

Uttarakhand

SIMPLY HEAVEN

TOURISM & HOSPITALITY Sector Profile





❖❖❖ Message ❖❖❖

It is a proud moment for us that the Government of Uttarakhand has come out with Tourism Sector Profile. Tourism is one of the biggest economic drivers for the state. Uttarakhand is blessed with natural scenic beauty, wildlife, diverse culture, archaeological and adventure hotspots. We have decided to promote tourism opportunity in the State to realize the State's potential and to generate employment in a sustainable manner.

The state is holding its maiden Destination Uttarakhand - Investors Summit 2018 to promote investment in the State. The Government has already put in place basic infrastructure and policy ecosystem for growth of Tourism Industry in Uttarakhand to cater the tastes and requirements of tourists across categories.

Government has already promulgated Uttarakhand Tourism Policy 2018 to promote and incentivise the Tourism industry in the State. I am optimistic that, Destination Uttarakhand Investors Summit will achieve success in offering plenty of opportunities to investors and tourists.

I wish a grand success to this Summit.

Satpal Maharaj

Minister of Tourism, Government of Uttarakhand



❖❖❖ Welcome ❖❖❖

In Uttarakhand, we have been successful in creating an investor friendly environment. The State has immense potential and favourable conditions to attract investments in Tourism, Organic Farming, Food Processing, Horticulture, Electricity, Windmill, Solar Energy, Automobile, Pharmaceutical & Sericulture sectors. Uttarakhand is also welcoming new ideas and innovations by enabling StartUp and StandUp India initiatives. The state has done a commendable job in creating a symbiotic atmosphere of confidence and enterprise. Uttarakhand beckons all investors to come, invest and excel.

Trivendra Singh Rawat

Chief Minister, Uttarakhand



Govt. of Uttarakhand



Districts of Uttarakhand

- | | |
|------------------|-----------------------|
| 1. Uttarkashi | 8. Bageshwar |
| 2. Chamoli | 9. Almora |
| 3. Rudraprayag | 10. Champawat |
| 4. Tehri Garhwal | 11. Nainital |
| 5. Dehradun | 12. Udham Singh Nagar |
| 6. Pauri Garhwal | 13. Haridwar |
| 7. Pithoragarh | |

Content

Uttarakhand Overview	1-5
Tourism Scenario in India	7-9
Uttarakhand – Key Credentials	10
Key Players in Uttarakhand	11
Popular Tourist Destinations	12
Policies, Schemes & Incentives	15-21
Investment Opportunities	23
Key Contacts	24



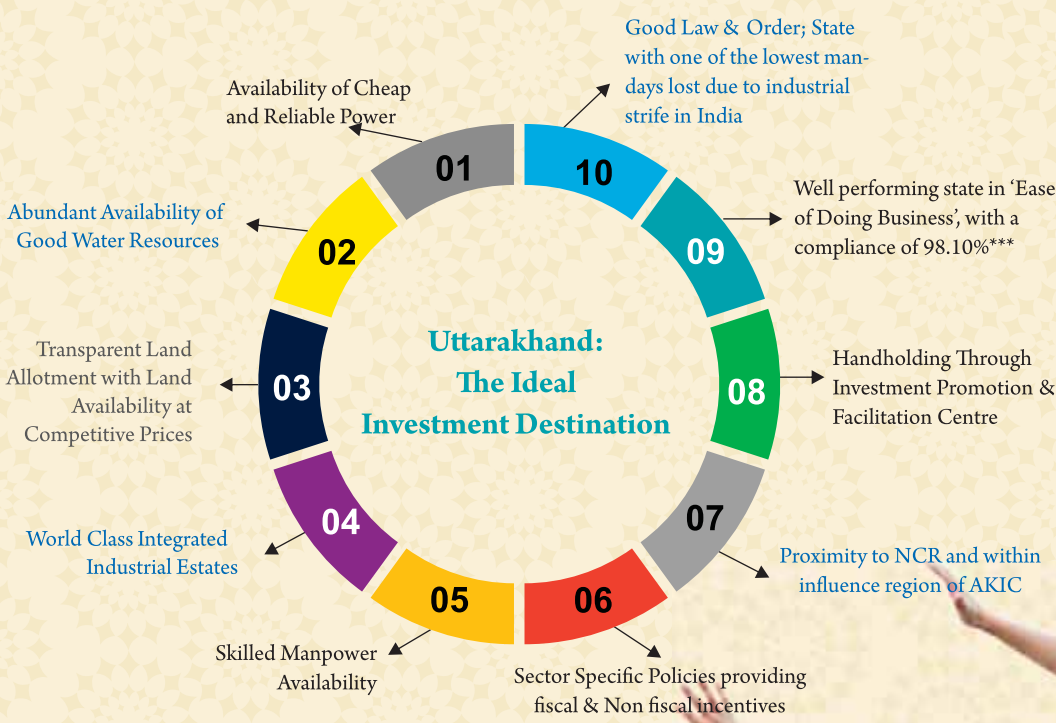


Uttarakhand Overview (1/4)

- The State of Uttarakhand was formed on 9th November 2000 as the 27th State of India, when it was carved out of northern Uttar Pradesh
- The State is close to the National Capital Region (NCR) and has excellent connectivity with its neighbouring states
- With levels of literacy rate* (78.80%) higher than the national average and the presence of institutes of international repute, the State has abundant availability of quality human resources
- GSDP of the state stood at INR 2,17,609 Million with a growth rate of 11.23% (FY 2017-18)*
- The state offers a wide range of benefits in terms of interest incentives, financial assistance, subsidies and concessions
- The Tertiary sector in the state contributes around 38.41% to the Gross State Domestic Product (GSDP: 2016-17)**

Acknowledged for Ease of Doing Business & Peace of Doing Business ...

