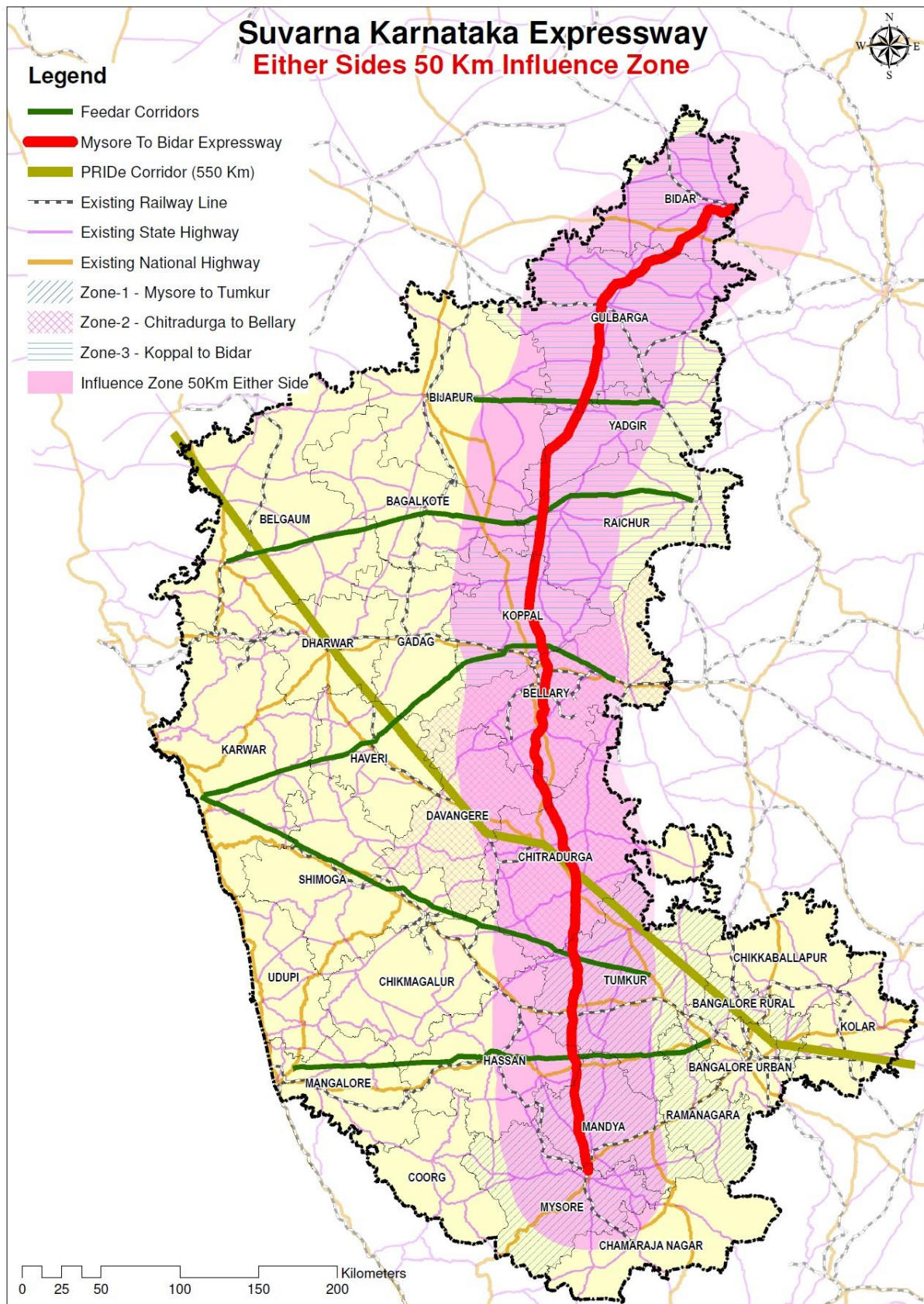


Exhibit 5A

Highlights of the Revenue Projects from Tourism Industry for Government of Karnataka

