



IATO Speaks

A tourism industry communication by Indian Association of Tour Operators

IATO demands
Reduction in e-Visa fee

**Members
are priority**



Cover depicts Incredible India (North Kerala)

India Tourism Mart 2019

from September 23-25, 2019



ANDHRA PRADESH
TOURISM

A COASTLINE OF NEVER ENDING EXPERIENCES

Andhra Pradesh is endowed with the largest coastline in the east coast. It has the longest beach on the east coast that spans 974kms. for families to have unending fun and make a plethora of memories. The golden sands, palm trees and pristine beaches make it a picture-perfect destination.





IATO welcomes new ministers



PRAHLAD SINGH PATEL

Minister of State for Tourism (Independent Charge)

Prahlad Singh Patel has been appointed as the new Minister of State (Independent Charge) for The Ministry of Tourism, Government of India. He is a five-time parliamentarian and was a front runner for Modi's second cabinet. He also served as a Minister of

State for coal in the Atal Bihari Vajpayee government. He takes over from Alphons Kannanthanam.

Winning the election from Damoh constituency in Madhya Pradesh, Patel holds BSc, LLB, MA (Philosophy) degrees. In the previous government, he was a member of several committees like Committee on Public Undertakings, Committee on Government Assurances, Standing Committee on Rural Development. He has also been a member of Executive Council of VV Giri National Labour Institute and member of the Consultative Committee in the Ministry of Labour and Employment.



HARDEEP SINGH PURI

Minister of State for Aviation (Independent Charge)

Former IFS officer Hardeep Singh Puri has been given the independent charge of the Civil Aviation Ministry in the new Modi government. He has been appointed as the Minister of State (Independent Charge) of Ministry of Civil Aviation. He was the Minister of State (Independent

Charge) of the Ministry of Housing and Urban in the previous government. He is a Rajya Sabha member from Uttar Pradesh. A former career diplomat, Puri joined BJP in 2014.

In his career spanning 39 years as an IFS officer, he served in senior positions at the Ministries of External Affairs and Defence, held ambassadorial level posts in the United Kingdom, Brazil and served as Permanent Representative of India to the United Nations both in Geneva and New York.

He had earlier served in India's Missions in Tokyo, and Colombo. Born on 15 February, 1952, Puri did BA (Hons) History from Hindu College, University of Delhi and was placed first in order of merit in 1971. He completed his MA (History) in 1973.



PIYUSH GOYAL

Minister of Railways

Chartered accountant-turned-politician, Piyush Goyal has been reappointed as the Minister of Railways. Goyal, who worked as an investment banker before becoming member of Rajya Sabha, has handled several key portfolios in the previous Modi government, including the

Finance Ministry in the absence of Arun Jaitley. He has also been Power, Coal and Corporate Affairs Minister in the past. During his tenure as Railways Minister, he announced Railways Zone for Andhra Pradesh named South Coast Railways and was also instrumental in announcing new fast speed train, Vande Bharat Express.

Born in Mumbai to Ved Prakash Goyal, who has been a Union Minister in the Vajpayee government, he followed his father's footsteps and joined BJP in 1984. He holds a stellar academic record and is an all-India second rank holder Chartered Accountant and second rank holder in Law in Mumbai University.



NITIN GADKARI

Minister of Road Transport & Highways

Nitin Gadkari will continue to handle Ministry of Road Transport & Highways, while also handling the Ministry of Micro, Small & Medium Enterprises (MSMEs). The minister has been credited for smooth construction

and operation of bridges, flyovers and expressways in the previous cabinet. He is also known to have played a significant role in the implementation of the Pradhan Mantri Gram Sadak Yojana.

He is also known for the works during his tenure as a Public Works Department Minister in the state of Maharashtra when he constructed a series of roads, highways and flyovers across the state including the Mumbai-Pune Expressway, India's first six-lane concrete, high-speed, access controlled tolled expressway. He has also been the Chairman of Maharashtra State Road Development Corporation.



योगेन्द्र त्रिपाठी, भा.प्र.से.
Yogendra Tripathi, IAS



सचिव
भारत सरकार
पर्यटन मंत्रालय
नई दिल्ली
SECRETARY
GOVERNMENT OF INDIA
MINISTRY OF TOURISM
NEW DELHI



MESSAGE

I am pleased to note that the Indian Association of Tour Operators (IATO), an umbrella association of inbound tourism, is coming out with the New Look Newsletter, which will play a meaningful role in informing and educating tourism fraternity at large with the latest updates to ensure that 'Incredible India' is seen worldwide as a favoured destination among the travellers.

Tour operators and travel agents are essential to help 'Tourism' thrive in our 'Incredible India'. In the Ministry, we have also taken path-breaking initiatives leading to positive growth of inbound tourism. The e-visa has played a remarkable role in boosting international tourist arrivals in India. This e-visa facility has now been extended to 167 countries. With efforts of Ministry of Tourism, relaxation in Restricted Area Permit (RAP) / Protected Area Permit (PAP) for Manipur, Mizoram, Nagaland and 29 islands of Andaman & Nicobar has been extended up to 2022.

The Ministry has recently launched its newly revamped website (www.incredibleindia.org). A series of infrastructure development projects are also in progress in our pre-identified tourist circuits. A thematic and market specific 'Incredible India 2.0' campaign has been launched as part of the Global Marketing Plan to promote 'India' as a popular and most appealing tourist destination around the world.

The IATO is working closely with Ministry of Tourism and has been contributing immensely towards promotion of inbound tourism into India. I wish IATO and its team members all success and hope that members will take full advantage of this informative 'new look' newsletter to gain further knowledge/information to grow their business.

Yogendra Tripathi



Pronab Sarkar

Dear Friends,

My best wishes in the new financial year and I am sure you had good business in the last season.

We are pleased to present you the newsletter with a new look and would try to make it more informative for the members and also shall increase its circulation. M/s. DDP Publications has been given the responsibility of editing and printing and I am sure they will do a commendable job with their vast experience in the field.

You may be aware that at the Ministry of Tourism, **Meenakshi Sharma** has been promoted to Director General Tourism. We had a courtesy call to congratulate her and took up the opportunity to raise our pending issues like Revision in Guidelines for tour operators for the benefit of medium and small tour operators, Revision in MDA Guidelines by removing clause of 5% increase in foreign exchange earnings in three cumulative years. Rates of handling of Fam trips have been revised, however, we have requested that tour operators' bill/invoice should be sufficient and supporting documents from the hotels and other suppliers should not be required.

IATO is soon going to appoint a PR Agency and we shall initially appoint it for six months to gauge its potential and will continue further if found suitable. IATO has appointed M/s. Your Reputation Consultancy (YRC) for revamping the website as well as marketing our website in selected overseas markets and social media. During our active members' meet, it was proposed to make an **Annual Business Plan** and a Five Year Plan for development of IATO's role in advancing the industry for which a committee has been formed.

