

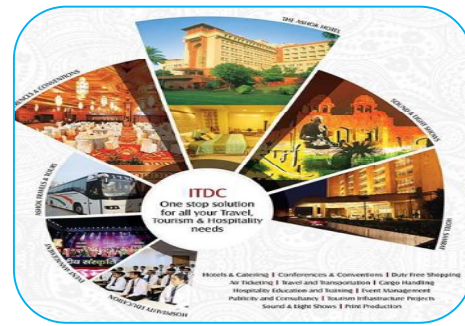


“INDIA TOURISM DEVELOPMENT CORPORATION (ITDC) & ITC ROLL FOR THE GROWTH OF TOURISM IN INDIA ”

Dr. Shivakumar V. Uppe
Associate Professor and Research Guide ,
Post Graduate Department of Studies and Research in History,
Govt. First Grade College, Bidar, Karnataka.

ABSTRACT

International tourism is based on domestic tourism. It is abundantly clear how important tourism is to any nation, but especially to India. In addition to bringing people into contact with people from other nations, tourism generates valuable foreign exchange, which is a significant constraint on the Indian economy. For the advancement of the travel industry framework in the nation Govt. of India established ITDC—the "India Tourism Development Corporation"—with the intention of expanding activities in the tourism and services sector and increasing employment opportunities in the tourism industry. India's third-largest foreign exchange earner and one of the significant service sectors, tourism accounts for approximately 9.6% of the country's GDP. In 1986, the Indian government declared this industry and made it eligible for a number of incentives and facilities, including tax breaks, subsidies, and other benefits. In addition, the tourism sector was designated as a priority for foreign investment in 1991. It is a significant apparatus for work age, financial turn of events and provincial change. India is a nation with a vast geographic diversity that draws tourists from all over the world all year long. The tourism industry is home to a wide variety of businesses, organizations, and groups, such as ITDC, Oberoi Group, ITC Ltd., and others. The India Tourism Development Corporation (ITDC) is the most important public sector organization and the driving force behind the country's progressive tourism development, promotion, and expansion.



KEYWORDS: ITDC, Ministry of Tourism & culture, National Tourism ,Policy (2001), Ashoka Group of Hotels.

INTRODUCTION

Through its Department, the Indian Government of Tourism and its agencies and organizations, particularly the India Tourism Development Corporation (ITDC), have been developing elaborate plans for the country's development of tourism infrastructure and transportation networks. The national organization that is interested in promoting tourism development through direct infrastructure investment and facilitating the private sector in the region is described in detail in the following paper. Since ITDC has been a major contributor to the growth of the country's tourism industry, a company of this kind that works on development projects needs to be financially sound and efficient. Therefore, it is essential to investigate this company's operational activities and financial stability. The purpose of this study is to examine ITDC's financial performance and operational activities from 2012-2013 to 2016-2017 in relation to its efficiency in the financial sector. During the study

period, this corporation's profitability and operational efficiency were deemed satisfactory. The study also comes to the conclusion that ITDC is doing a good job of maintaining and developing tourism infrastructure as well as providing the facilities that are required for both domestic and international tourism.

Tourism is an essential component of human existence. People move within their own country or across national borders for short periods of time as part of this phenomenon. Since the beginning of time, humans have had a growing desire to travel. It broadens perspectives and fosters connections between nations and cultures. Tourism is basically made up of three things: people, space, and time. According to Bhatia (2002), tourism is an effective tool for boosting the national GDP, enhancing the environment, preserving culture and tradition, earning revenue and foreign exchange, generating employment, and enhancing the country's balance of payments. In achieving growth through equity, it can guarantee a sustainable overall development. In this age of globalization, economic diversification and technological advancement have created favorable conditions for the tourism industry (Dhar, 1997; Swaram, 2000). In many places around the world, tourism is recognized as a major economic contributor, adding value for

DEFINITION OF TOURISM :

- a) "Tourism is a pleasure activity in which one spends money earned at home in the places they visit."
- b) "Tourism is a study of the demand for and supply of accommodation and supportive services for people who are away from home, as well as the patterns, expenditure, income, and employment that result from these factors."
- c) "Tourism is a stay of one or more nights away from home for holidays, visits to friends or family, a business conference, or any other purpose, with the exception of things like boarding, education, or semi-permanent employment."

Functions of ITDC

- Creation and advancement of tourist infrastructure in India.
- Planning, implementing and promotion of tourism related projects and training of personnel.
- Customers who are the backbone of any business venture should be provided with more than their money's worth so that they are satisfied and return for more.
- Construction of new hotels and other hospitality related units, management of the existing ones and takeover of those hotels, motels, resorts, lodges and restaurants that are not doing well.
- Transportation, entertainment, shopping, facilities for conventions and meetings etc.
- Consultancy and management of tourism related projects in the country and overseas.
- Official money changing facility for tourists (ITDC, n.d).