(A)	<u>Employment Generation</u>			
	Current Employment in Tourism	1,860,000	Nos	
	Employment in Tourism as % of total employed people in Karnataka – 2012	5%		
	Targeted Employment in Tourism by 2020	6,200,000	Nos	Assumed at 10% on current population
	Employment in Tourism as % of total employed people in Karnataka by 2020	10%		
	Additional Employment generated by FY 24	4,340,000	Nos	
(B)	<u>Tourists in Karnataka</u>			
	Total Tourists in Karnataka in 2012	94.65	Million people	
	Current level of Tourists in Karnataka	100.00	Million people	
	Expected Tourists by 2024	214.36	Million people	
	Growth Rate over 2012	126%		
(C)	<u>Vehicles Growth</u>			
	Number of vehicles registered as on 31/3/2012 (tourist - 4 wheeler, buses, taxis, trucks & lorries, educational inst buses)	652,702		
	Estimated growth rate YOY till FY 24	10%	per annum	
	No of similar category vehicles by FY 24	2,048,458		
	Incremental vehicles	1,395,756		
	Lifetime tax rate - average	14%		
	Average cost of the vehicle	1,500,000	Rs. / vehicle	
(C)	<u>Targeted Investment for growth in Tourism to be invested in stages by FY 19</u>			
	Investment in Infrastructure Development	34,656	Rs. Crs	Government Spend - 80%, Private Sector - 20%
	Tourism destination investment (hotels, etc)	31,190	Rs. Crs	Government Spend - 20%, Private Sector - 80%
	Mobility Infrastructure (bus, cabs, rail-links)	6,931	Rs. Crs	Government Spend - 40%, Private Sector - 60%
	Rs. 3 crs per heritage site / location for renovation for 100 sites	300	Rs. Crs	
	Total	73,078	Rs. Crs	
	The total investment is estimated to be split as 80% towards Capex and 20% towards Opex. The Capital expenditure will be incurred partly by the government and Private sector.			
(D)	<u>Targeted Clusters and No of Cities in Karnataka for Tourism (as per the Tourism Report)</u>			
	Mysore Cluster	7	No of Cities	
	Hampi	5	No of Cities	

	Western Ghats	5	No of Cities	
	Wildlife	5	No of Cities	
	Medical Wellness	1	No of Cities	
	Spiritual	11	No of Cities	
	Coastal	6	No of Cities	
	Total	40	No of Cities	
(E)	<u>Total Estimated Revenue Generation in form of taxes, duties to State of Karnataka</u>			
	Direct Taxes by FY 2024 (based on devolution rate of 3% by centre to state on state govt revenues)		1,929	Rs. Crs
	Indirect Taxes by FY 2024		83,352	Rs. Crs
	Total Tax Revenue		85,282	Rs. Crs

Exhibit 5B

Sources of Revenue from Growth of Tourism Industry

(A) Direct Taxes and other revenue sources	
1	Income taxes from employment growth including self-employment
2	Visa fees
3	Entry fees at tourist places
4	Service tax on services rendered
5	Entertainment Tax
6	Service Tax from Infrastructure development activities
7	Service Tax from construction activities of tourism
(B) Indirect Taxes	
1	VAT from sales from hotels and restaurant
2	Entertainment Tax
3	VAT from ancillary businesses that grow
4	Custom duty on imports
5	VAT from Sale of Merchandise
6	VAT from Infrastructure development activities
7	VAT from construction activities of tourism
8	VAT from sale of fuel
9	Lifetime tax on vehicles registered in Karnataka
List of industries that grow because of growth in Tourism	
1	Hotels
2	Food and Restaurant chains
3	Transportation
4	Facilities Management - maintenance, laundry, etc.
5	Tour operators
6	Airline and Railways
7	Advertisement and Promotion
8	Retail outlets
9	Cottage Industries
10	Sale of Merchandise
Inputs Required	
1	YOY Investment
2	Sectors of growth
3	Estimated revenue growth
4	Estimated inflow of visitors - Indian and foreigners
5	Places in Karnataka targeted for tourism growth
6	Employment growth YOY