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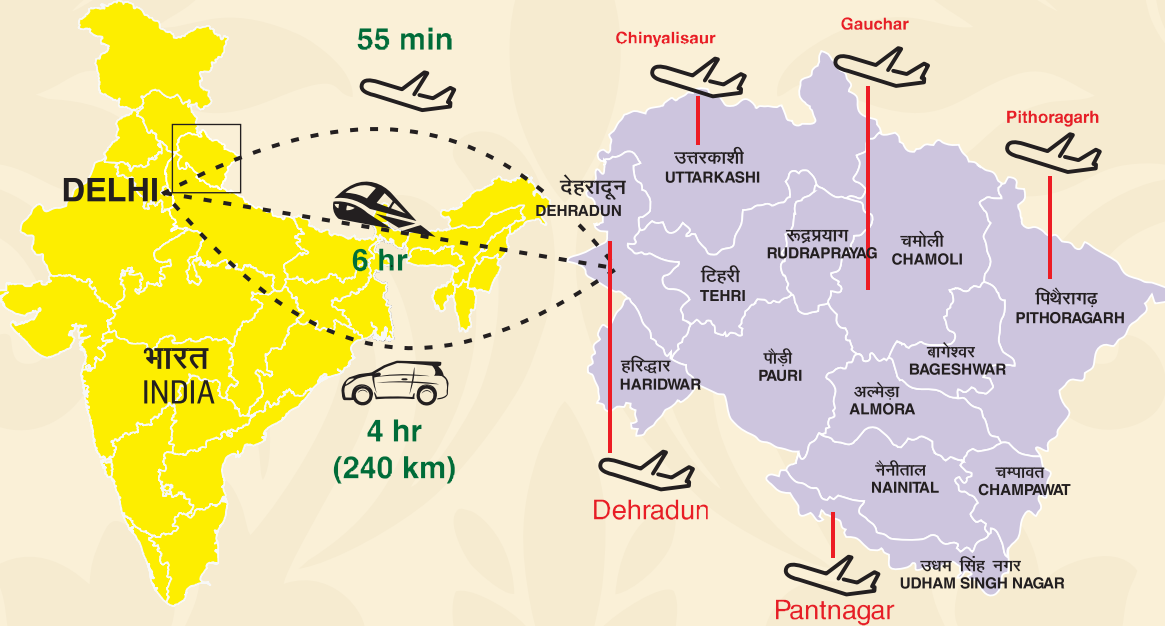
Sources: *Uttarakhand at a glance 2016, DES, GoUK
** Directorate of Economics & Statistics, GoUK
*** Evaluation of BRAP 2017 Reform Evidence, DIPP





Uttarakhand Overview (2/4)

Connectivity - Uttarakhand



General Characteristics	Population ('000) 10086	Area (Sq. Km) 53,483	Water bodies Ganga, Yamuna, Bhagirathi and others
Economic Indicators	GSDP (Million INR) 2,17,609 (FY 2017-18)	GSDP Growth Rate 11.23% (FY 2017-18)	Per Capita Income (INR) 1,77,356 (FY 2017-18)
Technical Institutes	Higher Education Institutes 159	Industrial Training Institutes (ITI) 179	Polytechnic Institutes 70

Sources: Uttarakhand at a glance 2016, DES, GoUK

INTEGRATED INDUSTRIAL ESTATES (IIEs)
07

INLAND CONTAINER DEPOTS
2 ICDs (FY 2017)

AIRPORTS
2 (Domestic)

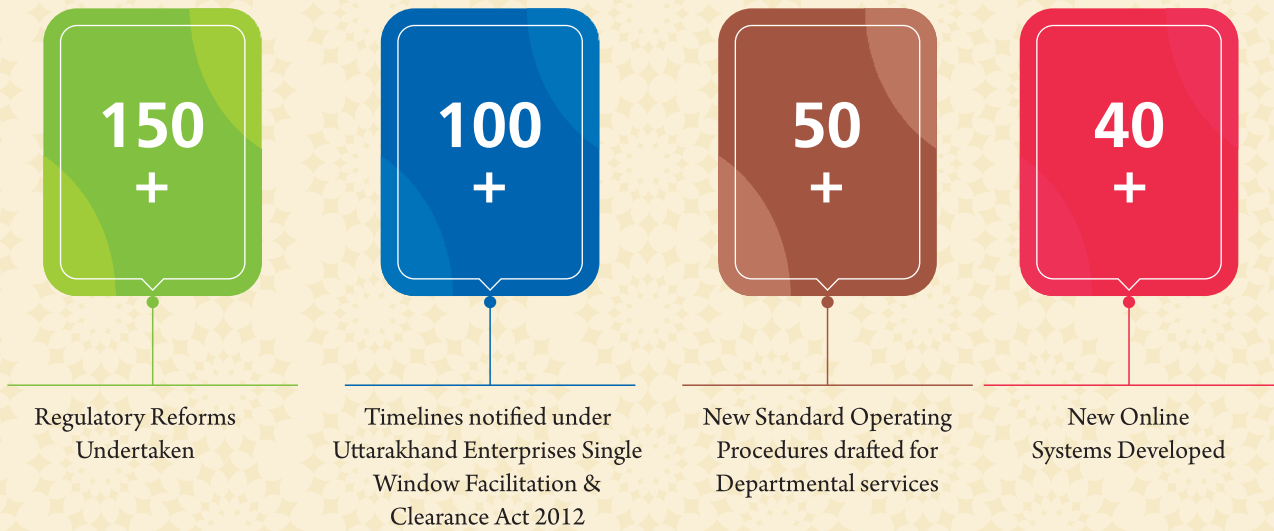
ELECTRICITY TARIFF
INR 4.99* /kWh (2017-18)

