

**TREND AND ANYLYSIS OF TOURISM
IN SIKKIM
A CASE STUDY OF TSOMGO LAKE EAST SIKKIM**

**A Thesis
Submitted to Faculty of Humanities and Social Science, Central
Department of Economics in Partial Fulfillment of Requirements
For the Degree of Master of Arts in Economics**

**By
Malati Subba**

**CENTRAL DEPARTMENT OF ECONOMICS
TRIBHUVAN UNIVERSITY, KIRTIPUR
JULY 2008**

LETTER OF RECOMMENDATION

This thesis entitled “TREND AND ANALYSIS OF TOURISM IN SIKKIM: A CASE STUDY OF TSONGO LAKE, EAST SIKKIM” prepared by Miss Malati Subba under my supervision. I hereby recommend this thesis for examination by Thesis Committee as a partial fulfillment of the requirements for Degree of MASTER OF ARTS in ECONOMICS.

Dr. Rudra Prasad Upadhyay
Associate Professor
Thesis Supervisor

APPROVAL SHEET

We certify that this thesis entitled “THE TREND AND ANALYSIS OF TOURISM IN SIKKIM: A CASE STUDY OF TSONGO LAKE EAST SIKKIM”. Submitted by Miss Malati Subba to the Central Department of Economics, Faculty of Humanities and Social Science. Tribhuvan University, in partial fulfillment of the requirements for the degree of MASTER OF ARTS in ECONOMICS has been found satisfactory in scope and quality. Therefore, we accept this thesis as a part of the said degree.

Thesis Committee

.....
Prof. Dr. Madhavi Singh Shah
Head of the Department, CEDECON
(Chairman)

.....
Prof.Dr. Madhavi Singh Shah
(External Examiner)

.....
Dr. Rudra Prasad Upadhaya.
Associate professor
Thesis Supervisor

Date: July 2008

ACKNOWLEDGEMENT

First of all I would like to acknowledge the Central Department of Economics For giving me an opportunity to write the dissertation on the topic, “Trend and Analysis of Tourism in Sikkim”. A case study of Tsonggo Lake for partial fulfillment of Master Degree in Economics.

I would like to express my sincere gratitude to my supervisor Dr. Rudra Prasad Upadhyay associate professor Central department of Economics T.U. for his guidance and considerable care. I am very much thankful for his encouragement expert advice and helping me to complete my work within a reasonable time frame work. He always remained the source of inspiration.

I also express my thanks to “Tourism Department Gangtok” for providing useful materials and necessary information. I would like to thank to my parents, Papa, Aama, didi Jyoti.

I would also like to thank dada for his help and cooperation throughout my research work.

How could I forgot to thanks to Krishna Shova and Pratima for their suggestion and corporation in my research work.

Lastly I would sincerely like to thank the institution from where I referred the books namely, Community Hall Library (Gangtok), Central Library (T.U) and ASP computer center.

July 2008

.....
Malati Subba.

CONTENTS

S.NO.	DETAILS	PAGE NO:
	LETTER OF RECOMMENDATION	I
	LETTER OF APPROVAL	
	ACKNOWLEDGEMENT	II
	TABLE OF CONTENTS	III
	LIST OF TABLE	IV
	LIST OF FIGURES	V
	ABBERVATION	VI
CHAPTER - 1	INTRODUCTION	1-8
1.1	Background	1
1.2	Tourism Defined	2
1.3	Forms of Tourism	3
1.4	Characteristics of Tourism	4
1.5	Statement of the Problem	5
1.6	Objectives of the Study	5
1.7	Significance of the Study	5
1.8	Limitation of the Study	6
1.9	Methodology of the Study	7
1.9.1	Area Selection for the Study	7
1.9.2	Nature and Source of Data	7
1.9.2.1	Primary Source	7
1.9.2.2	Secondary Source	7
1.9.3	Initial Work	7
1.9.4	Method of Data Collection	8
19.5	Comparison Method	8
1.9.5	Method of Sampling	8
1.9.6	Data Processing and Analysis	8

CHAPTER – 2 REVIEW OF LITERATURE	9-14
CHAPTER – 3 TOURISM DEVELOPMENT IN SIKKIM AND STUDY AREA TSOMGOLAKE	18-23
3.1	Tourism Development in Sikkim 18
3.2	Study Area Sikkim 20
3.3	Rural Tourism in Sikkim 22
CHAPTER – 4 DATA ANALYSIS AND INTERPRETATION	24-33
4.1	Tourist Arrival in Sikkim 24
4.2	Tourist Arrival 26
4.2.1	Data of Tourist Arrival 2007 26
4.2.2	Tourist Arrival According to Purpose of Visit 27
4.2.3	Access of the Information and Publicity 28
4.2.4	Investment Pattern of Hotel in Tsomgo Lake 28
4.2.5	Employment Pattern of Hotel 30
4.2.6	Data of Monthly Comparison of Tourist Arrival 31
4.2.7	Tourist Arrival by Age Group 32
4.2.8	Sex Composition of the Tourist 33
CHAPTER – 5 ECONOMIC IMPACT OF TOURISM IN SIKKIM	34-40
5.1	Employment 34
5.2	Income 37
5.3	Foreign Exchange earning 39
5.4	Development of Infrastructure 39
CHAPTER – 6 GOVERNMENT POLICIES AND TOURISM DEVELOPMENT	41-48
6.1	Present Status of Tourist in Sikkim 41
6.2	Tourism Policy of Sikkim 44
6.3	Tourism Master Plan 44

6.4	Objectives of Tourism Development	45
6.5	Short Term Development Strategy	45
6.6	Tourism Legislation	46
6.7	Permit Relaxation/Proposal	47
6.8	Sikkim Tourism Development Corporation(STDC)	47
6.9	Travel Agent Association of Sikkim(TAAS)	47

CHAPTER – 7 PROBLEM AND PROSPECT IN TSOMGO LAKE

EAST SIKKIM 49-53

7.1	Lack of Infrastructure	49
7.2	Problem of Information and Publicity	50
7.3	Accommodation Problem	50
7.4	Travel and Trekking Agencies	50
7.5	Superstructure	51
7.6	Prospects of Tourism	51
7.7	Scenic Attraction	51
7.8	Religious Site	52
7.9	Cultural Attraction	52
7.10	Recreation	53
7.11	Adventure Tourism	53

CHAPTER – 8 TOURISM CO-OPERATION BETWEEN

INDIA AND NEPAL 54-56

Bilateral Promotion of Tourism Between Sikkim		
	And Nepal	55
8.2	Necessary Condition for the Promotion of Tourism in Sikkim	59
8.2.1	Establishment of Entrepreneur Co-operation	59
8.2.2	Adventure Tourism	59
8.2.3	Air Facilities	60
8.2.4	Rigid Policy of the State	60

CHAPTER – 9 FINDINGS AND RECOMMENDATION

9.1	Conclusion	62
9.2	Major Findings	64
9.3	Recommendation	64
9.3.1	Publicity and Advertisement	64
9.3.2	Good Quality Hotel	65
9.3.3	Tourism and Travel Agencies	65
9.3.4	Encourage Private Investment	65
9.3.5	Educated and Trained Manpower	66
9.2.6	Bilateral Tourism Program	67

ANNEXES

- a. Questionnaire
- b. Maps
- c. Photos

REFERENCE

LIST OF FIGURES

FIGURE	DETAILS	PAGE NO.
Graph no.1	Tourist Traffic Volume/Patten/Trends	25
Graph no.2	Tourist Arrival According to Purpose of Visit	27
Pie Chart no.1	Tourist Arrival by Age Group	32

List of Table

Table no.	Topic	Page no.
Table no.1	Tourism Traffic Volume/ Pattern/ Trends	25
Table no.2	Data of Tourist Arrival 2007	26
Table no.3	Tourist Arrival According to Purpose of Visit	27
Table no.4	Access of the Information and Publicity	28
Table no.5	Investment Pattern of Hotel	28
Table no.6	Employment Pattern of Hotel	30
Table no.7	Data of Monthly Comparision of Tourist Arrival	31
Table no.8	Tourist Arrival by Age Group	32
Table no.9	Sex Composition of Tourist	33
Table no.10	Nationality wise Tourist Arrival in Sikkim	58

ABBERRVIATION

BBC -	British Board Casting Corporation.
ECOSS -	Environment and Conservation socirty of Sikkim
SAARC -	South Asian Association for Regional Co-Operation
SAATO -	Sikkim Association of Adventure Tour Operators
STDC -	Sikkim Tourism Development Cooperation
TAANS -	Travel Agent Association of Sikkim
TAANS -	Trekking Agent Association of Sikkim
TAAN -	Travel Agent Association of Nepal
TRPAP -	Tourism for Rural Poverty Alleviation Program
UNESCO -	United Nations Educational, Social and Cultural Operation

CHAPTER - 1

INTRODUCTION

1.1 Background

Tourism is travel for predominantly recreational or leisure purposes. According to the World Tourism Organization, “tourist are the people who travel to stay in places outside their usual environment for not more than one consecutive year for leisure, business and other purpose not related to the exercise of an activity remunerated from within the place visited”. The urge to explore new places and seek a change of environment and experiences is not new. Rapid development in the means of transportation and communication has made the whole world practically one neighborhood and has made travel an easy affair, prosperous, and leisure coupled with the quest for pleasure and recreation are the principle motivating factors which sustain the development of mass movement of people.