Exhibit 5 C contd

Locations In Karnataka For Tourism Development

Exhibit 5C

Assumptions

(A)	Employment			
	Karnataka Population	62,000,000		
	Employable Age population	60%		
	Total Employment	37,200,000		
	Tourism Employment – current	5%	1,860,000	(A)
	Worldwide Norms	10%	3,720,000	
	Target Tourism Employment (10% of current population)		6,200,000	(B)
	Incremental Employment targeted		4,340,000	(B - A)
	Employment generated with \$ 1 Mn Invt	407		
	Additional Investment required		69,312	Crs
	Investment in Infrastructure Development	50%	34,656	Rs. Crs
	Tourism destination investment (hotels, etc.)	45%	31,190	Rs. Crs
	Mobility Infrastructure (bus, cabs, rail-links)	10%	6,931	Rs. Crs
	Total		72,778	Rs. Crs
	Add: Rs. 3 crs per heritage site / location for renovation for 100 sites		300	Rs. Crs
	Total		73,078	Rs. Crs

	1	2	3	4	5	6	7	
Cluster / Segments	Mysore Cluster	Hampi	Western Ghats	Wildlife	Medical Wellness	Spiritual	Coastal	Total
Category	Sightseeing	Heritage	Sightseeing	Sightseeing	Health	Religious	Sightseeing	
No of Cities	7	5	5	5	1	11	6	40
5 star Hotel	3	1	2	2	2	1	1	12
4 star Hotel	2	2	2	3	2	1	1	13
3 star Hotel	3	3	3	5	5	5	5	29
Budget Hotels	5	5	5	5	5	5	5	35
Eating Joints	10	10	10	10	10	10	10	70
Conv. Centres	1		1	1			1	4
SPA, Recreation	2		2	2	2		2	10
Food Processing	1	1	1	1	1	1	1	7
Shopping Malls	1		1	1		1	1	5
Clubs, Entertainment	3		3	3			3	12
Others	5	5	5	5	5	5	5	35
Total	36	27	35	38	32	29	35	232

Investment Amounts For Each Infrastructure									
		1	2	3	4	5	6	7	
Investment Amount - Each Cluster / Segment		Mysore Cluster	Hampi	Western Ghats	Wildlife	Medical Wellness	Spiritual	Coastal	Total
150	<u>Rs. crs</u>	3,150	750	1,500	1,500	300	1,650	900	9,750
75	<u>Rs. crs</u>	1,050	750	750	1,125	150	825	450	5,100
40	<u>Rs. crs</u>	840	600	600	1,000	200	2,200	1,200	6,640
15	<u>Rs. crs</u>	525	375	375	375	75	825	450	3,000
5	<u>Rs. crs</u>	350	250	250	250	50	550	300	2,000
15	<u>Rs. crs</u>	105	-	75	75	-	-	90	345
5	<u>Rs. crs</u>	70	-	50	50	10	-	60	240
10	<u>Rs. crs</u>	70	50	50	50	10	110	60	400
50	<u>Rs. crs</u>	350	-	250	250	-	550	300	1,700
10	<u>Rs. crs</u>	210	-	150	150	-	-	180	690
25	<u>Rs. crs</u>	875	625	625	625	125	1,375	750	5,000
	<u>Rs. crs</u>	7,595	3,400	4,675	5,450	920	8,085	4,740	34,865

Inflation – YOY	7.00%
<u>Taxation</u>	
Tax on room rent - Luxury Tax	12.00%
Tax on room rent - Service Tax	7.42%
Average room rent per day per person – Rs	3,500
% of rooms attracting taxes (Luxury and VAT)	60.00%