Source:ICD: http://commerce.gov.in/writereaddata/UploadedFile/MOC_636517146051928242_List_ICDs_CFSs_AFSs_01-01-2018.pdf;
Electricity:http://www.cea.nic.in/reports/monthly/installedcapacity/2018/installed_capacity-07.pdf

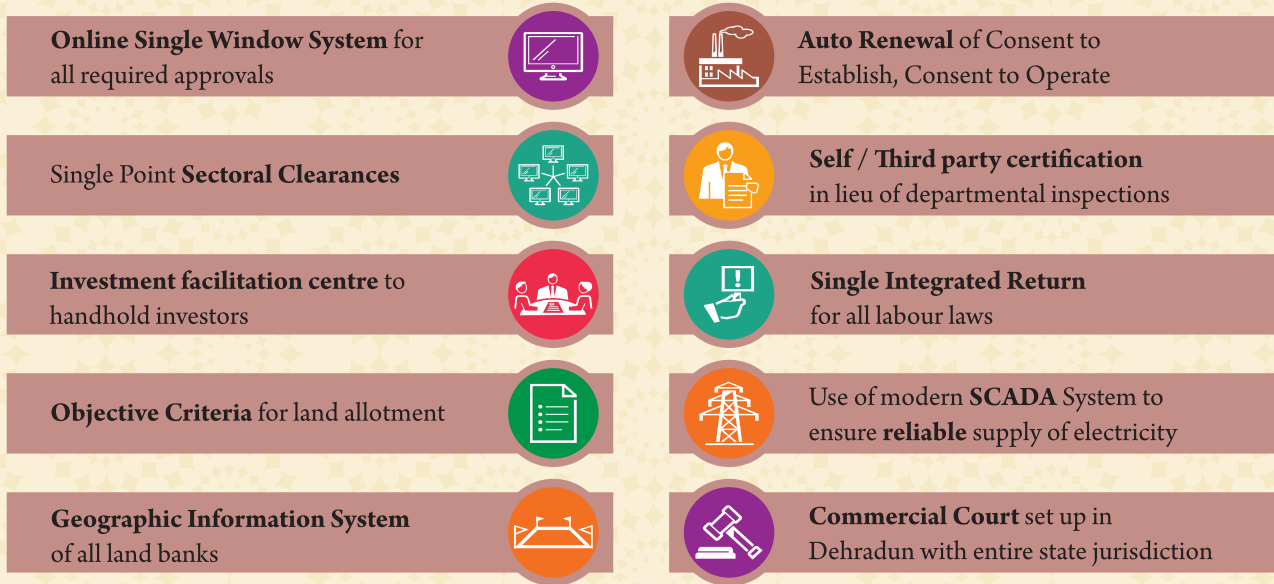
Uttarakhand Overview (3/4)

Ease of Doing Business

Under the ‘Ease of Doing Business’ initiative, the State has implemented a web based Single Window Clearance System - www.investuttarakhand.com, allowing investors to avail the necessary State Government approvals to establish and start their business operations through a single platform without any physical touch point with the approving / licensing authority.



Hassle Free Setup and Operations in The State

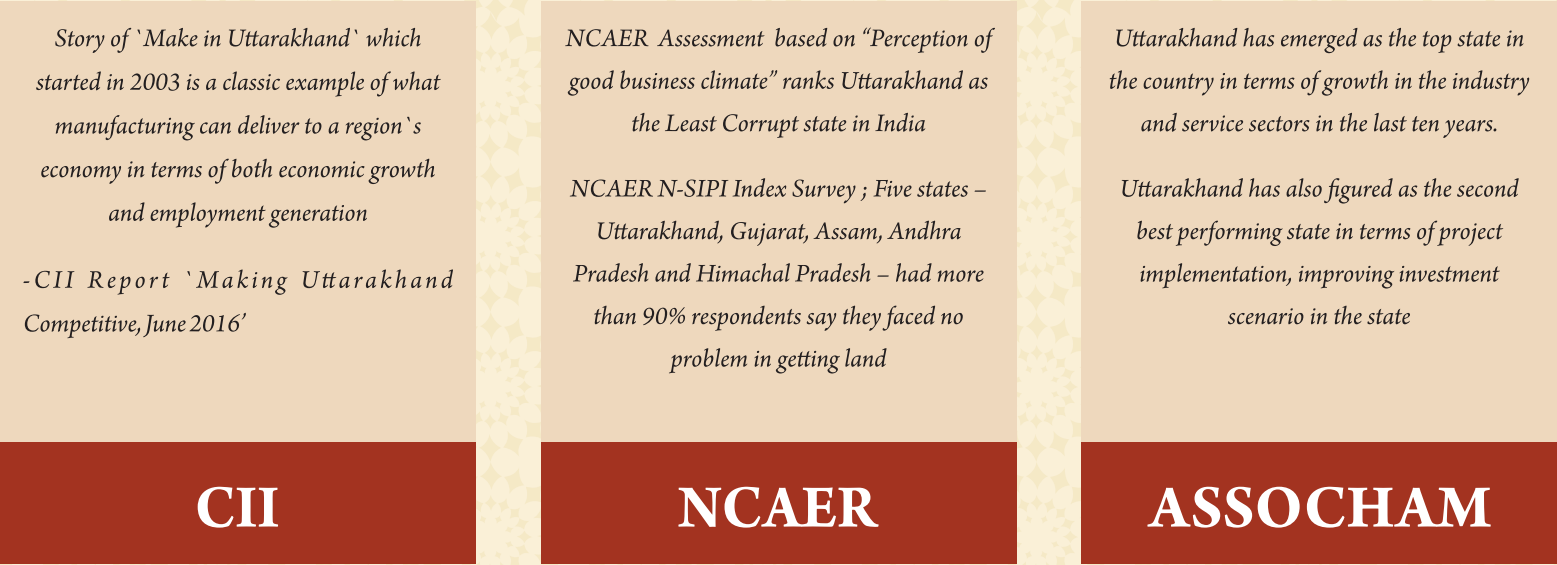


Uttarakhand Overview (4/4)