We have appointed **Rahul Chakravarty** as the COO at IATO and we hope he would also provide his valuable contribution. He will be assuming charge of all job

responsibilities of Mr. Gour Kanjilal, who completed his tenure in March 2019 at IATO as per his contract. Mr. Kanjilal served IATO for a complete 13 years after his retirement from Ministry of Tourism.

I am happy that all our **sub-committees** are very active now and are conducting meetings on regular basis. With their inputs, we will achieve more in this year for the betterment of our industry. Coinciding with roadshows in Australia and New Zealand, a meeting of Australia and India Joint Working Group meeting was held on April 15, 2019 in Sydney, where I participated and raised the issue that members are facing both for inbound and outbound. IATO had submitted its proposal for the roadshows for 2019-20 and Ministry of Tourism, Government of India, has planned roadshows for the whole year starting with the US and Canada from June 24 and in Africa from July 1, 2019.

I recently had a meeting with **National Skill Council** (Tourism and Hospitality Council) and will have another meeting with them soon where we will give our inputs for training as well as placement of trained students. We are also happy to inform you that **Zia Siddiqui** has been nominated as Chairman of Standard Sub Committee of Tourism & Hospitality Skill Council. The committee members unanimously nominated him.

As you know, **India Tourism Mart 2019** is being held from September 23-25, 2019. IATO has been given the responsibility of selecting the hosted buyers from overseas. Soon, we will be sending you the link which you can forward to your foreign operators to be considered as hosted buyers.

We have submitted our **recommendation for the Union Budget 2019-20** to the Ministry of Finance and Ministry of Tourism. Some of the highlights of our demands which we are making to the government are: a) The parameters / definition of "export of services" may be relaxed in the case of tour operators and the services of tour operators earning foreign exchange for the country may be accorded with the status of "export of services"; b) Remove the cascading effect of GST on tour operators; c) Reduce visa fee and no visa fee during off-season.

We will request **your valuable inputs** to make the newsletter more informative and useful to members.

Wishing you all the best for the coming business season 2019-20!

Pronab Sarkar
President



Secretary's Communication



Rajesh Mudgill

Dear Members,

In keeping with our promise to you at the time when you elected the new EC, I am glad to inform all of you that many steps have been taken in the positive direction which will benefit all our members.

These initiatives have been taken by me, as EC liaison, with the co-operation and understanding of our EC. I will continue doing my best for you all.

You may already be aware that amongst the important steps taken by us was the formation of different committees to take up various responsibilities that I thought were necessary, so that your problems and welfare could be attended to effectively.

We want more members to get involved as I believe that the real strength of our association will come from its honoured members and their individual strengths and ideas.

I am happy to note that all these committees are dedicated and are trying to do their best. It will take a bit of time to streamline things. In the meantime, I would like to thank our Newsletter, Media & PR Committee which has begun its work; it helped us to start this new look newsletter magazine for you.

I have also been sending you regular updates and announcements on your email. Please look into your inbox. I hope you are all receiving them.

Yours faithfully,

Rajesh Mudgill
Honorary Secretary

Team IATO

Office Bearers

Pronab Sarkar
President

E M Najeeb
Senior Vice President

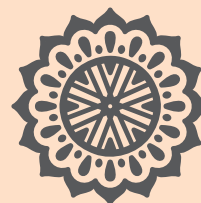
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Vice President

Rajesh Mudgill
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Ravi Gosain
Honorary Treasurer

Rajnish Kaistha
Hony. Joint Secretary

Subhash Goyal
Immediate Past President



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Raj Bajaj

Viney Tyagi

Deepak Bhatnagar

Tony Marwah

Zia Siddiqui

Sunil C Gupta

P Vijaysarathy



IATO appoints COO



Rahul Chakravarty

In an endeavour to ensure smooth functioning of the association, Indian Association of Tour Operators (IATO) has appointed **Rahul Chakravarty** as the Chief Operating Officer (COO) to enlarge the scope and area of operations in the 1600-member body. In his current role, Chakravarty will be overseeing all aspects of operational management of the association. He took over office on April 1, 2019.

He was earlier working with Federation of Indian Chambers of Commerce and Industry (FICCI), heading the tourism division for the last 15 years. During his previous stint, Chakravarty has displayed commendable performance and racked up an impressive track record. He has been instrumental in the remarkable growth of the travel division of FICCI with the launch of various travel-related programmes, including The Great Indian Travel Bazaar (GITB).

Gour Kanjilal, who was the Executive Director of IATO for the past 14 years, bid farewell to IATO, citing age and other considerations. The IATO leadership is confident that Chakravarty, with his vast experience, will help the organisation to grow.



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Cover Picture Courtesy: Kerala Tourism

Honorary Secretary
Rajesh Mudgill

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State concerns brought to the fore

IATO State Chapter Chairmen from different regions voice issues in their respective states.



IATO had suggested many measures to Uttarakhand. Higher reaches of the hill state that otherwise were seen as a challenge are coming up well.

PRATEEK HIRA
Chairman—Bihar, Uttar Pradesh & Uttarakhand Chapter



The biggest challenge we are facing in Karnataka is interstate taxes. We are closely working with the state government to re-implement the South Zone permit.

S MAHALINGAIAH
Chairman—Karnataka Chapter



MTDC has never interacted with any trade body. Its investments are also not on the right track. It took us a long time to get MTDC guides after repeated follow ups.

HIMANSHU AGASHIWALA
Chairman—Maharashtra Chapter



The primary challenge is waste management and maintaining cleanliness of the beaches. We, along with other trade bodies, have made petitions to improve beach cleaning.

ADOLFO FERNANDES
Chairman—Goa Chapter

Monthly data on FTAs to India

Highlights regarding Foreign Tourist Arrival (FTA) and FTAs on e-Visa during November, 2018.

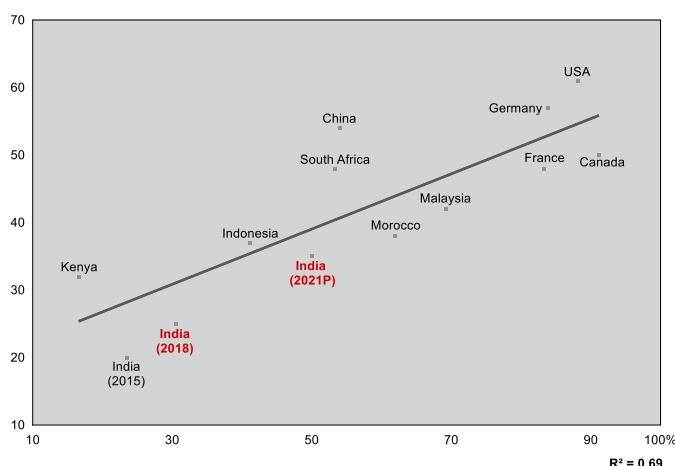
Month	Year	FTA	Growth
November	2018	10,12,128	1.4 %
November	2017	9,97,738	
FTAs on e-Tourist Visa			
November	2018	2,61,959	22.5 %
November	2017	2,13,835	

(Latest data yet to be released)

Source: Market Research and Statistics, Ministry of Tourism

\$24 bn more on online bookings

Online bookings in India are projected to rise from 25% to 35% as internet penetration increases.

