

**C-HRAO / DoT / 1482 / 24**

**3<sup>rd</sup> December 2024**

**Shri Balwant Singh, IAS**

Commissioner-cum-Secretary

Dept. of Tourism, Govt. of Odisha

**PROPOSED AMENDMENT IN THE ODISHA TOURISM POLICY 2022**

Respected Sir,

The Government needs to change the Tourism Policy in consultation with the stakeholders and travel trade organizations. Tourism sector is an important source of income for the Indian economy. The industry contributed Rs. 15.9 Lakh Crore and Rs. 16.5 Lakh Crore to the country's GDP in 2022 and 2023 respectively.

**For the growth of tourism in Odisha, development of tourism infrastructure should be taken care of on priority as are happening in Goa, Rajasthan, Madhya Pradesh, Kerala, North East states which will not only contribute to the growth of economy but also provide ample employment opportunity.**

On behalf of the Hospitality industry we would like to put forth the following points for kind consideration in formulating / modification of the existing Odisha Tourism Policy 2022

1. Land bank was created for allotment of land for hotels at various tourist locations to increase the hotel rooms, but land was auctioned and only builders become eligible for purchasing land as they are paying high price for the land and using it for other purposes like shopping malls, apartments etc. Looking at the acute shortage of hotel rooms in Odisha we request the Government to provide land at various tourist places to selected hoteliers at IPR rate. More star category/luxury hotel in Odisha is need of the hour. The land allotted should be used for constructions of hotels only and not for market complex or malls or shopping complexes.
2. Development and operations of Panthanivas at various tourist places in Odisha should be privatized through PPP mode by prospective hoteliers which will definitely helpful to promote tourism in those places. Further the Forest & Wildlife department should also invite professional hoteliers to operate eco resort properties on lease basis which will also provide employment opportunity to local folk as well as earn revenue for the state. A Number of Panthanivases already disinvested by the Dept., to private parties are still laying un-functional, review of the same should be done and these properties be made operational.
3. **To attract huge investment in the tourism & hospitality sector** from the private entrepreneurs, Government may consider (1) availability of land at special rate (2) quick clearances (Single Window Clearance) as hotels require more than 22 clearances from various departments which is time taking and difficult. Local Development Authority, Fire, CRZ etc., etc., and the time taken for getting clearance from them runs into years and the project costs increases due to this delay. Therefore we recommend that all required statutory clearances and permissions should be made available to the investor under the Single Window Clearance. As hotel industry is capital intensive, we request the completion period be extended upto **5 years** from the date of allotment of land. It is necessary to change the guidelines stipulated by the Fire & Safety Department for according permission to hotels for issue of Fire License (Memorandum already submitted earlier) and the Fire Policy should be customized to meet the needs of the hospitality sector specially old hotels which have been constructed more than 25 – 30 years back or more.

— Affiliated member of —

**FHRAI (Federation of Hotel & Restaurant Association of India)**

**HRAEI (Hotel & Restaurant Association of Eastern India)**

**ODISHA - THE LAND OF THE LORD**

4. **Industry Status to be accorded to hotels, though hotels have been declared as industry but the industry status benefits are yet to be received by them specially in the power sector for tariff relaxation. Steps may be urgently implemented for declaring the hotels as a industry and to avail them all benefits under the industry category.**
5. A State Tourism Development Board under Chairmanship of Hon'ble Dy Chief Minister, Tourism can be constituted for monitoring continuous development of infrastructure in the state with government and private members for a 5 years term. For faster growth the Board meeting must be held bi-monthly. We would request that a member nominated by HRAO should be included in the Board as HRAO is the biggest stakeholder in the State and also the HRAO has a nominated member in the Tourism Advisory Committee (TAC).
6. While Odisha Tourism is conducting road-shows in different states, most of the agents have given feedbacks for FAM tours to get a real view of the tourist places of Odisha and the hotel infrastructure. In view of this Tourism Department may consider for conducting FAM tours every month for next 12 months from different states of India to Odisha.  