Investor Facilitation

- The Government of Uttarakhand has laid huge emphasis on business facilitation by creating an enabling environment for industries to set up and start their operations in the State
- The State government houses a dedicated ‘*Investment Promotion & Facilitation Centre (IPFC)*’ which acts as a centralized one-stop-shop for the investors / businesses and provides complete handholding support in a structured, focused and comprehensive manner. IFC will focus on investment promotion, facilitation, direct engagement and consultation with investors / Stakeholders and ensures investment realization and sustainable industrialization in the state
- ‘*Uttarakhand Right to Service Act, 2011*’ & ‘*The Uttarakhand Enterprises Single Window Facilitation and Clearance Act, 2012*’ were enacted to provide necessary time bound licenses, permissions and approvals for the setting up of commercial establishments in the state. The State has ensured robust legal resolution mechanisms to ensure time bound delivery of government services with more than 100 investor related services already notified under both the acts separately and is in the process of adding more such services of multiple sectors shortly

Credited by Industry Associations





Tourism Scenario in India (1/2)

Economic Scenario

- 7th Largest Tourism Economy in the World.
- 9th Largest in cultural resources and business travel in the world
- Direct contribution of travel & tourism to GDP is forecasted to become USD 194.7bn in FY2028
- Travel & Tourism investment expected to rise to USD 85.2bn in FY 2028
- 58.5% growth forecast in Foreign Tourist Arrivals on e-Tourist Visa
- Increase in Tourism employment opportunities by 2.1% pa in next ten years

Emerging Tourism segments in India



Green Tourism



Adventure Tourism



Medical Tourism



Film Tourism



Rural Tourism

Growth Drivers of the Tourism industry

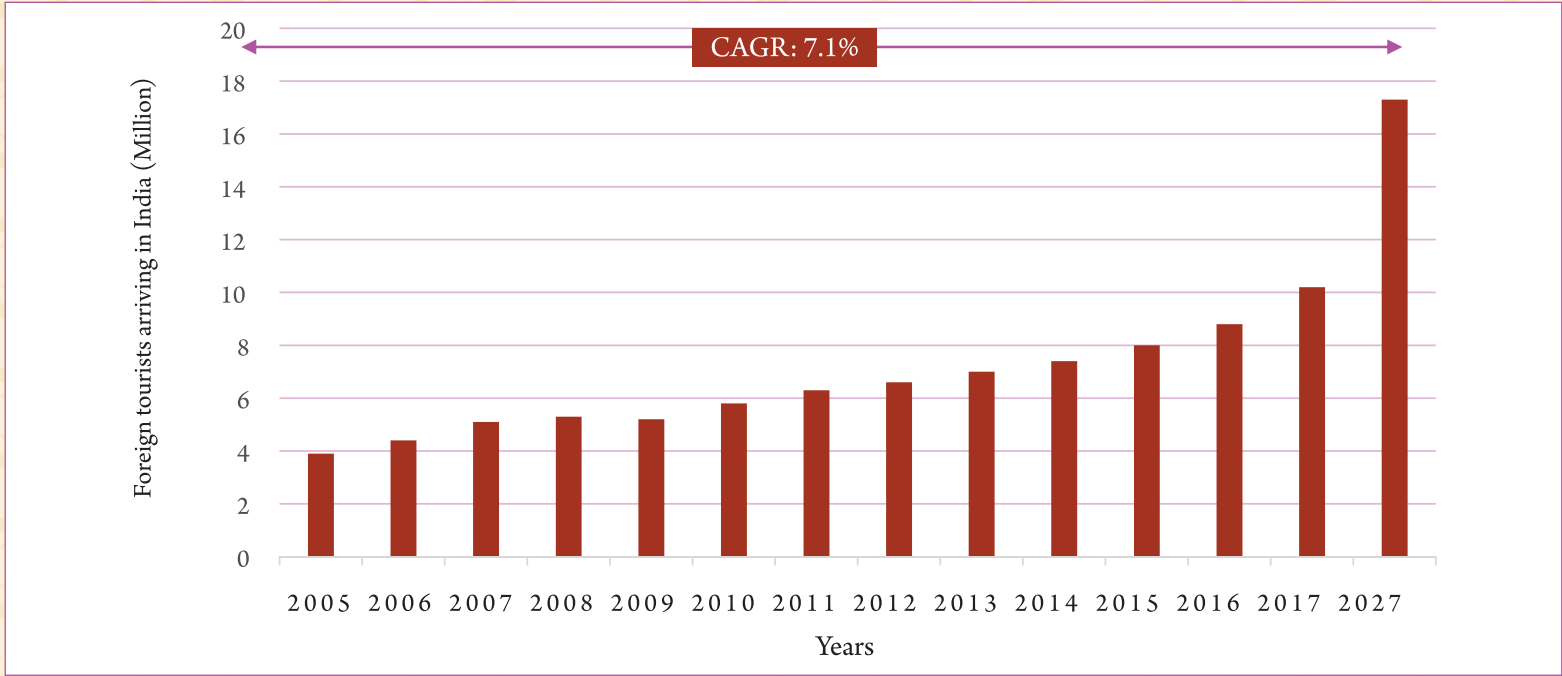
- Geographic and cultural diversity
- Rise in domestic household expenditure on tourism
- Improved Infrastructure
- E - Facilitation for Travel and Stay
- Government Initiatives - Medical visa or M visa, Visa – on – Arrival (VOA), Incredible India campaign.