Tourism is an important human activity of great significance. It has economic, socio- cultural, educational and political significance. At present tourism has become one of the pivotal concerns of all nations and international community. Travel, before industrial revolution (1760-1840) was mainly a matter of seeking knowledge engaging in trade and commerce and undertaking pilgrimage. The industrial revolution caused technological changes and affected related change in the field of social life, politics, art, literature and morals with the rise in the U.K- the first country to be industrialized with power driven machinery led to a big change in travel pattern and behavior.

In the beginning it was the railways which opened up the continents. Then came steamships, followed by the introduction of motorcar which started to decentralize nations. Finally we have Jet Airplane and magnetic train that have led to a new concept in mass tourism. Advent of the Jet travel in 1959 was the most dramatic event. Air travel from 1960 grew tremendously because of the introduction of Jets. Similarly advent of high speed trains, were first introduced in Europe helped to boost up travel. Research is going on to run the trains at even faster speed. Some exports even talk of potential speed of 500km

per hour on rails. High speed magnetic trains are not only fast but also sleek looking, noiseless, low on pollution and above all cause no wear and tear on track because they never touch it. In Japan and France such trains are running successfully. Thus, three major development, (i) increase in wealth of industrial society, (ii) development of means of transport and communication and (iii) organizations of travel were first witnessed in England and America. However their influences soon spread across into other countries in Europe and elsewhere caused extraordinary, growth of tourism. In 1992 tourism has become the largest industry and largest employer in the world. At present tourism has become one of the pivotal concerns of all nations and international community. Various academic disciplines are involved in its study. Some basic disciplines such as economics, geography, management, statistics, sociology, psychology etc. has contribute a great deal. Many scholars have enriched it's literature for the development of tourism as a disciplines making contribution to the theoretical concepts, empirical investigation and various aspects of tourism.

1.2 Tourism Defined:

In recent year, tourism has been growing rapidly with the development of faster, cheaper and convenient transportation system, rise in per capita income, availability of more leisure time, development and facilities for tourists The tourism industries throughout the world has phenomenal progress.

In the narrow sense, the word "Tourism" means a journey, a travel, a voyage, pilgrimage, expedition and so on and it was regarded as only human activity. But at present, tourism is known as industry and business, which arrange the facilities for the travelers on payment. Today tourism has taken place as an industry often known as "smokeless industry". The distinct features of tourism industry is that it has to depend on a number of allied services industries such as hotel, restaurants, transport, communication and entertainment etc. thus it is a complex of inter-related industry.

One of the earliest definition of tourism was given by famous Australian economist Herman Von, in the Year Book of National Economy and Statistics in 1910. He defined tourism as “The sum total of operators mainly of an economic nature which directly relates to the entry, stay and movement of foreigners inside and outside a certain country, city or region” (Batra, 1990:1)

1.3 Forms of Tourism

People do travel for the various purposes; tourism can be classified on the basis of several factors such as geographical location, purpose of visit, the number of person traveling etc. The basic distinction in tourism is viewed between domestic and international tourism. Travel by people outside their normal residence within the country is known as domestic or internal tourism, representing the movement of citizen and residing foreigners inside the country. No barriers of language, currency documentation as such it required for domestic tourism. The movement of people between different countries is known as international tourism, which involves foreign currency and documentation as such as passports, visa and entry permits etc.

According to region, tourism is classified as inter-region and intra-regional tourism. International tourism refers to tourist flow between different regions. As far the purpose of visit is concerned, a broad distinction has been made according to the motivation of travels such as holiday tourism, business tourism and common interest tourism. Common interest tourism is the traveling undertaken other than for the holidays and business. They can be categorized in various forms such as visiting friends and relatives, for study, health, religion, pilgrimage and other purpose. Some of them are presented below:-

- Ethnic tourism: - visit of the people to the country of origin.
- Individual tourism: - participation of only one individual or a single family.
- Group tourism: - traveling with a group with common interest.
- Mass tourism: - participation of large number of people.
- Youth tourism: - represent the young traveler.

- Rural tourism: - the stress and strain of modern urban life have turned a number of holiday makers to the countryside for peace and rest.
- Urban tourism: - involves the visit to capital cities, metropolitan cities historical towns that was popular from the very beginning.
- Eco-tourism: - environmentally friendly tourism where both host and guest are aware of environmental degradation as a result of participation in tourist activities.

1.4 Various Features and Characteristics of Tourism

The definition of tourism identifies the several characteristics of tourism as mentioned below:

-) Tourism involves a complex set of interrelationship between people, places and products.
-) The interrelationships evolve through the transportation of the people to various destinations outside of their normal place of residence and their stay at those destinations.
-) The duration of visit must generally be of a short term nature.
-) Tourism is essentially a pleasure activity in that it does not involve earning related travel
-) It is a service and is intangible, it cannot be seen or inspected before its purchase.
-) Tourism product is not homogeneous. Tour package to a destination may vary in quality, depending upon the circumstances. For instance a delayed domestic flight could affect the image of the product.
-) Tourism product cannot be brought to the consumer but the consumer has to be taken to the product.
-) The tourism product cannot be highly perishable. A hotel room or an airline seat not used today is total loss.
-) The tourism product can be stored for future use.

-) Its raw material is inexhaustible.
-) The tourism product does not diminish with constant use.

1.5 Statement of the Problems

Limited number of tourist destination, illiteracy of the people, and lack of proper infrastructure facilities are the major hurdles in the research. Rugged topography for which Sikkim is famous has always been a cost for economic development of the state. Lack of proper information both to the local and the tourist, along with language problem, the problem of proper guidance, are the major impediments in this sector. So to conduct a research paper covered by so many detriments causes various problems for the research. The research study has mainly focused on the analysis of tourist arrivals in Tsomgo Lake, Sikkim. The main purpose of tourist arrivals in Sikkim becomes central attraction because tourists visit Sikkim with different purposes. The role of the service sector has been felt very important in the Sikkim for the fact that a primary and secondary sector has been highly sustainable. The role of tourism plays in employment, income, social upliftment, cultural enchantment has always been welcomed by the people of Sikkim.

1.6 Objectives of the Study

The main objectives of this research are to analyze the trend and economic impact of tourism in Sikkim. The specific objectives of this study are as follows.

- 1 To Review the Policies of the Government for Tourism Development in Sikkim.
2. To identify Problems and Prospects of Tourism in Sikkim and particularly in the study area.
- 3 To suggest how Sikkim and Nepal can promote bilateral tourism in near future.

1.7 Significance of the Study

The economy status of a region is identified by the Topographical condition of a region, in the sense that plane regions are mostly industrialized as well as agrarian in character because of their topographical condition. But on the other hand, the hill region lacks in all these facilities, like in the hill region of Sikkim, the agriculture and industrial sector do not have much scope because of some unavoidable circumstances. The hill region has its separate identity and is very different from other regions of the state. Due to the natural and topographical condition there is general lack of economic activities in the region relating to agriculture and industries. For this reason, it is also interesting to know that all these activities covered under the service sector are directly or indirectly related to major economic activity of the region, that is tourism. Tourism is one of the important source of income of Sikkim. The region is considerably rich in terms of natural beauty, flora and fauna, forest resources, livestock, horticulture, soothing climate all the year round, provide a basis for immense tourism development in the region. These resources is exploited for the development of tourism can work wonders for the economy of the region. Tourism is known as the smokeless industry and is more acceptable means of development than the other industries. Tourism could play an important role in the economic development of Sikkim, it is deeply related to the components of economy. It could realized its importance in various way such as creating employment opportunities either directly related to tourism or indirectly related to tourism such as transportation, small and cottage industries, handicrafts, hotels, travel agencies, restaurant and the like.