Further, as all India tourist offices abroad have been closed and the tourism promotion work is left to the Indian Embassies, we must invite the Embassies officials on FAM tours to Odisha from the ten leading countries that send maximum tourists to India (USA, Bangladesh, UK, Australia, Canada, Sri Lanka, Germany, Nepal, Singapore & Malaysia). We should also conduct road-shows in these countries through the Indian Embassies. Odisha, the best kept secret needs to be unravelled. Architecture and heritage of our state to be massively promoted to become the most preferred tourist destination.
7. The State Government should do projection of short term (yearly) and long term (4 years) on increase in footfalls to the state in the tourism sector and the need to increase the infrastructure in tourist places and the same should be reviewed in the State Tourism Promotion Council meeting.
8. Preparation of master plan for development of tourist destinations in the state on priority through E&Y.
9. Tourism infrastructure Development & Branding Odisha as a diverse tourism Hub should be done through a branding consultancy firm and Odisha should have a brand Ambassador by a famous personality for promoting Odisha Tourism like in other states.
10. In the new Tourism Policy, the existing units who will expand by 50% of their existing capacity can only avail subsidy benefit. We request to reduce the same to 20% so that we can add more hotel rooms in a faster mode in Odisha.
11. In the New Tourism Policy only 3 star and 4 star properties having 50 keys or more can avail benefits. As the Government is planning to develop tourism infrastructure in remote districts, we suggest hotels with 1 star and 2 star classifications having more than 20 rooms may be included for eligibility to avail benefits in the Tourism Policy 2022. Also in developed areas like Bhubaneswar, Sambalpur and Rourkela 2 star and 3 star hotels having more than 25 keys should also be allowed to avail benefits under the new Tourism Policy 2022. This is required to meet the needs of mid level income tourists who constitute more than 70% room occupancy in these cities. As land prices are high, the above relaxation will be very advantageous to the stakeholders and we can increase the hotel accommodation capacity in Bhubaneswar and other places.
12. In the migration clause there is an ambiguity if a person who has invested certain amount during the previous policy and balance amount during the current policy will he be entitled to the benefits under old Tourism Policy for the investment made during that period and balance amount as per the Policy after 1<sup>st</sup> December 2022.

13. There should be a time limit fixed by IDCO for allotment for lands for projects approved by SLSWC. Also the investor has to obtain clearance two times from the Tourism Department for land allotment by IDCO. This should be reduced.
14. Convention/MICE Tourism promotion especially for the state of Odisha to be taken up on priority basis. There is an urgent need for a World class Convention Centre in the capital city of Bhubaneswar to accommodate at least 5000 delegates. This needs to be implemented on a war footing basis and we can suggest Janata Maidan as a proposed location for the same.
15. Domestic flight connectivity from Bhubaneswar and Jharsuguda to all capital cities in the country should be made available which will help increase of tourist flow in the State, also flight connectivity to various tourist destinations and business hubs should be made available in this airport. Puri International airport should be developed on a fast track basis and steps to be taken for increasing more international connectivity from the capital city to other important foreign destinations to increase inflow of foreign tourists.
16. To accelerate Buddhist Tourism in the state. Development & beautification of basic infrastructure in Buddhist Circuit is required. The Mahaparinirvan Express train should be extended upto Puri which currently stops at Bodhgaya.
17. More attention to the Western & Southern part of Odisha to unravel the unexplored beauty and heritage of the state.
18. Promotion of museums through good quality short videos, high quality coffee table on museums in Odisha, extension of timing, deploying proper English speaking guides with thorough knowledge, improving lighting, toilet facilities at Buddhist Museums in Lalitgiri, Ratnagiri & Udayagiri etc will definitely attract tourists to our state.
19. Chilika Lake is the goldmine for tourism in Odisha and needs attention of the State government to develop eco-tourism and infrastructure for promoting the area on priority basis. A five acre land was ear-marked for Biju Patnaik Park, near Chilika Lake, Dist. Ganjam, has become a Jungle, can be developed as an attractive place like Brindavan Garden. Also Hirakud Dam and other sites of significant tourist potential should be developed to increase tourism flow to these places.
20. World class branding is required in international and national markets through electronic / print media / social media campaigns required to attract foreign as well as domestic tourists as well as attract investors to invest in this sector. A special budget should be earmarked in the tourism policy for spending on this promotion effectively.
21. We propose the following amendments in the Quantum of Capital Investment Subsidy as given in the Tourism Policy 2022

Existing			Proposed by HRAO	
Eligible Capital Investment (excluding the land cost) (1)	Admissible Subsidy (2)	Maximum Limit of subsidy (3)	Admissible Subsidy	Maximum Limit of subsidy
Investment up to Rs.50 crore	30%	Rs.15.00 Crore	40%	Rs.25.00 Crore
Investment above Rs.50 crore	30%	Rs.20.00 crore	40%	Rs.40.00 crore

22. Development of road-side amenities to all tourist destinations should be taken up on priority basis under PPP mode. Necessary amendments in the policy, if required, should be made. This will also help to increase tourist footfalls.
23. For all approved hotel projects under Single Window Clearance, the Government should ensure availability of trunk infrastructure which includes road, power, water and other necessity to make the project operational.

Our Prime Minister Hon'ble Sri Narendra Modi has always been giving tourism as a priority subject we are confident your leadership and vision will undoubtedly play a pivotal role in shaping the future of the tourism sector in Odisha, enhancing its growth, and showcasing the rich cultural heritage and diverse attractions that our state has to offer.

Thanking you  
Most sincerely yours

  
Dr. J K Mohanty, MHCIMA  
Lifetime Chairman - Hotel & Restaurant Association of Odisha  
Chairman Eastern Region – Indian Association of Tour Operators  
Co-Chairman – FICCI National Tourism Council / Convenor – CII (Tourism Panel)  
Hony. Treasurer, Hotel Association of India