F & B revenue per person – Rs	1,000
Tax on F & B revenue – VAT	14.15%
Tax on F & B revenue - Service Tax	4.94%
Tax on F & B Revenue - Non Star Category restaurants	5.50%
% of revenue from Star Graded Outlets	60.00%
VAT on Infrastructure Projects	14.50%
Service Tax on Infrastructure Projects	12.36%
% of Infrastructure projects – VAT	70.00%
% of Infrastructure projects - Service Tax	30.00%
% of revenue devolution to State Govt - Direct Taxes	1.50%
Average number of rooms per hotel	75
Average occupancy – annualized	40.00%
Stamp duty on property registration on Tourism	3.00%
% increase in tourists per year	10.00%
VAT on tourist spends - Average	10.00%
Amount per Tourist (other than stay expenses)	2,000
Average distance running by tourists (kms)	100
Current Price of Petrol and Diesel (average)	67.50
Average Sales Tax of Petrol and Diesel	21.50%
Average mileage per litre of petrol / diesel	8
Number of vehicles registered as on 31/3/2012 (tourist - 4 wheeler, buses, taxis, trucks & lorries, educational inst buses)	652,702
Growth of vehicles in FY 12 v/s FY 11	9%
Growth of vehicles in FY 11 v/s FY 10	10%
Estimated growth rate YOY till FY 24 (per annum)	10%
No of similar category vehicles by FY 24	2,048,458
Incremental vehicles	1,395,756
Lifetime tax rate – average	14%
Average cost of the vehicle (Rs/ per vehicle)	1,500,000

Exhibit 5 D

Financial Summary : Karnataka Tourism Industry

		<u>Rs. crs</u>	<u>Rs. crs</u>	<u>Rs. crs</u>	<u>Rs. crs</u>	<u>Rs. crs</u>	<u>Rs. crs</u>	<u>Rs. crs</u>	<u>Rs. crs</u>	<u>Rs. crs</u>	<u>Rs. crs</u>	<u>Rs. crs</u>
	<u>Total till FY 24</u>	<u>FY 15</u>	<u>FY 16</u>	<u>FY 17</u>	<u>FY 18</u>	<u>FY 19</u>	<u>FY 20</u>	<u>FY 21</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>	<u>Total</u>
INVESTMENT IN TOURISM INDUSTRY												
<u>(A) Investment Pattern</u>	-											
Investment in Infrastructure Development		15%	20%	20%	20%	15%	10%					100%
Tourism destination investment (hotels, etc.)		15%	20%	20%	20%	15%	10%					100%
Mobility Infrastructure (bus, cabs, rail-links)		15%	20%	20%	20%	15%	10%					100%
<u>(B) Investment Amount</u>											<u>Rs. Crs</u>	
Investment in Infrastructure Development	34,656	5,198	6,931	6,931	6,931	5,198	3,466	-	-	-	-	34,656
Tourism destination investment (hotels, etc.)	31,190	4,679	6,238	6,238	6,238	4,679	3,119	-	-	-	-	31,190
Mobility Infrastructure (bus, cabs, rail-links)	6,931	1,040	1,386	1,386	1,386	1,040	693	-	-	-	-	6,931
Total	72,778	10,917	14,556	14,556	14,556	10,917	7,278	-	-	-	-	72,778
Number of Hotel	2,670		401	534	534	534	401	267	-	-	-	2,670
Cumulative Number of Hotel		0	401	935	1,469	2,003	2,403	2,670	2,670	2,670	2,670	
Average number of rooms per hotel			75	75	75	75	75	75	75	75	75	
Number of room nights (annualized)			4,385,475	5,847,300	5,847,300	5,847,300	4,385,475	2,923,650	-	-	-	29,236,500
Cumulative Number of room nights (annualized)		-	4,385,475	10,232,775	16,080,075	21,927,375	26,312,850	29,236,500	29,236,500	29,236,500	29,236,500	