1.8 Limitations of the Study

This study is mainly confined to Tsomgo Lake, and is not being generalized with other parts of the state. However, some study has been made to cover tourist activities of the whole state primarily based on secondary data. Similarly time and budget constraints are the main limitations of the research study.

1.9 THE METHODOLOGY OF THE STUDY

1.9.1 Area Selection for the Study

The study focuses on a single organization or event. The specific for the present study is a small area of Tsomgo Lake; it is a 2.30 hour drive about 38 km from Gangtok and is situated at a height of about 12,400 ft. The lake derives its water from melting snows off the surrounding mountain. Enroute to lies the unique high altitude Kyongnosla Alpine Sanctuary, home of Red Panda and the Blood Pheasant, which are the state animals and state birds respectively. The area is fast developing into tourist destination with its immense potentiality for all round tourist activities.

It is 151 km (Approx) from Bagdogra, the nearest Indian airport and other motorable communication.

1.9.2 Nature and Sources of Data

The present study is based on primary as well as secondary data in order to meet stated objectives of the study.

1.9.2.1 Primary data

Primary data was collected by using major procedures of data collection namely questionnaires and interviews. The interview was conducted by asking the questions to the tourists and hoteliers and filling them at the same time by the researcher. Key informant were used to collect the information. The informants were bureaucrats, tourism concerned officers and tour and travel operators.

1.9.2.2 Secondary data

The secondary data is collected from relevant ministries and the books, dissertation, journals, magazines, newspaper obtained from various institutions.

1.9.3 Initial Work

The necessary research and field instrument such as questionnaire, and online maps were prepared in order to collect primary data from the study area. The

survey was started on the first of May 2007 till the end of the month. The office of the department of tourism and some private tour and travel were also visited to consult the previous work related to tourism in Sikkim in order to find out trends of tourist arrivals in Sikkim.

1.9.4 Methods of Data Collection

Domestic and foreign tourists who had visited Tsogmo Lake in the year 2007 in the month of May were interviewed. A total of 100 questionnaires were distributed to the foreign and domestic tourist and only 50 were returned back to the researcher in the correct form. The questionnaire contained question relating to sex, nationality, problem faced by them while visiting Tsomgo Lake, suggestion for better development of tourism and their opinion about tourism in Sikkim.

1.9.5 Comparison Method

Comparison method is applied in this research to compare the Tourism of Nepal with Tourism of Sikkim.

1.9.6 Method of Sampling

It was not possible to take detail survey of foreign and domestic tourist of the study area due to various problems like limitation of time, lack of manpower and resource. In this study 50 tourists were taken under survey and the sampling procedure is on random basis. Whereas to get information from hotels and restaurants census survey was conducted because there were altogether 20 hotels.

1.9.7 Data Processing and Analysis

After data collection from the field, it was thoroughly checked and edited accordingly. Based on data, maps and diagrams were also prepared and statistical tools like percentage, average, ratio etc. have been used for data analysis. Since the classification of questionnaire was made before hand the

data were divided into qualitative and quantitative characters. The quantitative data regarding tourist arrivals, purpose of visit, age and sex composition etc. were processed, tabulated and analyzed.

CHAPTER - 2

REVIEW OF LITERATURE

Following literatures were reviewed to carry out the present research.

Ritu Gulati (1999), in her Dr of Philosophy dissertation on the heading “Tertiary Sector and Economic Development, with Special Reference to the Role of Tourism in the Development of Hill Region of U.P”, has identified the scope of tourism in hill regions. She has given importance of tourism in hill of Uttar Pradesh with the natural beauty of the region, flora and fauna, soothing climate all the year round, provide a basis for immense tourism development in the hill regions. She also explored that tourism is deeply related to the components of economy, it encourages all the mode of transportation as well as it also enhance the scope for various industrial branches like fruit production, agriculture, crafts, hotels, roads, entertainment activities and other productive services.

Rudra Prasad Upadhyay (2003), in his PhD dissertation on the heading “Tourism as a leading sector in economic development of Nepal’ has mentioned Nepal as a showroom of Natural beauty, rich in flora and fauna which are the main attractions of tourism in Nepal. This leads to rise the economic status of the country.

Pran Nath Seth 1993, in his book "An Introduction of Travel and Tourism" has stated that Tourism and Travel industry is the world 's largest employing industry today. Ten million of the American workforce is engaged by the travel industry. Every citizen of that country takes more than one holiday trip outside his own hometown and 20 percent of them travel to places outside their home state. Even in a country like India, which has a huge population the percentage of people employed in travel and tourism directly or indirectly exceeds 5 million. The tourism and travel industry in the Indian case includes international, national and pilgrimage tourism. Around the world, travel and tourism has an immense economic impact. The business has an annual pay roll of US \$750 billion pays nearly 6 percent of the world's total taxes provides one

out of every 15 jobs in the world serve as a justification for nearly 9 percent of the capital investment and accounts for more than 6.1 percent of global GNP. International tourism in India has been growing at an annual rate of 6.7 percent during the past two decades despite of major financial support from the govt. The potential for growth is much higher now. (Pran Nath Seth 1993)

A.P Agrawal in his book entitled "Holiday and Trekking in Sikkim and Bhutan" highlights the different tourist destination of Sikkim such for scenic beauty Tsomgo Lake, Rumtek monastery, Tashi viewpoint, of east Sikkim and Gurudogmar lake Yumthang valley of north Sikkim and for trekking Kanchendzonga the third highest mountain in the world and Zongri these two are the adventurous mountaineering trekking in west Sikkim and Bhutan. This study focuses about the discussion of culture tradition and past history of Sikkim. This book is very useful to understand the historical development of tourism in Sikkim for present studies. (A.P Agrawal, 1998).

India Tourism Development Corporation has published a book in 2003 titled "Traveller's Companion". This book analyzes all the necessary information of India's remote eight states of all North East. The North Eastern states of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura offers visitors a perfect places for holiday with its magical richness and stunning variety. This book contains the infinite variety of its geographical setting, its topography, its varied flora and fauna and avian life, the history of its people and the variety of its ethnic communities and their rich heritage of ancient tradition and lifestyle, its fairs and festivals, food. The raw natural beauty, rare orchids and butterflies brightly pointed monasteries, challenging rivers, intricately woven tribal shawls, indigenous sports each one has its own special message to the traveler as he possess from one state to another. The North East's amazing diversity makes it a holiday destination for all seasons. But because of the torrential monsoon it's best to avoid the period between June - September. October to March is the finest first month to explore the diversity at leisure. This book is very useful for those who want to explore the beauty of

North East and every effort has been made to provide accurate and up-to-date information in this publication as far as possible. (IT 2003).

Tara Karki (2006), in his book "Enchantment of Sikkim" has stated that Sikkim is a state of India tucked in the Himalaya across Nepal's eastern frontier. The entire range that stretches across the Sikkim - Nepal border inspires a mixture of excitement and desire. It is necessary to raise the expression of the common desire and political determination to promote tourism in Nepal and Sikkim through commonly agreed programs of cooperation which would ensure an equitable distribution of benefit and opportunities of integration among the people. Trekking Agent Association of Nepal (TAAN) and Trekking Agent Association of Sikkim (TAAS) that incorporates issues of major interest and concern to the region.

Samual E. Branson (2005), his book "The Wealth of Sikkim", an introduction of Red Panda, covered all aspects of Sikkim such as Sikkim's history, geography, religious, agriculture and cultural make up in an original and in unique format. This book is not only useful to the students and citizen of Sikkim but may find equally useful for all the research scholars and tourists in a plethora of facts and figures that in nowhere else available in single work. Further, no in-depth research is every possible on any culture, unless the first scholar becomes familiar with area of study, especially its history and culture.

Verma Rajesh (1990), in his book "Sikkim A Guide and Handbook", he has focused on the appraisal of scenic place including natural vegetation and physical factor of Sikkim. Using secondary data he has attempted to throw light on various aspects of customs and traditions of the local people and tourist magnetic physiographic features of Sikkim. Further in his published amply provides for tourist spot and its destination. He also stated that Sikkim was chosen as the host state and the comparative advantage of the state is her

natural capital, Sikkim's natural capital is her people, rich biography, water resources and water reserves in the form of high altitude lakes and ice and snow.