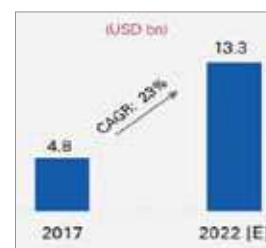


As India's travel spending is set to grow from \$94 billion in travel spending to \$136 billion by 2021, around 57 per cent of the incremental bookings will be online. A latest study by Bain & Company and Google states that frequent flyers research online and make decisions on the basis of availability of flights.

Medical tourism to boom in India

Medical tourism in India by international travellers is set to grow to USD13.3 bn by 2022.

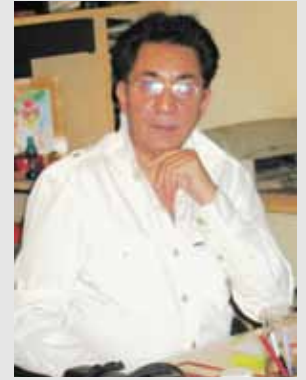
A KPMG India & Google report states that 1.5 million medical tourists are expected to visit India in 2022. The market in the country has grown rapidly over the past decade, with India becoming one of the largest global medical tourism hubs.





Tourism: Then and Now

1982 was a significant year. It was the year of inception of 'Indian Association of Tour Operators' (January 13). A year later in 1983, Taj Mahal was declared by UNESCO as a World Heritage Site.



Flashback 1982! You could hear the restless tak-tak-tak of typewriters and telex machines, their faithful iron keys hammering down on paper in noisy rhythm. Sturdy black telephones with circular dials graced the tables, their numbers peeping lazily from every hole. Dates were managed from fancy calendars hanging on walls and interstate calling was a challenge; trunk calls would take hours to get through. It was a time when most touristic itineraries were conventional and mainly anchored around monuments of archaeological and historical glory. Friendly white ambassador cars drove around Delhi roads with their never-say-no chauffeurs who would impress foreigners settled in the backseat with their skilful driving and amuse them with their whimsical use of Hinglish vocabulary. Handy picture postcards of monuments and horse tonga sketches were posted away by the visiting tourists into red post boxes. Meanwhile, somewhere far away in the northern hills, occasionally a handful of trekking enthusiasts would be driving over a broken road, their fatigued vehicle rattling on towards some unknown milestone in anticipation of their first glimpse of the Himalayas, while their mountain guide awaited them in isolation somewhere at the other end. This was 1982.

It was also the year when our cities graduated from black and white televisions to colour TV and the sitting rooms had lit up with excitement and awe on that day. In the same year, Richard Attenborough's epic

film 'Gandhi' had released in India recreating the inspiring saga of Mahatma Gandhi's life on screen.

1982 was a significant year. It was the year of inception of 'Indian Association of Tour Operators' (January 13). A year later in 1983, Taj Mahal was declared by UNESCO as World Heritage Site. Local guides, auto drivers and rickshawalas across Agra city began to pick up foreign languages almost overnight.

Fast forward 2019! India's tourism has witnessed an eventful journey. It has evolved and so much more has changed during the last 37 years (1982 - 2019). Today, the rules and dynamics of India's tourism business stand redefined. This period has rearranged the order of thought and preferences in the mind of the traveller. It has awakened in him a revised perception about India.

This mega cultural fabric called 'Incredible India' is now being seen by him as the fascinating Earthly address that offers for him an appealing menu of multiple destinations and experiences, ecstatic nature sojourns, wellness and spiritual fulfilments, an entire subcontinent of mystic origins, where the very ancient co-exists with the modern in a grand fusion of vibrance, harmony and promise!

This is also the beginning of a new understanding about tourism in Incredible India. In this era of digital realities, the traveller has an instant access to nearly any information, visual, place or services he desires in Incredible India at the click of a mouse and on his mobile device. Travel to 'Incredible India' is also now being marketed and sold through virtual connect and information flow. The traditional methods of repeated door-to-door presence across the Indian borders may one day become a thing of the past.

Meanwhile the new generation entrepreneurs are waiting at the door to enter mainstream tourism. Their mindsets are potentially ready to imagine and tap into the amazing possibilities hidden in the colourful rural folds of India's cultural magics and enchanting landscapes. They are eager to contribute in taking tourism in Incredible India further through innovative travel concepts, marketing of new products and places. Welcome to 2019!

Since 1982, IATO has seen much. Its members have contributed with defining roles and purposes. They have helped to strengthen it over the years. IATO, with its 1700+ members lead the brand appeal of this Earthly wonder called 'Incredible India' with their services, products, expertise and ideas.

The author, Neelam Thakur (Neel) has been a devoted tourism professional for over 3 decades. thakurquest@airtelmail.in





Members are priority

IATO discussed the concerns of members and sub-committees at its monthly luncheon held in April 2019.



Industry challenges and concerns at the fore

IATO shared the progress with Services Export Promotion Council (SEPC)/Directorate General of Foreign Trade (DGFT) license renewal, visa fee and MOT Fam trip issue at the monthly luncheon meeting in Delhi.



IATO bids farewell to its Executive Director, Gour Kanjilal

The Indian Association of Tour Operators (IATO) discussed the concerns of members, sub-committees and shared the progress that the Executive Committee had made in the last month at its monthly luncheon meeting. **E M Najeed**, Senior Vice President, IATO, said, “We had a very interactive luncheon meeting with queries on GST matters as well as the visa fee. The government’s

decision to double the visa fee for foreign tourists has been strongly taken up by us with Ministry of Tourism (MOT) and Ministry of Home Affairs (MHA).”

IATO also announced the appointment of **Rahul Chakravarty** as its COO and the farewell of **Gour Kanjilal** who served as its Executive Director for the last 14 years. Updating about the SEPC/DGFT issue, **Rajiv Mehra**,

Vice President, IATO, shared, “We can now apply online to get the SEPC license renewed. As soon as the new government comes in and we have the new rates available, we would be able to apply for DGFT. The revised rates for MOT Fam trips have also been circulated to all the members”

The association is also gearing up for IATO Convention to be held in September.

Kanjilal has held various tourism assignments leaving behind an indelible impression of excellent PR



Empowering members with digital skills

The skill development workshop was attended by 55 members comprising small and medium tour operators and their owners, directors and high-level executives.



ZIA SIDDIQUI
EC Liaison—Skill Development Committee

In a constant endeavour to study the growing competition in the industry, international as well as domestic, IATO is working tirelessly to support tour operators to face such situations and empower them with digital skills. In this context, the association organised a two-day digital marketing workshop, ‘Double Your Leads (Digital Marketing Level-B)’ under the leadership of the Skill Development Committee. Organised on May 13-14, 2019 for owner/director of small/medium tour operators or General Managers and high-level executives, the workshop focused on making the small and medium tour operators ready to take on competition with OTAs and face other challenges.