Exhibit 5 D

Financial Summary : Karnataka Tourism Industry

		<u>Rs. crs</u>	<u>Rs. crs</u>	<u>Rs. crs</u>	<u>Rs. crs</u>	<u>Rs. crs</u>	<u>Rs. crs</u>	<u>Rs. crs</u>	<u>Rs. crs</u>	<u>Rs. crs</u>	<u>Rs. crs</u>	<u>Rs. crs</u>
	<u>Total till FY 24</u>	<u>FY 15</u>	<u>FY 16</u>	<u>FY 17</u>	<u>FY 18</u>	<u>FY 19</u>	<u>FY 20</u>	<u>FY 21</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>	<u>Total</u>
INVESTMENT IN TOURISM INDUSTRY												
Revenue from Food & Beverage			2,500.00	2,750.00	3,025.00	3,327.50	3,660.25	4,026.28	4,428.90	4,871.79	5,358.97	33,948.69
Number of Tourists			100,000,00 0	110,000,00 0	121,000,00 0	133,100,00 0	146,410,00 0	161,051,00 0	177,156,10 0	194,871,71 0	214,358,88 1	
Average spend per tourist			2,000	2,140	2,290	2,450	2,622	2,805	3,001	3,212	3,436	
Total Amount Spent - Rs. crs			20,000	23,540	27,707	32,611	38,383	45,176	53,173	62,584	73,662	
Average % of tourist staying in hotels			50%	50%	50%	50%	50%	50%	50%	50%	50%	
Average number of person per room			2	2	2	2	2	2	2	2	2	
Number of room nights			25,000,000	27,500,000	30,250,000	33,275,000	36,602,500	40,262,750	44,289,025	48,717,928	53,589,720	
<u>(C) Employment</u>												
Additional Employment generation pattern		10%	15%	15%	15%	15%	10%	5%	5%	5%	5%	
Additional Employment generation	4,340,000	434,000 0	651,000	651,000	651,000	651,000	434,000	217,000	217,000	217,000	217,000	4,340,000
Average Income per person	Rs	20,000	21,400	22,898	24,501	26,216	28,051	30,015	32,116	34,364	36,769	
Total Income	Rs. crs	868.00	1,393.14	1,490.66	1,595.01	1,706.66	1,217.41	651.32	696.91	745.69	797.89	11,162.69
Cumulative Total Income	Rs. crs	868.00	2,261.14	3,751.80	5,346.81	7,053.46	8,270.88	8,922.19	9,619.10	10,364.80	11,162.69	-
Average Income Tax		20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	
Total Income Tax	Rs. crs	173.60	452.23	750.36	1,069.36	1,410.69	1,654.18	1,784.44	1,923.82	2,072.96	2,232.54	13,524.17
Cumulative Total Income Tax	Rs. crs	173.60	625.83	1,376.19	2,445.55	3,856.24	5,510.42	7,294.86	9,218.68	11,291.64	13,524.17	-

Exhibit 5 E
Revenue to the Government

Basis is Room Nights			Rs. crs	Rs. crs	Rs. crs	Rs. crs	Rs. crs	Rs. crs	Rs. crs	Rs. crs	Rs. crs	Rs. crs	Rs. crs
	Sector		FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	Total
<u>(A) Direct Taxes (1.5% of the country's collection)</u>		Average											
Income Tax from additional employment	Employment	3.00%	5	19	41	73	116	165	219	277	339	406	1,660
Service Tax on total Tourism projects	Infra	3.00%	12	16	16	16	12	8	-	-	-	-	81
Service Tax on room rent	Tourism	3.00%	-	12	13	14	16	17	19	21	23	25	159
Service Tax on F & B revenue	Tourism	3.00%	-	2	2	3	3	3	4	4	4	5	30
Total of Direct Taxes	(A)		17	49	73	106	146	194	241	301	366	436	1,929
<u>(B) Indirect Taxes</u>													
VAT on total tourism projects	All		1,108	1,477	1,477	1,477	1,108	739	-	-	-	-	7,387
Luxury Tax on room rent	Tourism		-	630	693	762	839	922	1,015	1,116	1,228	1,350	8,555
VAT on F & B revenue	Tourism		-	212	233	257	283	311	342	376	414	455	2,882
Stamp duty on property registration	Tourism			140	187	187	187	140	94	-	-	-	936
Road Tolls	Mobility			50	75	100	125	150	175	200	200	200	1,275
VAT on expenditure by tourists	Tourism		-	2,000	2,354	2,771	3,261	3,838	4,518	5,317	6,258	7,366	37,684
VAT on fuel expenses	Tourism		-	1,814	1,995	2,195	2,415	2,656	2,922	3,214	3,535	3,889	24,634
Vehicle one-time tax	Mobility												-
Total of Indirect Taxes	(B)		1,108	6,324	7,015	7,749	8,217	8,756	9,064	10,223	11,635	13,260	83,352
Total of Taxes	(A + B)		1,125	6,373	7,088	7,856	8,363	8,950	9,305	10,524	12,001	13,696	85,282