Palden Thendup Sherpa (2001) in his master degree dissertation on the heading "Tourism in Sikkim, Problems and prospects A Case Study of Trend of International Tourism" has identify the scope of tourism in Sikkim with reference to growth trend of international tourists in Sikkim. He studied the historical background of tourism development, to explain the problems and prospects in the field of tourism industry in Sikkim. In his conclusion, he argues that Sikkim has the power of potential to attract tourist but as per present trend of international tourist flow into Sikkim , he found that Sikkim is still in infancy stage and has still to develop it's vast potential to secure a position in international market. Tourism in Sikkim is totally seasonal and during off seasons the problem of unemployment is high but there is heavy pressure in tourist destination during the season June to September. This study on tourism has properly highlighted the significance of tourism in Himalayan Kingdom like Sikkim. Tourism is more viable, profitable, affordable for upliftment of Sikkim economic status.

Ronika Rai (2005), in her master degree dissertation on the heading "Tourism Development in Sikkim, a case study Namchi South Sikkim", has identified the new tourist destination in Namchi, Sikkim with reference to growth of tourist arrival from domestic and international. She studies the Growth of tourist arrivals in Namchi due to contraction of Guru Padmasambhava, a stupa of lord Buddha (135 ft). She studied also about the problem and prospect of tourism in Namchi and gave some important suggestion for the promotion of tourism in Namchi in her recommodation.

The Travel Agent Association of India (TAAT) has given a green signal to the Travel Agent Association of Sikkim (TAAS) to be an associate member in its

fold. The main aim of unification is to promote the tourism development in Sikkim. For this purpose an eight member of delegation of TAAI, which is a National Apex Body for travel agent, visited state and they interact with the tourism department and TAAS authorities. They praised Sikkim as very beautiful and exquisite. Himalayan state peaceful in nature where tourism potential is very high. They also assumed that issues like Bagdogra Airport and modernization of railway station would be taken up at the national level at the earliest. In an effort to integrate tourism into border tourism and sustainable development, tourism development emphasized on the cooperation and coordination between TAAI and TAAS. Tourism as an industry capable of playing a significant role in the economic advancement of the state and for this purpose more emphasis should be given on the infrastructure development, as infrastructure set up is key to any viable sustainability to tourism industry.

Anand Aditya (19980, in his draft titled “ Indian Toursit in Nepal” has expressed his parlance that tourism can stimulate national integration and encourage linkage with other nations, cultures and communities. This tourism covers more than one aspect of the polysemy that development entails. Tourism is the only remaining bread and butter of our economy making a consistence in foreign currency to our national exchequer irrespective of much turbulence in our national health. The repulse of industry is so wide in its effect that no active sector of a society remains untouched or unaffected, such as versatile self sustainable or self developing trade is tottering in a trauma because of political blackish.

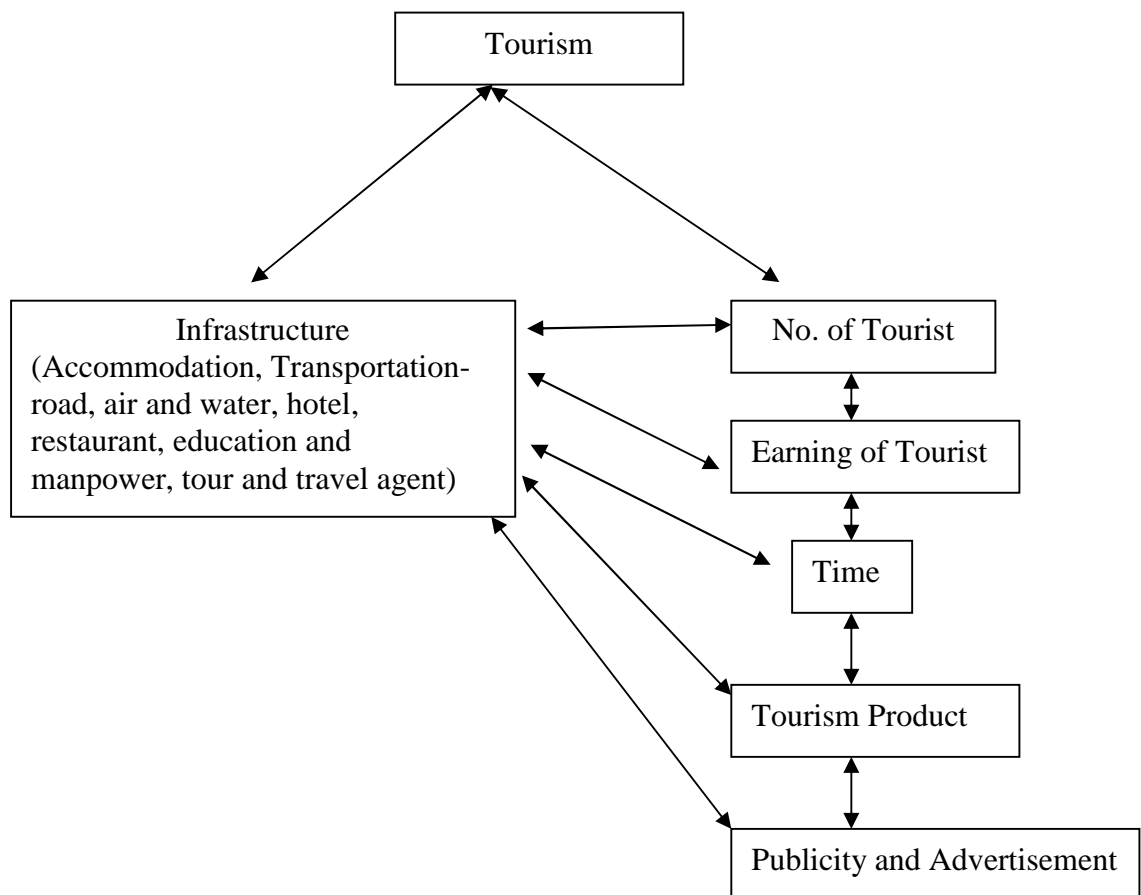
Dr. Harka Gurung in his article “Tourism and Tirtha” published by Hotel Association Nepal (HAN) in 25th January 2000 has elaborated certain unique features of tourism in the context of land locked country. Some of them are quoted as under:

1. Its raw material is inexhaustible. In other industries, raw materials are used for extracting certain products. In the process, the material is transformed from one form of input to another form as output. The

original material is discarded as waste or some may be recycled. In tourism, the raw material, the tourist, is both input and output.

2. Tourism has another advantage as compared to merchandise export. That is tourist happen to be physically in the exporting country. This means that many goods consumed by tourist do not have to be transported across international borders and hence face no tariff barriers of foreign countries. Thus greater the domestic product of touristic goods, lesser the leakages of earning from tourism.

Theoretical Framework



Tourism is related with the number of tourist arrival and tourism infrastructure such as accommodation, transportation and communication, hotels and restaurant, educated and trained man power. The no. of tourist and their earning are co-related because without earning they won't be able to visit for pleasure.

The no. of tourists are also co-related with the infrastructure of the visiting place. Earning of the tourist and time are co-related because having money is not enough as time element plays an important role. Tourism product plays a significant role for the promotion of tourism of any place because the product will attract the tourist for all over the world. Tourism product and publicity and advertisement of the product are co-related, without publicity and advertisement the tourist was not aware of the place. Here tourism and tourism product are dependent variables, various infrastructure, number of tourist arrival, and time are independent variables.