Zia Siddiqui, EC Liaison—Skill Development Committee, IATO, informed that the workshop focused on lead generation, concept and strategies, contextual marketing, identifying leaks, effective email marketing, targeted Facebook advertising and other useful digital marketing concepts. “Every year, IATO works out a few programmes for its members from April to September. The focus this year is on digital marketing to train and educate various levels of leadership and tour operators. We are also starting some programmes for the junior staff like office attendants to provide them professional knowledge,” he said.



Skill Development Committee's next workshop ‘Get Overbooked’ is scheduled on June 10-11, 2019



Talking about participation, Siddiqui said, “Initially, we had decided to take 25 participants, but such was the enthusiasm among the members that we ultimately agreed upon 55 participants.

This shows there is a need to have such initiatives which can be very successful. After the success of this workshop, we are

going to organise the next workshop ‘Get Overbooked’ (Digital Marketing Level - C) on June 10 and 11, 2019 to enhance the internet and social media marketing advance knowledge of the members.”



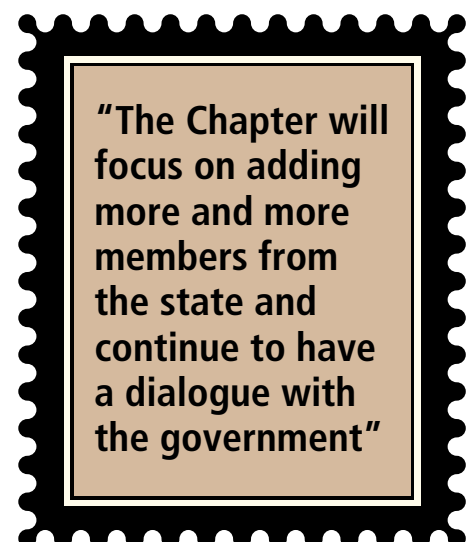
Maharashtra Chapter at its best

The new team of Indian Association of Tour Operators (IATO) recently held its first meeting after **Vasuki Sundaram**, Chairman (Maharashtra Chapter), was officially selected in December 2018. Despite being relatively new in the position, Sundaram has managed to hit the ground running. She is clear in her vision for the chapter and the association and this is reflected in the roadmap she has drawn up. "Our focus area for this year is increasing our membership. We are hoping that members will come together and lay more emphasis on collaborating with each other.

Members can get together and market the product together. So there is more productivity and there is co-operation amongst them," she says.

Another area that her team is working on is visibility for the association and its members at shows and exhibitions such as the India International Travel & Tourism (IITT) held in Mumbai recently.

The chapter is also working with Maharashtra Tourism Development Corporation (MTDC) to conduct more recce and familiarisation tours for members.





Orchha in tentative list of UNESCO World Heritage sites

Orchha town in Madhya Pradesh, famous for its architectural heritage from the Bundela dynasty, has been included in the tentative list of UNESCO's World Heritage sites after the Archaeological Survey of India (ASI) sent a proposal to the UN body. For any



heritage or any historical site to become part of UNESCO's World Heritage list, the site has to be on the tentative list. After it makes to the tentative list, another proposal is sent to UNESCO. The ASI, in its earlier proposal, had requested to include Orchha in the list of cultural heritage.

Chardham Yatra 2019



Chardham Yatra in Uttarakhand has started welcoming pilgrims in the state from May 7, 2019. It has been notified that Government of Uttarakhand has no policy for directing pilgrims through a particular route. However, Government of Uttarakhand strives to provide basic facilities across all routes.

India Tourism Mart 2019 from September 23-25

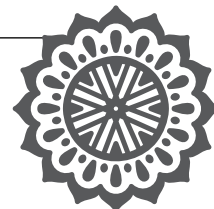


The India Tourism Mart (ITM) will be held from September 23-25, 2019 at The Ashok, New Delhi, confirmed Federation of Associations in Indian Tourism and Hospitality (FAITH). The association expects to shortlist around 500 international buyers.

"FAITH has finalised the dates for the second edition of ITM. This time around, we are planning a much bigger and better show as compared to last year," informed Subhash Goyal, Honorary Secretary, FAITH.

Goyal mentioned that the association expects to shortlist around 500 international buyers in this year's ITM. Around 250 buyers attended the show in 2018. "With every detail available online, the selection process is very transparent. Representatives of MOT will be a part of the process. This year, we are not allowing operators who attended the show last year. We are in the process of appointing an advertising and marketing promotion agency. We have already called for tenders and will soon be finalising it," he mentioned.

IATO pitches for e-visa fee reduction



In a bid to increase the number of foreign tourists to India amid country's neighbouring countries providing relief in visa fee, IATO has proposed the Ministry of Tourism to reduce the visa fee. The association said that the increase in the e-visa fee in June 2018 has hampered the growth of international tourist arrivals in the country.

The main reason for IATO's request is that India's neighbouring countries charge very low visa fee as compared to our country. Moreover, Thailand has made itself visa free till October 2019. Recently, UAE had also abolished visa fee for the tourists below 18 years of age who are accompanied by their parents to promote family tourism.

In view of the above, IATO President has requested the ministry to send its recommendation to Niti Aayog for considering reducing the tourist e-visa fee and charge a flat rate of \$25 to \$30 per person for all nationals or rollback the hike which was done in June 2018. IATO has also requested for considering zero visa fee for tourists during the off season, i.e. April to September every year, as other than the hotels in hill area, occupancy in hotels in rest of India is less than 50 per cent. The President asked the ministry to consider the above recommendations for minimum of 3 years to give a boost to tourism sector. He also said that the initiative can also help us to achieve target of 20 million tourists in a few years and Foreign Exchange Earnings of USD 100 billion by 2023.



Any issues you want to talk about?

Your magazine is the best place to let others know how exactly you feel about various new initiatives or any ongoing schemes.

Write to us at
iato@ddppl.com

and make us your mouthpiece.
We will make sure that you are heard.

2.5 mn tourist arrivals on e-Visa in 2018

The Bureau of Immigration, India had issued over 2.5mn e-Visa last year, a five-fold jump from 2015. Reportedly, the number of e-Visas issued by the Bureau has risen from 5.29 lakh in 2015 to 25.15 lakh last year. On the other hand, the number of regular or paper visas issued by Indian missions abroad has come down from 45 lakh to 35 lakh in the same period.