Tourism Scenario in India (2/2)

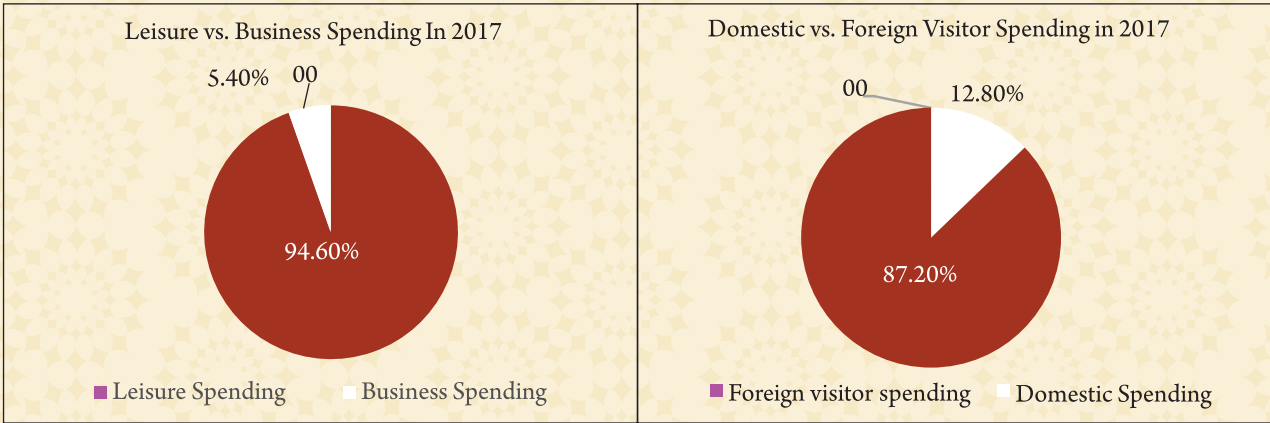
Tourism Scenario in India

Foreign tourist arrivals into the country is forecast to increase at a CAGR of 7.1 per cent during 2005–27



Different Components of Travel & Tourism

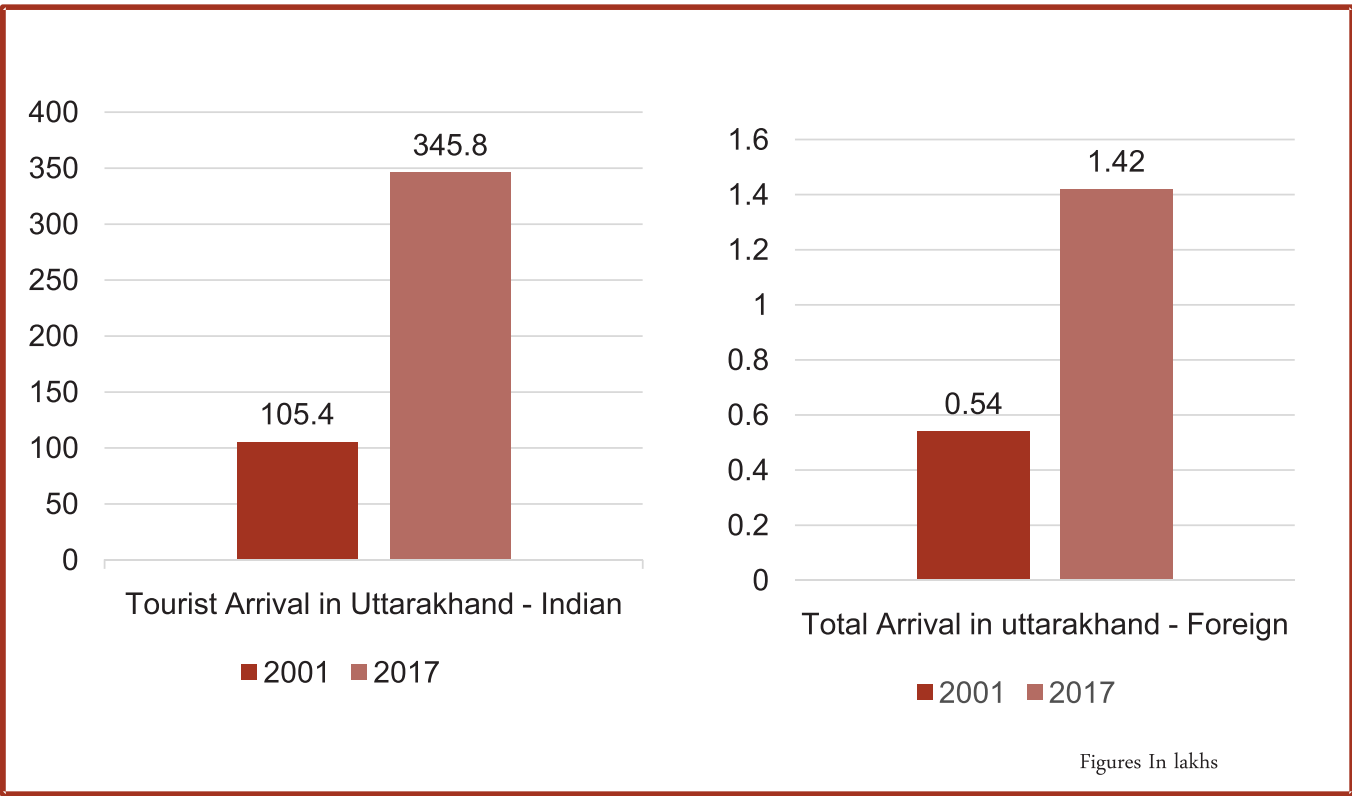
Foreign tourist arrivals into the country is forecast to increase at a CAGR of 7.1 per cent during 2005–27



Source: WTTC - TRAVEL & TOURISM ECONOMIC IMPACT 2018 INDIA
www.InvestIndia.gov.in

Uttarakhand – Key Credentials

INDIAN AND FOREIGN TOURIST ARRIVALS



NATIONAL AND INTERNATIONAL TOURISM AWARDS

Best Adventure Destination	Best Destination for Adventure (India)	Best Emerging Destination
India Today Tourism Awards, 2017	Lonely Planet Magazine 2013	Travel & Leisure Magazine, 2012

Major Players In Tourism Sector In Uttarakhand

HOSPITALITY



ROPEWAYS



ADVENTURE TOURISM



Popular Tourist Destinations (1/2)

Pilgrimage has traditionally been a major sector of tourism in Uttarakhand. However, with enormous resources for cultural, adventure, wildlife, nature, leisure and AYUSH, many new places have also been emerged as popular tourist places.