CHAPTER – 3

DEVELOPMENT OF TOURISM IN SIKKIM AND STUDY AREA TSOMGO LAKE

3.1. Tourism Development in Sikkim.

Tourism is an important industry in Sikkim with tremendous potentials. Sikkim, characterized by people's hospitality, scenic beauty, rivers and mountains has always been on the way to attract people all over the world. Due to geographical condition of the state, there is not much scope for industries activities but the abundance of tourist resources makes the state an ideal place for promotional of tourism and benefit of the local population. In recent years, tourism sector has set itself a great leap forward; Tourism is the result of the technical evolution in the field of transport and communication directly proving externality to the Sikkimese economy in terms of revenue, employment, income, information and cultural change. The evolution model is possible for the people to visit from one continent to another continent in the world. Tourism is multi – product in nature. As such the expenditures made by tourists is also multi – product in nature. A dollar spent by tourists thus transmits economy to different sector of the economy and it is increase the supply situation of domestic product. Sikkim – a tiny, beautiful state in the eastern Himalayas with varied groups, culture, peace, rich flora and fauna paved the way to attract people and had tried its maximum to share love and fraternity all over the world. Tourism is one of the most important economic sectors of the State. The abundance of natural resources the third highest mountain in the world, the rich flora and fauna, cultural festivals and festivities and a rich tradition are some of the tremendous potentials that is available in Sikkim for the promotion of Tourism. Due to lack of large and medium industries, tourism is one of the most sustainable industries in the State thereby creating tremendous opportunities. With these potentials, the Government has not lagged behind and has therefore declared tourism as one of the topmost priorities in the over all development scenario of the State. The Tourism sector is strategically placed in the socio-economic development of the State thereby

giving each and every citizen an opportunity to avail of the facilities.

Over the last few years there has been a steady increase in the tourist traffic arrivals to the State of Sikkim international and domestic. However, the year 2001-2002 the State of Sikkim has witnessed a phenomenal rise in the arrival of the tourist traffic both international and domestic who has been welcomed by the Travel Trade and Hotel Industry and last but not the least the Government. This phenomenal rise in the tourist arrivals augurs well for the tourism industry in the State of Sikkim particularly from the point of view that the Government has been giving a lot of priority in the tourism sector. The upsurge in the tourist arrivals has greatly benefited the local population in terms of revenue in the hotel industry, the travel trade industry, restaurants, souvenir shops, taxi operators and other allied industries connected with the Tourism sector.

The main reasons attributing to this growth in tourist traffic is that the Government since the year 2000 has gone on a very aggressive marketing and publicity drive both at the national and international level. To mention a few important initiatives taken by the Government are as follows:-

1. The Minister, Tourism accompanied by officials in the year 2000 had visited Berlin where the world's largest international tourism fair is held and also visited a number of European countries holding press conferences, meeting members of the Travel Trade industries, marketing Sikkim as a very viable tourist destination and by and large selling Sikkim to the European market. This has met with a great deal of success. Followed by this the Department of Tourism hosted a number of publishers and travel writers from Europe and India to Sikkim who visited various tourist spots in North, West, South and East Sikkim and therefore giving tremendous coverage on the fascinating destination Sikkim has to offer. The Government also hosted a number of prominent electronic media like Zee TV, BBC World Doordarshan
2. Along with this various initiatives have been taken by the Government to ease the Inner Line Permit byway of extending the stay in Sikkim to foreign tourists for a total period of 45 days with an extension of 15 days each and

making the Inner Line Permit easily and readily available. Apart from this Government has also initiated simplification of procedure by permitting the Superintendent of Police of each District to extend the Inner Line Permit by 15 days so as to facilitate the tourists. A single window clearance has also been adopted for the easy flow of tourist traffic to prime destination of Tsomgo Lake and Nathula Pass in East Sikkim.

3. More area have been opened up, better infrastructures are being built and accessibility to the various tourist destinations have been made for easier and better. For the first time the private sector has been given a pivotal role of a facilitator. This has resulted in tremendous success of promoting tourism in the State of Sikkim..

4. The State Government has embarked on a very ambitious programme of implementing the project of constructing a 108 feet statue of Lord Guru Padma Sambhava at Samdruptse in South Sikkim at a total cost of Rs 6.00. The religious aspects of the construction of the statue, the design and its dimentions has been entrusted to van. To facilitate tourists moving up from Namchi to Samdruptse and in order to give them a panoramic view of Namchi town the Department is in the process of installing a ropeway from Namchi to Samdruptse.

3.2 Study Area Tsomgo Lake

Tsomgo Lake is situated at 12,400 feet 38 kilometers from Gangtok on Gangtok – Nathula highway, which forms a part of the old trade route from India to China. Karponang is at an altitude of 10,000 ft: an ascend of 5000 ft Gangtok in less than 15kms.Slightly less than 10kms away from Karponang is 15th Mile or Kyongnosla, which lies on a saddle on the chola Range and from where a panoramic view of part of Gangtok and other surrounding hills can be obtained. From here onwards to the Changu(Tsomgo) Lake, one loses sight of Kanchendzonga range. The road has gradient and the vegetation adopts an alpine nature. About a kilometer ahead of Kyongnosla and about five minutes

walk from the roadside is the Tseten tashi cave, which is about twenty feet high and there is passage within the cave that leads to its top. Changu Lake, which is hardly 20kms away from the famous Nathula Pass and about 400 kms from Lhasa, falls in the restricted area and hence an Inner Line Permit which can be obtained from the police through the Tourism Department or travel agent, is required by visitors to visit this place. Foreign tourists are also permitted to visit this lake. Photography is now allowed and in fact parts of few Hindi films have been shot here. Its cool, placid water harmonizes with the scenic beauty around which is doubled by its reflection in the lake. A small temple of lord Shiva is constructed on the lakeside. Primula flowers and other alpine vegetation grow around the lake, which has an average depth of 50 ft; lend a pristine beauty to this place. A footpath along the lake takes one to a resting shed-a walk of about half a kilometer. During the winter months the lake becomes frozen. The lake itself derives its water from the melting snow on the mountains around. The river Lungtze Chu originates from this lake and meets the Rangpo-chu further down its course. During the older times, lamas used to study the colour of the water of the lake and forecast the future. If the waters of the lake had a dark tinge, it foreshadowed a year of trouble and unrest in the state. The lake has a few rainbow trout and if you are lucky you may catch a glimpse at them. The Department of Tourism conducts package tours by bus to this lake at selected months of the year. A bus ticket of Tsomgo Lake and back costs Rs 150/-. Taxis from Gangtok can also be hired to Tsomgo. A small car in which not more than 3 passengers are permitted can be hired for Rs 1200/ to Tsomgo and back to Gangtok. Hiring of a jeep, which can accommodate up to 7 passengers will cost about Rs 1500/-. Private vehicles are not permitted to the lake. Rides on yaks and mule are also offered at the lake site. Tea and snacks are available at the dozen of temporary stalls during the tourist season only. Some of the stalls even keep film rolls and offer jackets, snow boots and gumboots on hire. Because of the high altitude, heavy woolens are required to be worn here throughout the year. There is no facility of accommodation for the tourist. It is advisable to visit the lake before noon as usually during the

afternoons the weather becomes inclement. Those with breathing problems should avoid exerting themselves too much because of the scarcity of air this altitude.

3.3 Rural Tourism in Sikkim

Rural tourism in Sikkim is a new phenomenon. Sikkim introduced a rural tourism, aiming at promoting states tourism industries. The main point that emerges to develop rural based tourism industry is that 80% of the European people prefer to visit the rural area.

Due to the difficult topography of the state, there is no scope for the other industry activity. Tourism is the only option in terms of revenue, employment and income. Rural tourism is getting momentum in every developing and developed countries. Sikkim, is concentrating on tourism development and it has emphasized on the community based rural tourism to be developed at Dzongu (North Sikkim), Kewzing (South Sikkim), Yuksum (West Sikkim) and Pastanga (East Sikkim), which are purely villages of Lepcha, Bhutia and Mixed Nepali respectively. The main emphasis of sikkim rural tourism are

- The rural life
- Participating in cultural festival
- Local music and dance
- Traditional games and sports
- Listening to folk tales and stories
- Ethnic cuisine
- Milking cows and making butter
- Paddy cultivation and harvesting

Ecotourism and conservation society of sikkim (ECOSS)

Working to accomplish a mission of sustainability and conservation in the state and establishing, the Sikkim Himalayan homestay with the support from UNESCO.

Similarly Nepal is also practicing many community based village tourism such

as Sirubari model, Ghandruk model, Bandipur model and TRPAP (Toursim for rural poverty alleviation program). Among them Bandipur is recognized as the best model. Sirubari community based tourism is similar to rural community based tourism in Sikkim. Due to the strong security condition of Sikkim as compared to Nepal, the tourism industry is increasing alarmingly in Context of Sikkim.