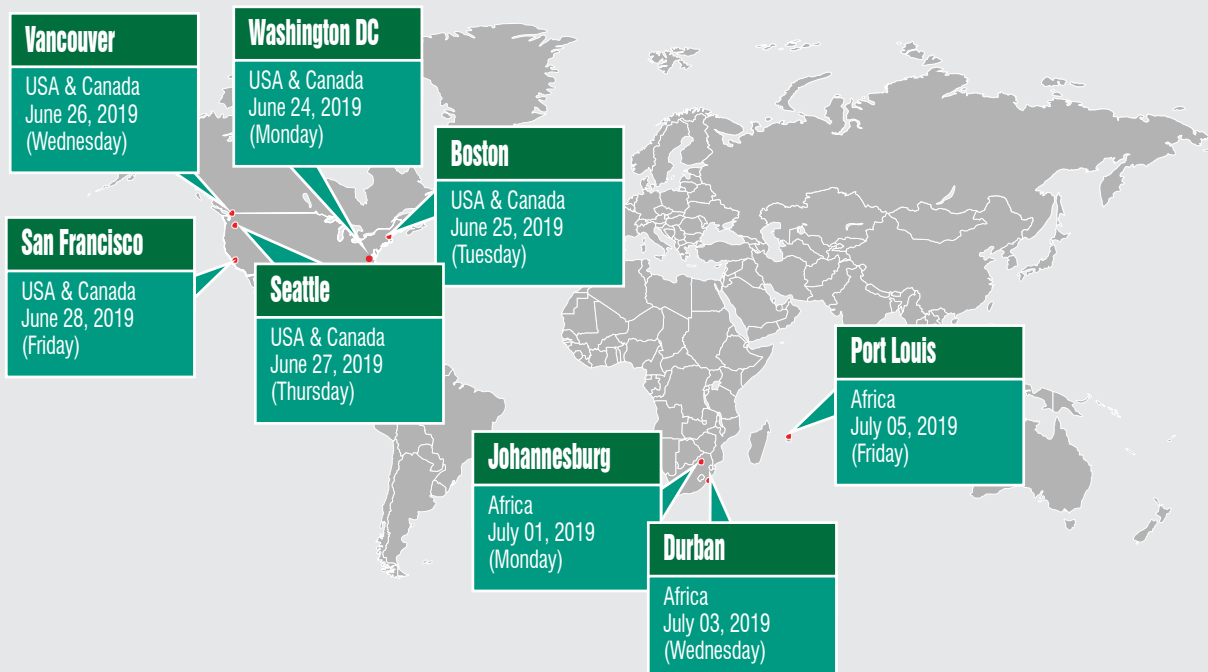


Indore airport gets 'international' status

The Home Ministry has given its approval to Devi Ahilyabai Holkar Airport to set up an immigration counter- providing it the status of an international airport. This will enable the airport to commence direct international flight operations from the city. The airport would now be called Devi Ahilyabai Holkar International Airport. It facilitates round the clock operations and was given its World Standardization Certificate by the UK. Reportedly, the first international flight from the city will be started by Air India to Sharjah in next two weeks.

Upcoming MOT Roadshows

Ministry of Tourism, Government of India is organising Incredible India Roadshows in the US, Canada and Africa in June and July 2019*, respectively, as per the following schedule:



* Updated till May 31, 2019



GST: Scope for improvement?

India's biggest tax reform yet has been met with an equal measure of praise and criticism. **S C Kamra**, Advocate & GST Consultant for IATO, provides a detailed analysis of the implementation of GST on tour operators.

The Goods and Services Tax or GST is a destination-based indirect VAT on supply of goods as well as services across the board on all India basis including J&K. GST is levied by both the centre and the states. Various indirect taxes which were levied up to June 2017 were subsumed in the GST slogan as 'One Nation One Tax'. As far as tour operator industry is concerned, the government specified concessional 5 per cent GST without extending the benefit of input tax credit (ITC) of goods and services used in the supply of output service. However, ITC is allowed on input services procured from another tour operator working in the same line of business. Except this limited credit, a tour operator paying 5 per cent GST is barred from availing ITC in respect of bunch of input services such as office rent, telephone, leased line, office equipments, computers, AMC of office and office equipment's, courier, insurance of office premises and office equipments, rent-a-cab, outdoor catering, servicing of motor vehicles, civil construction including repair, alteration, renovation in office premises, etc.

Under the GST regime, tour operator services are taxed under 5% tax slab with denial of ITC

Although tour operators are earning precious foreign exchange through inbound tours services, yet these services are not accorded with the status of 'export' under GST law. The place of supply of services rendered by tour operator is linked with the place of performance and not the location of customer. This is provided in section 13(3)(b) of the IGST Act, 2017. Consequently, the tour operator has to pay GST even on billing to foreign client/

FTO. The Govt. should relax this parameter and accord the special status of export/deemed export to the services of the tour operators earning foreign exchange.

In case the tour operator selects to pay 18% GST (model GST rate for services), he can claim ITC on all input services and goods including capital goods used for providing output services. 18% GST means 9% CGST + 9% SGST or 18% IGST, as the case may be. Similarly, 5% GST means 2.5% CGST + 2.5% SGST or 5% IGST, as the case may be. Under the GST regime, tour operator services are taxed under 5% tax slab with denial of ITC. 5% tax on entire package value results in taxing all input services procured by the tour operator once again. This has resulted into cascading of taxes in the entire supply chain. To overcome such difficulty, the Govt. may fix up a deemed taxable value of say 10% - 15% of gross amount so that the tour operator pays 18% GST on the said deemed taxable value and no ITC is allowed.

Currently, levy of IGST is fully exempted in case services are provided to a foreign tourist in relation to tour conducted wholly outside India (refer sr. No. 54 of IGST Notification No. 9/2017-IT(R) dated 28.06.2017). Very often the tour operators conduct tour of foreign tourists in India include neighbouring countries like Nepal, Bhutan, Sri Lanka, Maldives, etc. Since the tour is not conducted wholly outside India, it does not fall within the exemption entry 54. It is suggested that the Govt. should exempt portion of package tour pertaining to tour conducted in neighbouring countries even if the package tour include India tour.



S C Kamra
Advocate & GST Consultant
for IATO

GST taxpayers are under mandate to specify the place of supply along with name of the state in the tax invoice. The problem arises when the tour operator serves the foreign tourists in multiple cities in India spread over different states/UTs. IGST is charged on the entire invoice value to the client/ FTO. On the other hand, provisions of section 13(7) of IGST Act, 2017 calls for determination of value on

proportional basis amongst various states /UTs where services are actually rendered. This puts the taxpayer into the exercise of making state-wise calculations/ split of entire invoice value and compute GST accordingly by putting the relevant State code. Such an exercise should be avoided and the law should be simple.

GST @18% is applicable on private ferry tickets in Andaman island. The ferry is not luxury ferry or cruise but it is a means of transport. These are normal AC transport ferries. Since there is no other way of transportation to reach from one island to another island, GST should be fully exempted or maximum it should be pegged at 5% GST as in the case of road transport. Secondly, considering that Andaman is an under - developed island, the rate of GST on hotels in Andaman should be exempted or drastically cut down to promote tourism in the island.