Exhibit 6 A

MICE Bangalore - Land Use Plan

Total Site Area: 435 Acres

Sl.No.	Program	Amenities to include	Builtup Area in Sft	Land in Acres
1	Shopping Mall		2,000,000	19.00
2	Exhibition Halls		4,000,000	102.00
3	Bangalore Habitat Centre		500,000	13.00
4	Convention Centre's	1 x 6000 + 1 x 2500 + 2 x 1500 + 5 x 300 + 20 x 150 seaters	1,000,000	31.00
5	Hotels & Accomodation	10,000 rooms ranging from 5 star to budget hotels	3,500,000	19.00
6	Sports Complex			
	Indoor	Swimming pool, Volley ball, Basket ball, Tennis etc	1,000,000	24.00
	Outdoor	Cricket, Hockey, Football	1,000,000	26.00
7	Bangalore Experience Centre	Museums on Natural History, Science, ICT & Technology, Art & Culture, Space & Nano-technology	1,000,000	15.00
8	Medi-Tourism Centre	2 nos of 500 bed Super-speciality hospitals	1,000,000	6.00
9	Fashion City		500,000	6.00
10	Entertainment Complex	Multiplex, Bowling Alley's, Gaming	1,000,000	13.00
11	Integrated Transport Hub			
		Bus Station	75,000	1.00
		Metro Station	100,000	3.00
12	Parking	MLCP For 10,000 Cars	3,000,000	19.00
13	Roadways	Internal, Spine & Feeders		75.00
14	Nature Parks and Walkways			30.00
15	Future development	Open space for future needs		33.00
	Total Land Use		19,675,000	435.00

Exhibit 6 B

Investment Cost Estimates for the Proposed Development of MICE Centre near Devanahalli Airport Area