CHAPTER – 4

DATA ANALYSIS AND INTERPRETATION

This study shows the trends of tourist arrivals from the period 2000 - 2006 and first three month of the year 2007 i.e. March, April and May from both primary as well as secondary information. The information in this chapter covers the total tourist arrivals in Sikkim both domestic and foreign tourist, total employment generated in tourism sector estimated by Sikkim Tourism Department. This chapter includes projected tourist arrival in Sikkim till 2022. Seasonal variations of tourist are also analyzed here.

4.1 Tourist Arrival in Sikkim

Tourism in Sikkim is mainly confined to the capital town Gangtok. The flow of tourist confirms the idea to that tourism in Sikkim is not only urban oriented but it virtually centred on Gangtok. It is because Gangtok is abound in cultural and natural assests with good tourism infrastructure in terms of hotels, roads network and communication. Gangtok acts almost as the entry and exist point from where the section of the tourist take different routes for very short visits. The tourist comes from different states of India and other countries first visit Gangtok and stay there. The tourist who visited Sikkim visit Tsomgo Lake and come back to stay at Gangtok because, Tsomgo lacks in tourism infrastructure in terms of standard hotels. Tsomgo Lake is one of the utmost tourist spot of east Sikkim where thousand and thousand tourist comes to visit for pleasure trip in every seasonal month of the year which directly or indirectly generates income and employment in Sikkim but even though it is crying for its betterment. These are the some important factors that leads Gangtok as a tourist centered in comparison to other point of Sikkim.

The following table shows the trends of Tourism in Sikkim

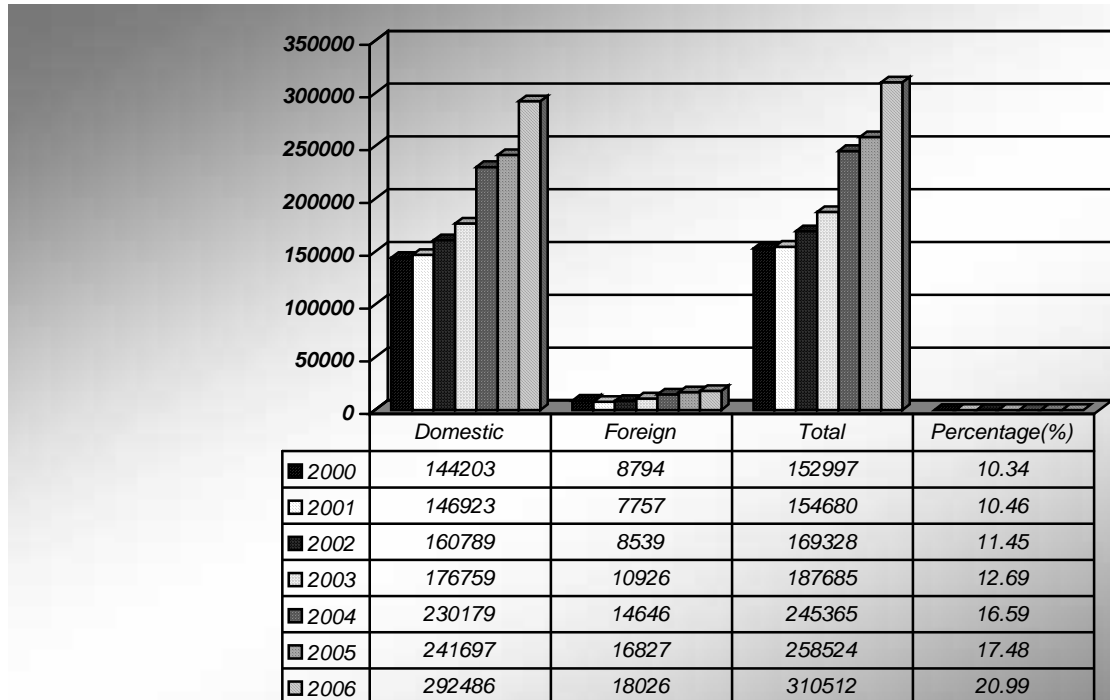
Table No. 1

Tourism Traffic Volume / Pattern / Trends

Year	Domestic	Foreign	Total	Percentage (%)
2000	144203	8794	152997	10.34
2001	146923	7757	154680	10.46
2002	160789	8539	169328	11.45
2003	176759	10926	187685	12.69
2004	230719	14646	245365	16.59
2005	241697	16827	258524	17.48
2006	292486	18026	310512	20.99

[Source; Government of Sikkim, Dept of Tourism, Statistical cell 2006]

Graph No.1



Tourism trends shows that the tourist arrival in Sikkim both domestic and foreign witnessed substantially in recent year from 144203, the domestic tourist

in 2000 increased to 292486 in 2006 which showed 10.65% in growth rate during year 2000 - 2006. It may however be noted that there have been continuously increment in domestic tourist inflow. The foreign tourist arrivals have not shown any steady trend during year 2000 - 2006. From 8794 in 2000, it dropped to 7757 in 2001, rose to 8539 in 2002 and went up to 10926 in 3003 and it went up sharply 14646 in 2004 and further up to 16827 in 2005 and going up to 18026 in 2006. The foreign as well as domestic tourist arrivals shows the seasonal trend March, April, May and October appears to be the peak seasons and February, June, November and December these month have been reasonably satisfactory inflows.

4.2 Tourist Arrival

According to the field survey, the total enrolment of domestic tourist 41 and foreign tourist 9 in the month of May of 2007.

Table No. 2

4.2.1 Data of Tourist Arrival 2007

Domestic Tourist	No.	Percentage	Foreign Tourist	No.	Percentage (%)
Assam	6	14.29	Australia	2	25
Gujarat	9	21.43	Canada	1	12.5
Maharastra	8	19.04	France	2	25
Orissa	5	11.9	U.K	2	25
West Bengal	14	33.33	Garman	1	12.5
Total	42	100	Total	8	100

Source ; Field Survey 2007

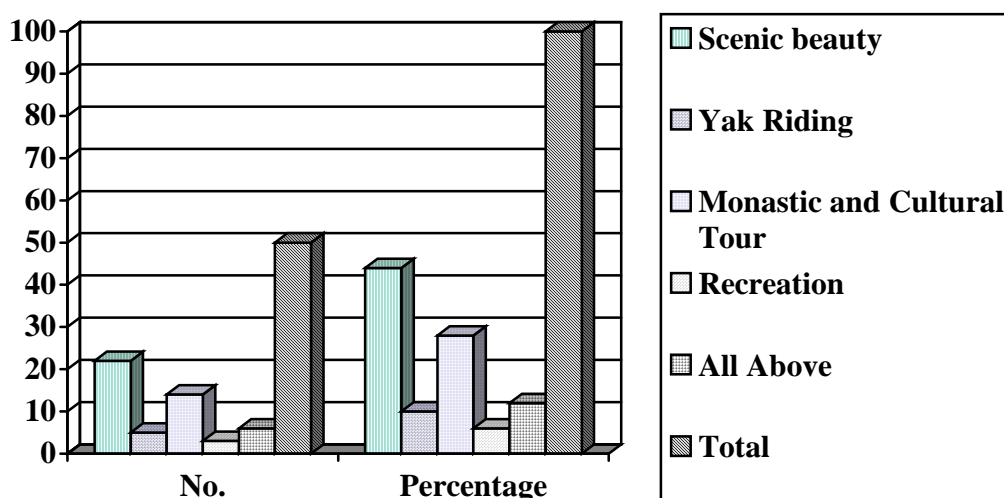
Table No. 3

4.2.2 Tourist Arrival According to Purpose of Visit

Purpose	No.	Percentage (%)
Scenic Beauty	22	44
Yak Riding	5	10
Monastic cultural tour	14	28
Recreation	3	6
All Above	6	12
Total	50	100

Source ; Field Survey 2007

Graph No. 2



The table shows that the maximum number of tourist visited Tsomgo Lake for scenic beauty which has covered 44% of the total flow followed by monastic cultural tour 28% and Yak riding 10%. With the enchantment of tourism as an industry, trekking and recreation are getting due attention from the state government.

Table No. 4

4.2.3 Source of the Information and Publicity

Source of Information	No	Percentage (%)
Travel Book	15	30
Tour Operator	20	40
Media	5	10
All Above	10	20
Total	50	100

Source: Field Survey 2007

For the increasing number of tourist the publicity and advertisement is very important. It is found that 40 percent of the information is disseminated through tour operator followed by travel book and the lowest percentage i.e. 5 percent is through media. This is because there is lack of advertisement through media. This scenario indicates that less attention is given to media.