Pioneering helicopter tourism



Senior Vice President

E M NAJEEB

Founder Chairman and MD
Airtravel Enterprises

Main initiator of the public-private partnership in the tourism industry in Kerala, **E M Najeeb** is one of the frontline players in forming 'Kerala Travel

Mart', the mega promotional tool of the tourism industry in the state. Pioneering helicopter tourism, medical value travel and golf tourism in Kerala, Najeeb has business presence in Delhi, Mumbai, Chennai, Hyderabad, Bengaluru, Coimbatore, Kannur, Calicut, Kochi and Thiruvananthapuram and overseas Associate offices in Abu Dhabi, Dubai, Sharjah and Mussafah.

The Founder Chairman and Managing Director of Airtravel Enterprises, Najeeb is also the Group Chairman of the The Great India Tour Company and Chairman - Green Gateway Leisure. A tourism expert member in various government committees, he is a committed campaigner for environment and ecology. Najeeb is a graduate in English literature from Kerala University, Postgraduate Diploma in Journalism from Bhavan's Rajendra Prasad Institute of Communication & Management, and MBA from New Port University, USA.

Being Limca Book record holder



Honorary Treasurer

RAVI GOSAIN

MD, Erco Travels and Tourism
Enterprises

Post Graduate in Tourism (Master of Tourism Administration) from Jiwaji University, Gwalior, **Ravi Gosain** worked only three years in various travel agencies in Delhi

before starting his own inbound travel and tourism business at 26. He has also been awarded twice at the National Tourism Award, in 2009 and 2014.

A marketing professional, social media savvy and a travel enthusiast, Gosain has travelled to all continents of the world with more than 85 countries for promotion of India tourism as well as visiting their tourism sites. His passion for travel and sharing his experience with Indians encouraged him to start the outbound operations simultaneously in 2014.

He is also a Limca Book record holder, being part of first Indian self driving expedition to Icelandic Glacier Langjokull, the second largest glacier in Iceland. He drove 1032 km in seven days on a special four-wheel drive vehicle in 2015. Involved in IATO affairs since 2011, he has been an active EC member.

New Membership approved with effect from May 6, 2019

Active (Change of Status)

Narmada Holidays LLP

No.11, Aishwarya, 33/18 Vekatraman
Street, T. Nagar
Chennai- 600017
Tel: 044-42136446

Allied

Senkay Travel with Difference Pvt. Ltd.

C-1, First Floor, SDA Commercial Complex,
Opp. IIT Main Gate
New Delhi-110019
Tel: 011-49890000

Senkay Global Tours and Event

Management Pvt. Ltd.
C-1, First Floor, SDA Commercial Complex,
Opp. IIT Main Gate
New Delhi-110019
Tel: 011-49890000

Dook Travels Pvt. Ltd.

905-906, 9th Floor
Kanchanjunga Building, 18,
Barakamba Road, Connaught Place
New Delhi-110001
Tel: 011-4000100

Travel India Professionals

6E Central Market, Ashok Vihar
Delhi- 110052
Tel: 011-45587544

Aspire Overseas Travels

B-20, Sector-122, Noida-201301
Tel: 0120-4297221

Journey Bees

303, 3rd Floor, Garg Plaza,
Plot No.4, LSC, Chowki No.2,
Gulabi Bagh, Delhi-110052
Tel: 011-23656056

i-land informatics Ltd.

58/114, Prince Anwar Shah Road
Kolkata-700045
Tel: 033-40046483

My Voyage

H.No. 03, Near Housefed Complex,
Basistha Road, Guwahati – 781006
Tel: 0361-2262228



Rajasthan to unveil new tourism policy

The Rajasthan government will soon come up with a new tourism policy, informed Sreya



Guha, Principal Secretary, Tourism, Arts and Culture Department, Government of Rajasthan. Elaborating on the policy, she said, "At present the policy is at the draft stage. The thrust areas

are to develop new destinations, develop rural destinations and generate employment."

Tourism to contribute \$280.5 billion to Indian GDP by 2026

The total contribution of travel and tourism to Indian GDP is forecasted to increase by 4.97 per cent per annum to \$280.5 billion by 2026, according to a recent report commissioned by CII and Deloitte. The value of the hotel industry is expected to continue to grow at a rate (averaging 8.1% annually



throughout the forecast period), as India seeks to diversify the types of tourists served. Its value

will increase to \$39.8 billion by 2020. While the hotel industry contributes less than 1.5% of GDP, this merely attests to the diversity and strength of other industries, such as IT, mining and infrastructure.

Briefing of IATO members on National War Memorial



Echoing the vision of Ministry of Tourism, Government of India IATO made an effort to highlight the significance and importance of the National War Memorial so that tourists from India and across the world visit the monument situated in the heart of Delhi and get a first-hand knowledge of the glory of Indian soldiers and their

spirit to protect their motherland. IATO would be the catalyst to energise and give a definitive shape to this noble cause. Accordingly, two visits by IATO members were organised at the memorial as per schedule on the 10

and 14 May, 2019. Over 60 IATO members were briefed by the defence authorities on the aspects related to conducting tourists, both domestic and international, at the National War Memorial. They also took a tour of the war memorial with an aim to create an awareness in India and the world of this coveted site through the visit of tourists.

Immigration check post for foreign tourists

IATO has advised its members to take suitable precaution and ensure that foreign tourists and their international clients enter India through the authorised immigration check posts through airport, land check post, rail check post or river port. After one of the IATO members faced a problem, with one of his group holding multiple entry e-visa, entered through an unauthorised check post in the country.

The group, after its visit to India, went to Bhutan and re-entered India through Gelephu Border. They got the permission to enter India at Deosiri,

Assam, and got the entry and their passports were stamped and signed after checking e-visa. However, the group was de-boarded from the flight at Kolkata airport when it was noticed by immigration officials at the counter that the passport was signed and stamped in Deosiri, Assam, which was not the authorised immigration check post. Eventually, the group faced a lot of trouble and they also had to spend five extra days in Kolkata. Besides, a penalty of USD 400 per person was imposed for such violation, i.e. entering India from a non-notified place. So, all the members are advised to stay

cautious in such matters. For easy reference, below is the link of Immigration check posts - www.mha.gov.in - where details of all the authorised check posts is provided.



Able and sustainable



Hotel properties are huge resource consumers and waste generators, so adoption of green initiatives is imperative. This article highlights the importance of a sustainability policy for the hospitality industry.

Sustainability is often referred to as future-proofing. It is the process of meeting today's demands without compromising on future needs. Sustainability in an organisation comprises action in three spheres - economic, environment, and social. There is scope in every industry to adopt sustainable business practices,

especially in the hospitality industry.

Adoption of sustainable practices improves the financial performance of an organisation. It helps a business adhere to governmental regulations aiming to encourage

sustainable business practices, differentiate an organisation in the eyes of investors and customers, increase its brand value, and promote innovation. As a means to achieve all this, framing a policy providing a strategic approach for an organisation to achieve sustainability is essential.

SCOPE

The number of hotel rooms in India is estimated to be around 6.6 million.



Niranjan Khatri
Founder, iSambhav

If we look at only waste generation, going by the statistic that about one to six kilograms of waste gets generated per room in a day, the quantum of waste that could be

generated is likely to be around 6.6 million to 39.6 million kg annually, so there is a huge scope for waste reduction among other things.