Functions of ITDC

- The development of India's tourist infrastructure.
- Personnel training and the planning, execution, and promotion of tourism-related projects.
- To ensure that customers are satisfied and return for more, businesses should provide them with more than they paid for. Customers are the backbone of any business.
- Building new hotels and other units related to hospitality, managing the ones that are already there, and purchasing unprofitable hotels, motels, resorts, lodges, and restaurants.
- Facilities for meetings and conventions, entertainment, shopping, and transportation, among other things
- Project management and consulting for national and international tourism-related projects Official tourist money exchange facility (ITDC, n.d).

OBJECTIVES OF THE STUDY

The Indian Tourism Development Corporation's (ITDC) operational activities and financial efficiency are the primary focus of this research.

- To evaluate ITDC Ltd.'s operational effectiveness.
- To investigate ITDC Ltd.'s profitability.
- To determine ITDC Ltd.'s financial stability.

The Corporation has a paid-up capital of Rs 67.52 crores as of 31.3.2005, while its authorized capital is Rs 75 crores. The President of India owns 89.9748% of the Corporation's paid-up equity capital. In addition to providing transportation, the corporation operates hotels and restaurants in a variety of tourist destinations. In addition, the corporation provides tourists with facilities for entertainment and duty-free shopping in addition to producing, distributing, and selling promotional materials for tourists. The business has expanded into new areas and innovative services like Full-Fledged Money Changer (FFMC) services, engineering-related consulting, and so on. The corporation's Ashok Institute of Hospitality & Tourism Management offers education and training in the hospitality and tourism fields. There are currently eight Ashok Group hotels, six joint venture hotels, two restaurants, one of which is an airport restaurant, 12 transportation units, one tourist service station, 37 duty-free shops at both domestic and international customs airports, one tax-free outlet, and two sound and light shows within the ITDC network.

India's third-largest foreign exchange earner and one of the significant service sectors, tourism accounts for approximately 9.6% of the country's GDP. In 1986, the Indian government declared this industry and made it eligible for a number of incentives and facilities, including tax breaks, subsidies, and other benefits. In addition, in 1991, the tourism sector was designated as a priority for foreign investment. It is an important tool for creating jobs, growing the economy, and changing the rural landscape. India is a country with a lot of different places, and tourists from all over the world come here all year. The tourism industry is home to a wide variety of businesses, organizations, and groups, such as ITDC, Oberoi Group, ITC Ltd., and others. The India Tourism Development Corporation (ITDC) is the most important public sector organization and the driving force behind the country's progressive tourism development, promotion, and expansion. Since ITDC has been a major contributor to the development of the country's tourism industry, it is essential for such a business to be financially sound and effective. Therefore, it is essential to investigate this company's operational activities and financial stability. The purpose of this study is to examine ITDC's financial performance and operational activities from 2012-2013 to 2016-2017 in relation to its efficiency in the financial sector. During the study period, the corporation's profitability and operational efficiency were deemed satisfactory. The study also comes to the conclusion that ITDC is doing a good job of maintaining and developing tourism infrastructure and providing the facilities that tourists from all over the world need.

SUGGESTIONS OF THE STUDY

- The Indian government has the option of continuing to deinvest ITDC in order to improve efficiency.
- ITDC Ltd. should permit private ownership of shares.
- Talented employees ought to be hired.
- The government should arrange for additional funding for ITDC projects.
- To increase ITDC's profitability, tourists should receive efficient service.

India Tourism Development Corporation (ITDC): An Overview

India Tourism Development Corporation Limited (ITDC) was established in 1966 as a public sector company in New Delhi under the Ministry of Tourism of the Indian Government. It has a significant impact on the country's tourism infrastructure development. The corporation has multiple functions and primarily deals with various segments of the Indian hospitality industry. It also represents the Indian hospitality industry abroad. The Indian government gave it the title of "fastest

growing Miniratna public sector unit" in 2015. According to ITDC (n.d.), ITDC is the owner of the Ashok brand and operates 15 properties under the Ashok Brand, Pan India.

The primary objective of ITDC is to establish centers that are expertly run, cost-effective, customer-focused, and efficient in order to help the tourism industry make a lasting impression in their chosen field and serve as a driving force behind the growth of the hospitality industry in India. The ITDC is the driving force behind the country's progressive tourism development, promotion, and expansion. It offers a variety of services, including facilities related to tourism, transportation, duty-free shops, entertainment, the production of literature for tourism promotion, and consulting. In addition to providing transportation, the corporation operates hotels and restaurants in a variety of tourist destinations. It also makes, sells, and distributes promotional materials for tourists and offers facilities for entertainment and duty-free shopping. According to ITDC Ltd., n.d., the corporation's Ashok Institute of Hospitality and Tourism Management provides education and training in the tourism and hospitality fields. ITDC currently operates two Sound & Light Shows, nine Duty-Free Shops at airports and seaports, 11 transport units, eight Ashok Group of Hotels, five Joint Venture Hotels, and one restaurant. In addition, ITDC is in charge of running a restaurant, a hotel, and catering services across the nation.