Table No. 5

4.2.4 Investment Pattern of Hotel in Tsomgo Lake

Types of Hotels	Investment in Rs	No. of Hotels
First Class	5 Lakh	1
Second Class	4 Lakh	1
Third Class	60,000	18
Total	9,60,000	20

Source; Field Survey 2007

The investment pattern determines the standard of the hotels. At present study the entire lodge / hotel of Tsomgo Lake can be categorized into three categories according to their investment pattern. The capital investment by the hotel owners is presented in table. The table shows that first class hotel made

investment of Rs 5 lakh and no. of hotel is only 1, similarly second-class hotel spent Rs 4 lakh and no. of hotel is also 1. The third class hotels made investment of Rs 60,000 and are larger in no. i.e. 18 third class hotels in Tsomgo Lake. It is found that the majority of the third class category excluding lodging. It reveals that Tsomgo Lake lacks in good quality hotels and condition of existence hotels are not good. Therefore, special measures should be taken by state government and concerned authority in order to provide quality service and facilities to the tourist to increase the average stay of tourist in Tsomgo Lake.

Table No. 6**4.2.5 Employment pattern of Hotel in Sikkim**

S.N	Name of Hotels	Total employment	Male		Female	
			Executive	Non Exe.	Executive	Non Exe.
1	Alpine cafe	12	2	6	1	3
2	Army restaurant	10	3	7	0	0
3	Doma Hotel	11	1	8	1	1
4	Palden Hotel	8	1	4	2	1
5	Pempa Hotel	6	1	4	0	1
6	Lakpa Hotel	7	1	3	1	2
7	Pashang Hotel	11	1	6	1	3
8	Dolma Hotel	10	1	7	0	2
9	Pema Hotel	6	1	2	2	1
10	Dorje Hotel	8	1	5	2	0
11	Tenzing Hotel	7	1	3	3	0
12	Norbhu Hotel	10	1	6	1	2
13	Basant Hotel	9	1	5	0	3
14	Nangel Hotel	9	1	6	0	2
15	Tshiring Hotel	7	1	4	0	2
16	Lamu Hotel	12	1	9	1	1
17	Lama Hotel	6	1	3	0	2
18	Yak Hotel	8	1	5	1	1
19	Zikmi Hotel	8	1	6	1	0
20	Sangay Hotel	7	1	5	0	1

Source: Field Survey 2007

The above table shows that the male employment is higher than the females in most of the hotels because the employers should have to stay out there only.

The executive employees are less in number as compared to the non one. This may be due to the less standard hotels prevailing.

Table No. 7

4.2.6 Monthly Tourist Arrival in Tsomgo Lake

Month	Sikkim	Tsomgo Lake	Percentage %
January	13584	12795	94.19
February	15244	13982	91.72
March	31741	29761	93.76
April	46813	43689	93.32
May	58713	57268	97.54
June	23724	23536	99.2
July	12838	12367	96.33
August	15478	14734	95.19
September	9225	7879	85.41
October	31414	28453	90.57
November	27869	25671	92.11
December	23568	22351	94.83
Total	310211	292486	94.28

[Source: Tourism Department 2006]

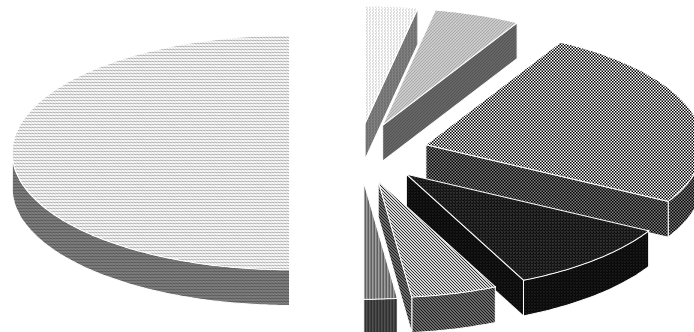
The Monthly comparison of Tourist Arrival in Sikkim shows that the months March, April, May and October are the peak months while others remain as moderate.

Table No.8

4.2.7 Tourist Arrivals by Age Group

Age Group	No.	percentage
Below 20	3	6
20 –30	5	10
30 – 40	25	50
40 –50	10	20
50 –60	5	10
Above 60	2	4
T0tal	50	100

Pie Chart No.1



In Tsomgo area, adult tourist (30 –50) are attracted comparatively more than teenagers and old. The share of adult group (70 %) is much times higher than other groups.

4.2.8 Sex Composition of the Tourist

Based on the sample survey result, Gangtok received 42 domestic and 8 foreign tourists. Among them 28 (56 %) were males and 22 (44 %) were females. Males are 12 % higher than females.

Table No. 9

Sex	No.	Percentage (%)
Male	28	56
Female	22	44
Total	50	100

Source: Field Survey 2007

CHAPTER - 5

ECONOMIC IMPACT OF TOURISM IN SIKKIM

Tourism has been traditionally viewed as a great for promoting understanding among nation and within the national boundaries facilitating emotional integration. But its economic importance is less commonly understood. It is only in recent years particularly in the latter half of the 20th century that tourism has been accepted as an important catalyst for the economic development. It is terms of its contribution to employment, foreign exchange earning, income generation and output growth that tourism significant impact on our economy. The receipts from international tourism can provide a valuable source of earning for many countries both developed as well as developing. Although tourism is sensitive to the level of economic activities of the tourist generating countries, it provides a more stable earning than primary product. Tourism is thus a most important income for many countries. For instance our state Sikkim too depends very heavily on tourist income. Tourism is said to be a “hen that lays golden eggs” for its multiplier effect and capacity to influence all other sectors which can provide true leadership for rest of the industries including export business. The Tourism is the only industry in Sikkim that can boost up government revenue as fast that cannot be done by other sector within the state. Our state derived most of its revenue from international visitors, it relies heavily on the income from tourism. The tourism thus forms a very important source of income especially foreign exchange earning for several countries.

5.1 Employment

Another major direct economic effect of tourism relates to employment. The problems of unemployment and underemployment are more acute in the developing countries. The tourist industry, being mainly service oriented, is labour intensive and is therefore, important source of employment. It generates wide variety of economic activities and thus provides a direct socio - economic

benefit through increase employment opportunities. A characteristics features of tourism in all its aspects is its direct effect on the creation of jobs. It is directly responsible for the income of a wide range of persons whose activity is connected with satisfying the needs of tourist.

WTO statistical shows that in countries where tourism is firmly established the sector dealing with accommodation alone can provide 3 to 5 percent of the total number of jobs available. Tourism industry has tremendous capacity to create both direct and indirect employment. Starting from hotels to various tour operators, tourist office, transport operators, tourist guide etc. It provide direct employment to various categories of people. If we proceed to take into account the indirect employment generation through tourism, as for example the people who are supplying vegetables, meat, fish, poultry, cereals etc. to the hotels, the electricians, plumbers, furnitures and repairs. In fact all those who are providing ancillary services to the customers like taxi drivers etc. then who realize the enormous ramification of the indirect employment creation process through related activities. Another dimension is the shops and emporiums selling handicrafts, handlooms and thus providing marketing outlets to thousands of craftsman, artisan, means, etc. It is suggested that the rate between investment and job creation is much higher in tourism related activities than in the case of manufacturing. According to the Institute of Public Opinion, in 1980 over 6 million people were employed only in the hotels approved by the preparation of tourism, government of India. The tourist industry is a highly labour intensive service industry and hence is a valuable source of employment. It employs number of people and provides a wide range of jobs, which extent from the unskilled to the specialized one. In addition those involves in management there are a large number of specialist personnel required to work as accountants, housekeeper, waiters, cook and entertainers who in turn need large number of semi - skilled workers such as porters, championed kitchen staff gardeners etc.

Construction industry is another very big source of employment. The basic infrastructure roads, airport, water supply and other public utilities and also

construction of hotels and other accommodation units creates jobs for thousand of workers both unskilled and skilled. The entire important sector of basic infrastructure represent appreciable source of employment of manpower. In many of the developing countries where chronic unemployment often exist, the promotion of tourism can be a great encouragement to economic development and especially employment. It is relevant to explain in this context that many of the jobs are being created by tourism in areas where there would be few alternative employment opportunities. For example, the hilly station like Sikkim where there is impossible for establishment of industries like cotton, jute and other large scale industries which generates major employment. Therefore, the people of hilly area has to depends upon service sector for their livelihood and tourism is one of the most important service oriented industry which generates direct employment and indirect employment in the state in the form of travel agencies, hotels, motels, guides shops and transportation etc.