Adventure & Watersports



and many more...

Wellness & Spiritual



Spirituality –Jageshwar dham



Wellness – Rishikesh (Anandaspa)

and many more...

Popular Tourist Destinations (2/2)

Nature & Wildlife



Wildlife

Jim Corbett National Park,
Nanda Devi National Park, Rajaji National Park



Fauna

Binog Wildlife Sanctuary, Kedarnath Wildlife
Sanctuary Mussoorie Wildlife Sancturay
Sonanadi Wildlife Sancturay



Flora

Nanda Devi Biosphere Corbett National Park
Rajaji National Park Valley of flowers

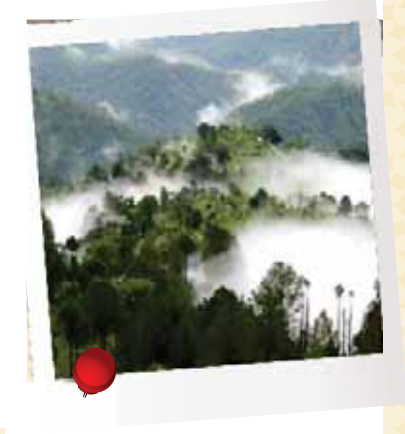
Hill Stations



Nainital



Mussoorie



Lansdowne

Detailed central schemes and policies are available at
<http://dipp.nic.in/whats-new/brief-north-east-industrial-development-scheme-neids-2017>

Pilgrimage



St. Mary's Church Lansdowne



Char Dham



Hemkund Sahib



Kaliyar Sharif

Policies, Schemes & Incentives (1/8)

Central Government Incentives

Sr. No.	Scheme	Incentive Type	Pattern of Assistance
1.	Scheme for Financial Support to Public Private Partnerships (PPPs) in Infrastructure	Viability Gap Funding	<ul style="list-style-type: none">Up to INR 200 crore for each projectTotal VGF shall not exceed 20% of Total Project Cost
2.	Revised Scheme of Assistance For Large Revenue Generating Projects	Grant-in-Aid for DPR preparation	50% of the actual cost subject to a maximum of INR 25 lakh per project
		Grant-in-Aid for Project	Subsidy will have a cap of INR 50 crore subject to a maximum of 25% of total project cost or 50% of equity contribution of the promoters, whichever is lower.
3.	Viability Gap Scheme For Revenue Generating Tourism Projects	Viability Gap Funding	Capital Grant of 20% of the Capital Cost of the project
4.	Marketing Development Assistance (MDA)	Reimbursement towards air fare, participation fee, hotel accommodation	Maximum grant of INR 2.50 lakh to Tourism Service Providers for promotional activities abroad 90% of economy class air fare from India to any other country and/or by air/euro rail from one country to another country abroad.
		Financial support for undertaking sales tours, participation in travel fairs/ exhibitions and Road Shows organized overseas	<ul style="list-style-type: none">90% of cost of built up/ furnished stall, electricity, water charges and participation fee, etc. at travel fairs/ exhibitions.Hotel Room expenses for a maximum of 5 nights, with an upper limit of INR 8000/- per night. Subject to an overall upper ceiling of INR 2.50 lakh per case.



Policies, Schemes & Incentives (2/8)

Central Government Incentives			
Sr. No.	Scheme	Incentive Type	Pattern of Assistance
5.	Scheme for Capacity Building for Service Providers	Grants for expenditure per trainee for 3-month Training programs (class/Lab) for Skill upgradation in general for existing service providers and language courses for guides and other service providers	Permitted Cost per trainee for: 3-month language courses for guides and other service providers & for existing service providers: INR 11,100 Expenditure per additional month: INR 3,000
		Grants for expenditure per trainee for 6-month Training programs (class/Lab) for Skill Development in general for fresh candidates	Permitted Cost per trainee for: INR 16,500 Expenditure per additional month: INR 3,000
		Special Training Programme for capacity building to ensure promotion of rural tourism 3-6 months duration in villages	Permitted Expenditure: INR 20 Lakh per village
		15-30 days training programme for trainers	Lump sum provision limited to INR 5000 per person
		Tourism Awareness Programme (4-6 days): a Dhaba Staff bTaxi/ Coach Drivers, Porters etc. c Immigration / Customs / Police Staff d Hotel Staff	Honorarium to Trainers: <ul style="list-style-type: none">• INR 1000/- for guest faculty- for a class of 60-90 minutes duration.• INR 500/- for faculty/ staff of Implementing Agency- for a session (of four hours) subject to a ceiling of upto 30 days or 60 sessions in a year, whichever is lower.• INR 250/- for student-trainer who provide training for a two hour class.• An additional INR 200/- shall be payable to a guest faculty per day, on self-certification, for meeting the local travel cost.• Expenses on meals for trainers/trainees – INR 70/- per person per day. Hire & other consumables Charges: <ul style="list-style-type: none">• Hire charges for premises: INR 1000 per day• Vehicle hire charges: INR 2000 per day• Equipment hire charges: INR 2000 per day• Consumable stationery/material charges. - INR 2000 per course• Contingency/misc. expenses: INR 2000 for more than 3 day course and INR 1000 for a course of 3 days or less