Sl No	Description of Activity	Amenities to include	UOM	Quantity	Rate/ Unit	Amount In Crores	Investment By
1	Land		Acre	435	25,000,000	1,087.50	Govt of Karnataka
2	Development Costs (Power, Water, CSTP, Boundary etc)		Acre	435	10,000,000	435.00	SPV Developer
3	Shopping Mall		Sft	2,000,000	3,500	700.00	Pvt Developers
4	Exhibition Halls		Sft	4,000,000	2,000	800.00	SPV Developer
5	Bangalore Habitat Centre		Sft	500,000	3,500	175.00	Pvt Developers
6	Convention Centre's	1 x 6000 + 1 x 2500 + 2 x 1500 + 5 x 300 + 20 x 150 seaters	Sft	1,000,000	5,000	500.00	Govt of Karnataka Grant
7	Hotels & Accomodation	10,000 rooms from 5 star to budget hotels	Sft	3,500,000			
	5 Star		Rooms	3,000	10,000,000	3,000.00	Pvt Developers
	4 Star		Rooms	2,000	7,500,000	1,500.00	Pvt Developers
	3 Star		Rooms	5,000	5,000,000	2,500.00	Pvt Developers
8	Sports Complex - International Class						
	Indoor	Swimming pool, Volley ball, Basket ball, Tennis	Sft	1,000,000	3,000	300.00	SPV Developer
	Outdoor	Cricket, Hockey, Football	Sft	1,000,000	3,000	300.00	SPV Developer
9	Bangalore Experience Centre (Museum's)	Museums on Natural History, Science, ICT & Technology, Art & Culture, Space & Nano-technology	Sft	1,000,000	3,500	350.00	SPV Developer
10	Medi-Tourism Centre	2 nos of 500 bed Super-speciality hospitals	Sft	1,000,000	3,500	350.00	Pvt Developers
11	Fashion City		Sft	500,000	3,000	150.00	Pvt Developers
12	Entertainment Complex	Multiplex, Bowling Alley's, Gaming	Sft	1,000,000	4,000	400.00	Pvt Developers
13	Integrated Transport Hub						
	Bus Station	Bus Station	Sft	75,000	2,000	15.00	SPV Developer
	Metro Station	Metro Station	Sft	100,000	4,000	40.00	SPV Developer
14	Parking for 10,000 Cars	MLCP For 10,000 Cars	Sft	3,000,000	1,750	525.00	SPV + Pvt Developers
15	Roadways (Internal & approach)	Internal, Spine & Feeders	Sft	3,049,200	250	76.23	SPV Developer
16	Nature Parks and Walkways			1,089,000	75	8.17	SPV Developer
17	Space for Future development	Open space for future needs	Acre	33			Held by SPV
Total Equity Investment by Govt of Karnataka					In Crores	1,587.50	12%
Total Investment by SPV Developer (GOK++)					In Crores	2,586.90	20%
Total Investment by Pvt Developers					In Crores	9,037.50	68%
Total Investment in the MICE Project					In Crores	13,211.90	

Exhibit 6 C: MICE

Total Direct & Indirect Revenue to Govt of Karnataka & SPV Developer over 15 years (amount in Crores)

Sl No	Description of Activity	Total Rental Income	Maintenance Income @ Rs 2 psft/pm	Lease Regn @ 3% of total rent	VAT on Construction	ST share on Constn (assumed at 3%)	Entertainment Tax	VAT / Luxury Tax on Revenues	ST on Rental income	ST on F & B income	Sales Tax on Fuel	Total Gross Revenue
1	Land											
2	Development Costs (Power, Water, CSTP, Bound	-	439.57	-	34.69	0.65	-	-			-	474.90
3	Shopping Mall	181.90		5.46	55.83	1.04	-	391.5	3.34	-	-	639.06
4	Exhibition Halls	2,109.92		63.30	63.80	1.19	-		6.67	-	-	2,244.88
5	Bangalore Habitat Centre	124.46		3.73	13.96	0.26	-	78.3	0.83	-	-	221.54
6	Convention Centre's	659.35		19.78	39.88	0.74	-		1.67	-	-	721.42
7	Hotels & Accomodation	181.90		5.46	-	-	-	-	-	-	-	187.36
	5 Star	-		-	239.25	4.45	-	698.68	5.94	0.61	-	948.93
	4 Star	-		-	119.63	2.22	-	465.79	3.96	0.41	-	592.00
	3 Star	-		-	199.38	3.71	-	1,164.46	9.90	1.01	-	1,378.46
8	Sports Complex - International Class											
	Indoor	82.42		-	23.93	0.44	-	-	0.67	-	-	107.46
	Outdoor	82.42		-	23.93	0.44	13.5	-	0.67	-	-	120.96
9	Bangalore Experience Centre (Museum's)											
		143.61		4.31	27.91	0.52		-	0.67	-	-	177.01
10	Medi-Tourism Centre	57.44		1.72	27.91	0.52	1.03	-	0.64	-	-	89.27
11	Fashion City	57.44		1.72	11.96	0.22	102.66	-	0.83	-	-	174.84
12	Entertainment Complex	124.46		3.73	31.90	0.59	205.31	-	1.67	-	-	367.67
13	Integrated Transport Hub											
	Bus Station	-		-	1.20	0.02	-	-	-	-	-	1.22
	Metro Station	-		-	3.19	0.06	-	-	-	-	-	3.25
14	Parking for 10,000 Cars	-		-	41.87	0.78	-	-	-	-	199.78	242.43
15	Roadways (Internal & approach)	-		-	6.08	0.11	-	-	-	-	-	6.19
16	Nature Parks and Walkways	-		-	0.65	0.01	-	-	-	-	-	0.66
17	Space for Future development											
	Total Equity Investment by Govt of Karnataka											
	Total Investment by SPV Developer (GOK++)											
	Total Investment by Pvt Developers											
	Total Investment in the MICE Project	3,805.32	439.57	109.21	966.92	17.98	322.50	2,798.73	37.46	2.03	199.78	8,699.51