METHODOLOGY

Waste management is one component of a sustainability policy. An organisation conscious about waste generation and keen to reduce waste will have a tangible target to work towards. This process involves a series of steps that include:

- Identification of sources of waste, which is vital. It is essential to do a comprehensive listing at this point as this is the fundamental data around which reduction targets can be framed.
- Application of the principle of reduce, reuse, recycle, and refurbish. If there are materials that cannot undergo any of the aforementioned processes, they have to be replaced by more sustainable alternatives.
- Putting processes in place to ensure adherence to benchmarks through technology, efficient



Identification of sources of waste, is vital. It is essential to do a comprehensive listing at this point as this is the fundamental data around which reduction targets can be framed

practices, training, and skill development.

- Conduct of regular audit to ensure compliance to targets.

BENEFITS

Brand value improvement

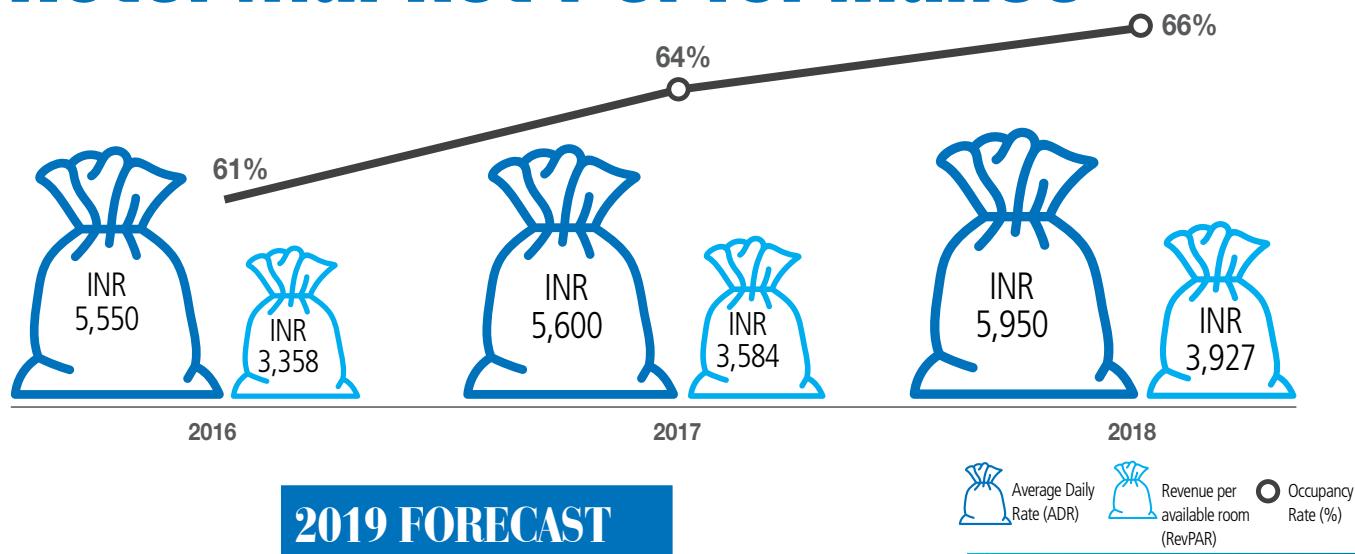
Sustainable practices help a business differentiate itself and position itself as ethical. It is an important tool in customer engagement through awareness creation. A sustainability policy helps an organisation walk the talk, otherwise it runs the risk of losing credibility.

Increase in productivity and reduction in cost

Sustainable practices help streamline operations and create efficiencies. Contrary to the belief that sustainability is expensive, it actually helps in waste reduction and savings. This includes resource efficiency; reduction in wastage of food, water and electricity; and promotes reuse.



Hotel Market Performance



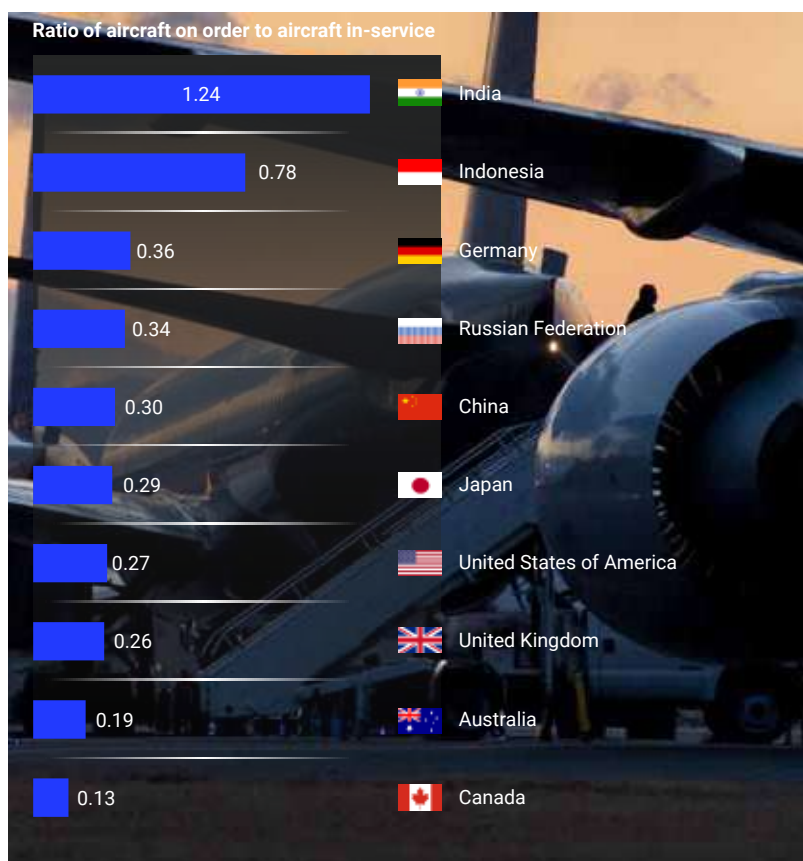
While 2019 performance may be dampened by the election, expect the tide to change in 2020 as market sentiments recover on the assumption that the country will enter the year with a stable government and strong economic growth. Should the above two parameters squarely line up combined with little new supply expected to open in 2020, we

anticipate the hotel industry to record its highest occupancy ever since the beginning of the century, outpacing 2006, which was recorded as a superlative year for the industry in this metric.

In 2018, the industry witnessed an India-wide RevPAR growth of 9.6% over 2017 to arrive at an absolute RevPAR of 3,927.