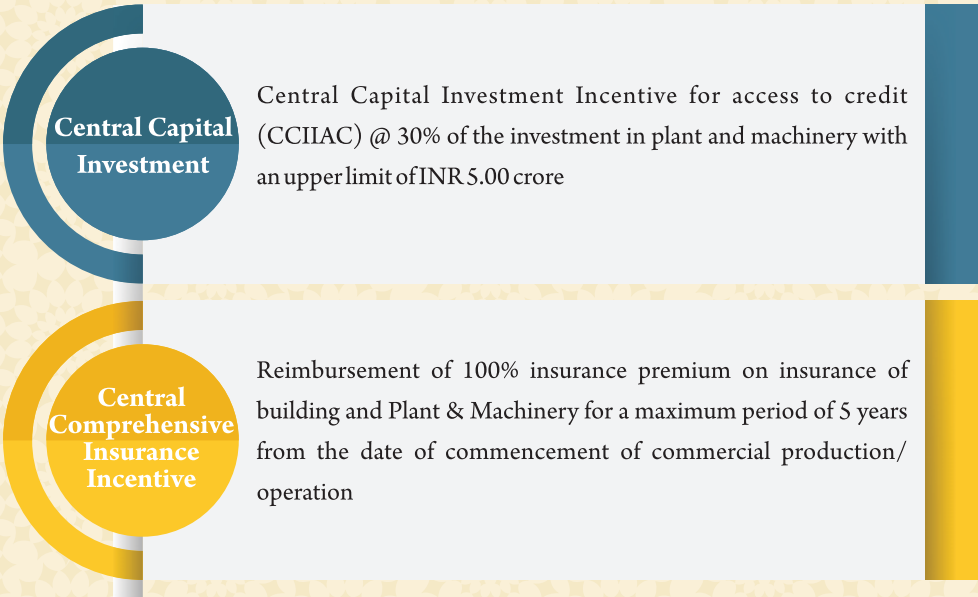
Policies, Schemes & Incentives (3/8)

Central Government Incentives		
Scheme	Incentive Type	Pattern of Assistance
Scheme for Capacity Building for Service Providers	Special Tailor made programmes	Up to INR 500 per trainee/per day
	Testing and certification of candidates who have undergone training programmes	INR 500 per candidate (wherever required)
	Administrative Cost	Administrative expenses incurred by the implementing agencies towards organizing the training programmes shall be met by the MoT to the extent of 5% of the total estimated sanctioned training cost for a training confined to one city and @10% for a training involving more than one city. This provision shall be applicable to all the trainings organized under the Scheme except Tourism Awareness Programmes
	Conducting certified Hospitality Trainers Programmes	MoT to meet the entire cost of such programmes and shall also pay 5% of the actual programme cost to an implementing agency for meeting the administrative expenses. MoT shall also pay a stipend of INR 10,000/- per month per trainee to attract talent and for the programme viability.
	Earn While You Learn Programmes (programmes to sensitise youth to tourism and work as student volunteers)	MoT shall meet the entire cost of such programmes and shall also pay 5% of the actual programme cost to an implementing agency for meeting the administrative expenses. The MoT shall also pay a stipend of INR 1,000/- per trainee.
	Regional Cuisine Specialisation Programmes	MoT to bear entire expenditure including fellowship of INR 15,000/- per Research Fellow per month.
	Training of ex-servicemen to build capacity in them necessary for taking up the job of tourist police.	MoT shall meet the entire cost of such trainings including the cost of testing and certification and shall also pay 5% of the actual training cost to the agency or agencies to enable it/them to cover the administrative cost. The MoT shall also pay stipend to the trainees @ of INR 200/- per person per training day.

Detailed central schemes and policies are available at <http://tourism.gov.in/guidelines-schemes>

Policies, Schemes & Incentives (4/8)

Industrial Development Scheme 2017



Note: Units which have commenced production on or after 01st of April, 2017 will be allowed to register with DIPP on or before 30th of September, 2018



Policies, Schemes & Incentives (5/8)

Uttarakhand Tourism Policy 2018

- Tourism Sector has been accorded Industry Status
- Tourism Units are eligible for electricity tariff on industrial rate

Categorization of industries for the purpose of quantum of incentives

Category	Included Region
Category A	Whole Districts of Pithoragrah, Uttarkashi, Chamoli, Champawat, Rudraprayag and Bageshwar
Category B	<ul style="list-style-type: none">• Whole District of Almora• All hilly development blocks of District Pauri Garhwal, Tehri Garhwal (Excluding regions under category B+)• All hilly development blocks of District Nainital and Dehradun (Excluding regions under category B+)
Category B ⁺	<ul style="list-style-type: none">• Kotdwar, Sigaddi and adjoining plain regions of Dugadda development block of district Pauri Garhwal• Dhalwala, Muni Ki Reti, Tapovan and adjoining plain regions of Fakot development block of District Tehri Garhwal• Kotabagh development block of District Nainital• Plain regions of Kalsi development block of District Dehradun
Category C	<ul style="list-style-type: none">• Regions located above 650 mtrs from sea level in Raipur, Sahaspur, Vikasnagar and Doiwala development blocks of District Dehradun• Ramnagar and Haldwani development blocks of District Nainital
Category D	<ul style="list-style-type: none">• Whole Districts of Haridwar and UdhamSingh Nagar• Remaining area of District Dehradun and Nainital (which are not included in category 'B', 'B+' and 'C')

Detailed central schemes and policies are available at <http://dipp.nic.in/whats-new/brief-north-east-industrial-development-scheme-neids-2017>

Policies, Schemes & Incentives (6/8)