Exhibit 6 D: MICE

Employment & Income per annum in Crores

Sl No	Description of Activity	Direct Employment	Avg Per Capita Income	Indirect Employment	Avg Per Capita Income	Employment Income per annum
1	Land					
2	Development Costs (Power, Water, CSTP, Bound	44	25000	131	18,750	0.35
3	Shopping Mall	4,000	20,000	12,000	15,000	26.00
4	Exhibition Halls	4,000	17,500	12,000	13,125	22.75
5	Bangalore Habitat Centre	1,000	17,500	3,000	13,125	5.69
	Convention Centre's					
6		1,000	17,500	3,000	13,125	5.69
7	Hotels & Accomodation					
	5 Star	8,250	25,000	24,750	18,750	67.03
	4 Star	5,000	22,500	15,000	16,875	36.56
	3 Star	11,250	20,000	33,750	15,000	73.13
8	Sports Complex - International Class					
	Indoor	1,333	17,500	4,000	13,125	7.58
	Outdoor	1,333	17,500	4,000	13,125	7.58
9	Bangalore Experience Centre (Museum's)					
		1,333	25,000	4,000	18,750	10.83
10	Medi-Tourism Centre	2,750	25,000	8,250	18,750	22.34
11	Fashion City	1,000	25,000	3,000	18,750	8.13
12	Entertainment Complex	2,000	22,500	6,000	16,875	14.63
13	Integrated Transport Hub					
	Bus Station	150	17,500	450	13,125	0.85
	Metro Station	133	20,000	400	15,000	0.87
14	Parking for 10,000 Cars	200	12,500	600	9,375	0.81
15	Roadways (Internal & approach)	122	12,500	366	9,375	0.50
16	Nature Parks and Walkways	109	12,500	327	9,375	0.44
17	Space for Future development					
	Total Equity Investment by Govt of Karnataka					
	Total Investment by SPV Developer (GOK++)					
	Total Investment by Pvt Developers					
	Total Investment in the MICE Project	45,008		135,023		311.76

Exhibit 6 E

MICE assumptions (subject to change)

1. Land would be provided by Govt of Karnataka to the SPV Developer with the value of the Land being the Equity
2. Govt of Karnataka to provide an additional grant of Rs 500 Crores towards the building up of the Convention Centre
3. Lease Rent of Rs 10 per Sft per month of the Land area would be charged to the private developers, with an escalation of 10% every 3 years – this can be shifted to an auction route with this rate as the floor rate
4. Shopping Malls, Bangalore Habitat Centre, Hotels, Medi-Tourism Centres, Fashion City, Entertainment Complex
5. The SPV Developer would build the Exhibition Halls, Sports Complex, Bangalore Experience Centre(Museum's), Integrated Transport Hub, Roads, Basic Infrastructure like Roads, Parks & Walkways, Power, Water supply and Common Sewage treatment plant
6. A charge of Rs 2 per sq feet per month would be charged on the developments towards the maintenance of the common infrastructure and assets by the SPV developer
7. The Exhibition Halls would be leased at Rs 40 per Sft per month; the Convention centers at Rs 60 per Sft per month; Sports complex at Rs 25 per Sft per month; Parking lots at Rs 5 per Sft per month. Subject to revision
8. About 33 Acres of land would be available for future development/ expansion
9. About 45% of the overall land kept as open spaces