The industrywide ADRs in 2018 grew at a rate faster than long-term inflation rate of 4.5%

Source: HVS ANAROCK, India Hospitality Industry Review 2018



India has highest ratio of aircraft on order

India is currently the fastest growing major aviation market in the world, and optimism about future expansion is reflected in the fact that amongst leading markets, India has the highest ratio of aircraft on order to aircraft in service, amongst the 10 largest fleets in the world by country. In India, for example, the propensity to fly is 0.1 trips per capita today but by 2037 will rise to 0.4, or roughly four times greater. India's airlines have an order book of close to 1000 aircraft, valued at over USD50 billion. By 2050, the country's commercial fleet is expected to exceed 5000 aircraft. In anticipation of the long-term requirements of the country's aviation industry, the Government of India is exploring measures to encourage the establishment of aircraft leasing operations domiciled in India.

Source: CAPA India Research and Analysis



Statutory compliance due dates - June 2019

07 June

TDS/TCS LIABILITY DEPOSIT

Due date of depositing TDS/TCS liabilities for previous month.

10 June

GSTR-8 RETURN FILING DUE DATE

GSTR-8 is a return to be filed by the e-commerce operators who are required to deduct TCS under GST.

10 June

GSTR-7 RETURN FILING DUE DATE

For filing GSTR-7 by person liable to deduct TDS under GST for previous quarter.

13 June

GSTR-6 RETURN FILING DUE DATE

For filing return by Input Service Distributors for previous month.

10 June

GSTR-1 RETURN FILING DUE DATE

To report details of outward supplies of taxable goods and / or services made during previous month.

20 June

GSTR-3B RETURN FILING DUE DATE

For filing GSTR – 3B return for previous month.

15 June

ADVANCE TAX DEPOSIT 1st INSTALLMENT

Due date for First Installment of advance tax for FY 2019-20.

20 June

GSTR-5 RETURN FILING DUE DATE

Due date of GSTR-5 (for Non-resident Taxable person) for the Previous month.

20 June

GSTR-5A RETURN FILING DUE DATE

Return by person providing online information and database access or retrieval services by a person located outside India made to non-taxable persons in India for the previous month.

30 June

GSTR-9A RETURN FILING DUE DATE

Taxable Persons paying tax under Section 10 of CGST Act, the composition scheme, are required to submit their annual returns in Form GSTR 9A. (FY 2017-18)

30 June

GSTR-9 RETURN FILING DUE DATE

Annual Return to be filed by Regular Taxpayers filing GSTR 1, GSTR 2, and GSTR 3. It needs to be filed electronically on the GST portal directly or through a facilitation centre (For FY 2017-18)

30 June

GSTR-9B RETURN FILING DUE DATE

Annual return to be filed by e-commerce operators who have filed GSTR 8 during the FY 2017-18

Travel Shows attended by India Tourism Offices

Name of The Show	Place	Date
India Tourism New York		
Canadian Meetings & Events Expo	Toronto	13-14 Aug 2019
IMEX Americas	Las Vegas	10-12 Sept 2019
Vancouver International Travel Expo	Vancouver	27-28 Sept 2019
Feria Internacional Turismo America Latina	Buenos Aires, Argentina	5-8 Oct 2019
Salon International Tourism Voyage (SITV)	Montreal	22-27 Oct 2019
New York Times Travel Show	New York	26-28 Jan 2020
Travel & Adventure Show	Chicago	8-9 Feb 2020
Travel & Adventure Show	Los Angeles	15-16 Feb 2020
Vitrina Turistica ANATO	Bogota, Columbia	Feb 2020 (TBA)
Spring RV Show & Sale	Toronto	28 Feb-Mar 3, 2020
Travel & Adventure Show	Washington D.C.	7-8 Mar 2020
Travel & Adventure Show	San Francisco, Bay Area	21-22 Mar, 2020
WTM LATAM	Sao Paulo	31 Mar- Apr 2, 2020

India Tourism Singapore

NATAS 2019	Singapore	2-4 Aug 2019
MATTA 2019	Kuala Lumpur	6-8 Sept 2019
ITE Ho Chi Minh City	Vietnam	5-7 Sept 2019
IT & CMA, (Incentive Travel & Conventions Meetings),	Bangkok	24-26 Sept 2019
ITB Asia	Singapore	16-18 Oct 2019

India Tourism Paris

IFTM -Top Resa	Paris, France	1-4 Oct 2019
ILTM	Cannes, France	2-5 Dec 2019
Salon Mondial du Tourisme à Paris (MAP)	Paris, France	14-17 Mar 2020

India Tourism Moscow

Kazakhstan Intl. Tourism Fair	Almaty, Kazakhstan	17-19 Apr 2019
Pacific International Tourism Expo	Vladivostok, Russia	24-26 May 2019
OTDYKH Leisure	Moscow, Russia	10-12 Sept 2019
INWETEX-CIS Travel Market	St. Petersburg, Russia	12-13 Sept 2019
PATA Travel Mart	Astana, Kazakhstan	18-20 Sept 2019
UITM	Kiev, Ukraine	2-4 Oct 2019
World Travel Show	Warsaw, Poland	18-20 Oct 2019
Tashkent International Tourism Fair	Tashkent, Uzbekistan	13-15 Nov 2019
TTR	Bucharest, Romania	14-17 Nov 2019
Greek Tourism Expo.	Athens, Greece	6-8 Dec 2019
Holiday World	Prague, Czech Republic	13-16 Feb 2020
UTAJAS	Budapest, Hungary	Feb 2020 (TBA)
Moscow Intl. Travel & Tourism Exhibition (MITT)	Moscow, Russia	17-19 Mar 2020



Setting new benchmarks



After organising a successful convention in Visakhapatnam last year amid the presence of senior ministry officials, key state officials and industry stalwarts, the Indian Association of Tour Operators (IATO) is now preparing to organise a much bigger and better 35th convention.



After raising pertinent issues of the industry at its 34th annual convention in Visakhapatnam last year, The Indian Association of Tour Operators (IATO) is now mulling plans to conduct its next convention. The Executive Committee is working to streamline things so that the association can host another successful convention. Last year, the 34th Indian Association of Tour Operators (IATO) annual convention met with a successful conclusion in Visakhapatnam that saw a huge presence from the ministry including the Minister of State (I/C) for Tourism KJ Alphons who attended the inauguration. The three-day event,

where discussions were aimed at around the challenges and possibilities of achieving 20 million foreign tourists by 2020, managed to reach its intended objective.

by 2020. Last year, for the first time we crossed the 10 million mark which was a doubling of the numbers in just three years. We also need to take a cue from Kerala Tourism model which has worked along with the private sector to double their numbers.” Another strategy that the panellists agreed on was for India to focus on its neighbouring countries.

The 34th IATO Convention pondered over the challenges and possibilities of achieving 20 million foreign tourists by 2020

At present, India welcomes a little over 10 million FTAs per year. This was revealed by **Rashmi Verma**, the erstwhile Secretary, Tourism, Government of India. She said, “In 2017, we had a growth of 15 per cent in foreign tourist arrivals.

We also saw a 20 per cent rise in foreign exchange earnings. We have set ourselves a very tough target by our tourism minister – that of achieving 20 million tourists

Any feedback or suggestion?

We would love to hear from you, send in your comments to:
iato@ddppl.com

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