Tourism is a necessary component of human existence. People move temporarily within their own country or across national borders as a result of this phenomenon. Since the beginning of time, people have had a greater desire to travel. It broadens perspectives and fosters connections between nations and cultures. Tourism is basically made up of three things: people, space, and time.

Tourism is a major driver of economic growth and a useful tool for generating employment, generating revenue and foreign exchange, enhancing the environment, preserving culture and tradition, increasing the national GDP, and enhancing a nation's balance of payments. It can guarantee an equitable and sustainable overall development. Tourism is recognized as a major economic contributor in many destinations worldwide, adding value for foreign exchange as well as supporting export industries and environmental, social, cultural, and historic resources support and protection. International tourism movements hold its rightful place in that they fix the balance of payments, provide the necessary financial tools for the technological equipment used in the manufacturing process, increasing employment and leading to economic growth (Arslanturk and Atan, 2012). In the current era of globalization, economic diversification and technological advancement have created an environment that is favorable. According to Blanke and Chiesa (2013), the tourism industry provides employment opportunities for the country's younger generation.

It has enormous potential to boost other industries and the Indian economy as a whole. Because of this, tourism is now one of the most important parts of the Indian economy. India is a diverse nation in terms of geography and atmosphere, with numerous tourist attractions ranging from large mountain ranges in the north to seashore and Ghats in the south, as well as beautiful western desserts and heritage sites throughout the country. Throughout the entire year, it becomes a popular tourist destination. Because tourism is a major source of income for India, the government is also concerned about preserving and expanding the country's tourist attractions. In order to maintain and expand India's tourism industry, numerous travel and tourism businesses are in operation. ITDC is one of the main players that always looks out for the growth and development of the tourism infrastructure and makes sure that the country's tourists have the facilities they need. ITDC Ltd. is a public company that works in the tourism industry. It works in a variety of ways to maintain, develop, and offer facilities to tourists in the country. The construction and management of hotels, motels, restaurants, tourist bungalows, guest houses, beach resorts, and transportation services for tourists are the primary areas of ITDC's involvement. Since its inception, the company has been successfully conducting all of its business operations. A company's overall service quality, operational performance, customer satisfaction, and earning capacity are all portrayed by its financial efficiency. The methods used to evaluate and interpret the results of past performance and current financial position in relation to the specific factors of interest in investment and other significant decisions made by the concerned stakeholders and the government are included in the analysis of financial efficiency.

There are four parts to this study. The topic's introductory background is the focus of the first section. In the second section of the study, an overview of the India Tourism Development Corporation was provided. The objectives, hypotheses, and study methodology are all discussed in the third section. The fourth section focuses on the study's conclusion and offers some recommendations based on the analysis and analysis as well as the analysis and interpretation of the available data.

CONCLUSION :

Tourism cannot be promoted alone through the ITDC, but it can become a useful tool for preserving the archaeological heritage and promoting our unique culture. Overall, the Indian government is giving priority to maximizing the potential of Indian tourism. of India and a number of incentives that are currently in the works should prompt significant private sector investment in hotels and related services. ITDC broke new ground and expanded Indian tourism's boundaries. It is now taking on new responsibilities and expanding its role in tourism infrastructure development and promotion. In order to construct hotels in state capitals, it has collaborated with the state tourism corporation. India is a developing nation that is hindered in its development by a number of obstacles, including poverty, excessive external debt, a lack of infrastructure, and unemployment. Undoubtedly, tourism is one of the best solutions to all of these issues. One of the major contributors to the country's economic growth is the tourism industry. In order to support India's tourism industry, ITDC Ltd. was established under the Tourism Department. Without a shadow of a doubt, ITDC is at the forefront of Indian tourism with its extensive infrastructure of hotels, beach resorts, travel agencies, car rental services, and facilities for conventions and conferences across the entire nation. The study came to the conclusion that ITDC is a new company in the tourism industry whose performance is improving on a daily basis.

It has contributed significantly to the tourism sector in India. It has emerged as the "Mini Ratna" with the fastest growth rate since its inception. With the assistance of ITDC Ltd., the tourism industry in India is on track to accelerate its performance with increasing speed on the road to development in the coming years and will eventually become the largest contributor to economic growth. However, after analyzing and interpreting the data during the study period, it is evident that ITDC Ltd.'s financial performance is poor, just like that of other public sector units. The government ought to take measures to boost performance.

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