Uttarakhand Tourism Policy 2018

S.No.	Incentives Type	Up to capital investment of INR 10 Cr.)	Large (10-75 Cr.)	Mega (75 – 200 Cr.)	Ultra Mega (More than 200 Cr.)
1	Capital Subsidy	Category A : 40% (Max. up to INR 40 Lakh) Category B : 35% (Max. up to INR 35 Lakh) Category B+ : 35% (Max. up to INR 35 Lakh) Category C: 30% (Max. up to INR 30 Lakh) Category D : 15% (Max. up to INR 15 Lakh)	10% or Max. upto 1.5 Cr. for hilly districts 10%or Max. 1 Cr. for plain districts		
2	Interest Subsidy	Category A: 10% (Maximum up to INR 8 Lakh/ year / unit) Category B & B+ : 8% (Maximum up to INR 6 Lakh/ year / unit) Category C: 6% (Maximum up to INR 4 Lakh/ year / unit) Category D: 5% (Maximum up to INR 3 Lakh/ year / unit)	7% or upto Max. 25 Lakh	7%or Max upto 35 Lakh	7% or Max .upto 50 Lakh
3	Stamp Duty Concession (only on tourism related projects)	Category A, B, B+, C: 100% Category D: 50%	50 % stamp duty* *Reimbursed after completion of work		
4	Tax Incentives (Reimbursement of SGST after adjustment of input tax credit)	Category A: 100 % for the first 5 years and 90% thereafter Category B & B+: 100 % for the first 5 years and 75% thereafter	30%	50%	50%
5	Electricity Duty & rate	As per Industrial norms	Concession of Rs. 1 per unit and concession on electricity duty till 5 years after establishment of the unit		
6	Conversion & Development Charges		Land use and development charges shall be reimbursed at the time of commencement of commercial operations.		
7	Special Incentive Scheme for Women Entrepreneur	In this scheme, Fiscal incentives such as State Capital Subsidy on Fixed Capital Investment: 25 % (Maximum up to INR 25 Lakhs). Interest Subsidy on the interest of Bank Loan: 6 % (Maximum INR 5 Lakhs per year) shall be available to the eligible Women's Manufacturing / Service enterprises in the whole State.			
8	Concession on Land Registration fees		Rs. 1 per thousand		
9	ETP		30 % capital subsidy or Max. upto Rs. 50 Lakh		

For the promotion of tourism, 10 % of the circle rate of the land will be charged as conversion fee for tourism and entertainment by housing department

Policies, Schemes & Incentives (7/8)

Applicable to Permanent residents of Uttarakhand

Veer Chandra Singh Garhwali
Tourism Self Employment Scheme

- Assistance in the form of Bank Loan and subsidy to unemployed youth for setting up enterprises
- Subsidy - 25%, upto a maximum of INR 10.00 lacs, to 33% maximum of INR 15.00 lacks of the total project outlay varying as per the location of the project

Deen Dayal Upadhyaya
Griha Awaas Homestay Development Scheme rules 2018

- Purely residential space
- Family head should be staying in the house along with family
- Home stay should have minimum 1or maximum of 6 rooms for tourists
- Under this scheme, for hill areas government provides capital subsidy of 33% or 10 lakh, whichever is minimum and for first five years of loan payment, interest subsidy is 50% of the interest or 1.50 lakh per year, whichever is minimum.
- For plain areas, capital subsidy is 25% or 7.50 lakh , whichever minimum and interest subsidy for first 5 years of loan payment is 50% of interest or 1 lakh per year, whichever is minimum.



Eligible Entities for Incentives under Tourism

The Tourism Sector is accorded Industry Status by the State, hence all fiscal benefits as provided in Mega Industrial and Investment Policy, 2015 and MSME Policy, 2015 for the Tourism Sector Enterprises shall be available to the eligible Tourism Units.

- Hotels, Motels, Floatels / Floating resorts
- Expansion of existing Hotels/Resorts etc. (min. expansion/addition of 15 rooms per Hotel/Resort unit)
- Heritage Hotels/Entities
- Yoga, Ayurveda and Naturopathy Resorts
- Spa & health resorts/ Wellness resorts
- Eco lodges & Perennial Camps
- Tourist resort/tourist village
- Local cuisine restaurants
- Restaurants
- Wayside facilities on National Highways or State Highways wherein restaurants and parking are available
- Private Parking Lots
- Amusement Park
- MICE convention centres (minimum covered hall with carpet area of 5,000 sq feet.)
- Activities in Rural tourism, Cultural Tourism
- Festivals & Carnivals (Cultural, Local, Literature, Film, Food, theme based etc.)
- Sound & Light shows, LASER shows etc.
- Adventure activities such as – trekking, rock climbing, water sports, boat race, skating, fishing, aero sports etc.
- Ropeways, funiculars etc.
- Caravan, Motor Houses, Cruise boats, Yachts, house boats and establishment of boat clubs.
- Operation of helium and hot air balloon, Blimps
- Off-Road vehicles, air taxi, amphibians
- Handicrafts / Shilpgram
- Tourism or Hospitality Training Centres (including foreign language teaching centre), Hospitality University, Production and marketing of traditional Crafts and other artwork
- Work related to maintenance of cultural and historical heritage
- Tourism activities related to environment conservation/jungle safari/lodges, serviced apartment etc.

Note: The Department may alter or add any other tourism related project/services or activity to the above eligible entity list, as and when required.

Investment Opportunities



Key Contacts

Uttarakhand Tourism Development Board

Address	Pt. Deendayal Upadhaya Paryatan Bhawan, Near ONGC Helipad, Garhi Cantt, Dehradun
Website	www.uttarakhandtourism.gov.in
Email ID	investtourismuk@gmail.com
Phone	+91-135- 8859955505

Investment Facilitation Centre

Address	Directorate of Industries Industrial Area, Patel Nagar, Dehradun, Uttarakhand
Website	www.investuttarakhand.com
Email ID	ifc.uttarakhand@gmail.com
Toll Free	18002701213
Phone	+91-135- 2559898, 2559987