Tourism generated employment may be classified under three heads;

1. Direct employment in business that sell goods and services directly to the tourists e.g. hotels restaurant, shops etc.
2. Indirectly employment stimulated by tourists expenditure in activities that supply goods and services to the tourism business and
3. Investment related employment in construction and capital goods industries.

Being a service industry, tourism creates employment opportunities for the local population. This is an important aspects in developing states like Sikkim where level of unemployment and underemployment's tends to be very high. Sikkim has everything that an average tourist wants to see. Its rights and sounds, its rich cultural heritage its beautiful valleys and holiday resorts and flower festivals are all fascinating very few other countries have such variegated delights to offer to a visitor.

Estimation of Employment Due to Tourism

- i. Hotel and Restaurants
- ii. Transport sources

- iii. Shopping
- iv. Food and Beverage
- v. Wood product
- vi. Textile product

To estimate the employment generated in the hotel, transport and travel industries. We have norms developed in our survey of different sectors, the estimates of tourist arrivals, in the peak seasons bed requirement. The additional direct employment due to increased tourism is 13276 over the plan period. The employment generated in different sectors is presented below.

5.2 Income

The employment and income effects of tourism are very closely interrelated and follow a common source namely tourist expenditure. Income in general comes from wages and salaries, interest, rent and profits. Tourism gives rest to numerous demand for good and services, as food and drinks, long distance and local transport, entertainment, shopping guide for sight seeing etc. Not only does the tourist expenditure provides direct income to all these different services, but it also generate employment in hotels, restaurants, transportation operators and workers, travel agents and their employees, owners of entertainment houses and those who were there e.g. bearer, artists and many other like craftsman and souvenir makers.

It is evident from the above paragraph that earning from tourism occupy an important place in the national income of a country without taking it account receipts from domestic tourism, international tourism alone contribute a great deals. Tourism also contributes to tax revenue both directly through sales and indirectly through property, profit and income taxes. Tourism provides employment brings infrastructural development and may help state development.

The extent to which direct employment and income is generated in each of these service depends on the;

- Volume of tourist traffic

- Amount of tourist expenditure
- Pattern of their spending

The creation of income from tourism is closely linked with employment. Income in general comes from wages and salaries, interest, rent and profits. In a labour intensive industry such as tourism the greatest proportion is likely to be in wages and salaries. Income is created more directly in areas in a buoyant level of tourism labour intensive accommodation such as hotels and with a large number of attractions and ground handling arrangement available. The higher the amount of labour employed the greater the income generated.

Tourism also generates an immense volume of indirect employment and income effect with a multiple effects. Apart from the first recipient of the tourist money, there are many who becomes beneficiaries. Although, often as and when the money changes hands its size gets reduced because several successive recipients retain a part of it for what ever service they provide and pass on the balance to others. Income is also generated in the form of interest, rent and profit on tourism business which might range from the interest paid on loans, to an airline in order to buy aircraft and rent paid to landowner for a car park or composite near the sea. We must also include taxation on tourism activities such as VAT on hotel bills or direct taxation which some countries regions impose on tourism to raise additional public income. It is worth noting here that the both the contract and state government can earn revenue through various taxes and entry fee etc.

An important benefit of foreign tourism is the promotion of international trade. Foreign tourist purchases a number of items like jewelry and gems, carpet, textiles, handicraft and leather goods. These foreign tourists also become a source of effective publicity for those items in their respective countries. This includes further the demand of these items and improves exports. For e.g. the excellent quality of Indian handicrafts and its exposure to the world through tourism are largely responsible for the high exports performances of this sector.

5.3 Foreign Exchange Earning

Over the year foreign exchange earning from tourism in Sikkim have increased significantly. Tourism in recent year has emerge as one of the largest foreign exchange earning activities in Sikkim. Tourist arrivals went up 4 lakh, breaking the primary record of five years by a huge margin. Foreign exchange earning also specticularly went up to Rs 30 crore which is again a record. Overwhelmed by the tourist inflow Mr. K.T Gyalsten, tourism miniter said that Sikkim is a dot of the geographical map of India, but it has become the brightest spot in its tourist map. So far Sikkim has been in the timelight for hasting the maximum number of domestic tourists and budget tourist. The Department of Tourism, Government of Sikkim works all quick estimates every year by the estimated per capita expenditure of a foreign tourist. According to the united states report on the Economic impact of Tourism in India it has been noticed that the tourism receipt in dollar terms has declined ever when there has been an increase in tourist arrivals.

The possible reasons for such a phenomenon are;

- high rate of devaluation of rupee in the recent past
- rise in the proportion of budget tourist and
- leakages of money into black market due to the existence of a premium of foreign currency etc.

5.4 Development of Infrastructure

Development and employment of infrastructure is another important benefit. The benefit from infrastructure investment justified primarily for tourism, roads, water supply and other public utilities may be widely shared by the other sectors of new infrastructure, the improvement which are undertaken in order to attract tourist is also importance. This improvement may confer benefits upon the resident population. Furthermore, the provisional of infrastructure may provide the basis for greater economic diversification. A variety of secondary industries may be promoted thus, indirectly tourist expenditure may be responsible for stimulating other economic activities. Therefore, promotion

of tourism can be very good in developing state like Sikkim for economic development strategy. Properly conceived and subject to appropriate policy, safeguard tourism can give a boost to economic development through creating new jobs and income oppertunities through the earning of foreign exchange and through infrastructure improvement in backward area. Tourism, need not therefore be viewed any luxury oriented activity, it is an important tool for economic development. Nevertheless, Sikkim has not been able to reap all the benefits from tourism for, Sikkim is a small state, inaccessibility of transportation system in most of the north district along with other impediments.

CHAPTER - 6

GOVERNMENT POLICIES AND TOURISM DEVELOPMENT IN SIKKIM

6.1 Present Status of Tourism in Sikkim;

Tourism is an important industry with a tremendous potential. Due to geographical condition of the state there is no scope for industrial activities but the abundance of tourist resources makes the state an ideal place for promotion of tourism and benefit to the local population. Tourism is the mainstream of the Sikkim's economy employing more people directly and indirectly than any other industry in the country. Tourism occupied the second largest area in the world trade next to oil. It also happens to be one of the fastest growing sector of the economic activity. Tourism in Sikkim made a late start, making Sikkim a latecomer in the world of tourism as an industry. Nevertheless, tourism in the past years it has become one of major sources of income in Sikkim.

As said above, the history of world tourism goes back to several centuries and unfortunately Sikkim does not have that much long history of tourism. It simply goes back to not more than a decade. So, on the one hand there are some countries where tourism history goes back much further and they have developed tourism in their country so successfully that the tourism has become the backbone of their economy. On the other hand, we are struggling to exist still now as a potential center for world tourist.

One of the major strengths that has sustained the Sikkim's tourism industry are the mountain, which attracts tourists and create ground for many forms of adventure related activities such as trekking, hand – gliding, mountaineering, white river rafting, etc. The government of Sikkim has given top most priority to the tourism sector and prepared a 15 years master plan to develop tourist infrastructure in the state. With this view in mind the outlay of tourism sector has been enhanced by about 100 percent. In the beginning of new millennium Tourism Department of Sikkim was honored for its best performances in the north - eastern region and duly awarded.

Nathula bordering with Tibet is opened for domestic tourist from the year 1999. Package tours are arranged through local tour operators, which offer opportunities for employment generation. The government encourages people to come forward in this sector. The Department is providing basic amenities and infrastructure at serethang and Nathula for the visitors and a cafeteria at Tsomgo lake is already functioning and a car park is being built after which construction of 25 nos. of shops will be taken up.

Tourism Department is trying up West Bengal Airways to attract more tourist to the state and also to promote a Buddhist circuit by air as the government has decided to create seven helipads at Dodak, Pelling, Yoksum in West Sikkim, Ravangla, in south Sikkim, Tsomgo and Rongili in the east Sikkim, to promote tourism in these areas. Following infrastructure are being provided with a view to promote tourism in the state viz:

- Tourism information center at Gangtok.
- Tourism information center at Gyalshing.
- Tourist Lodge at Namchi.
- Tourist lodge at Chungeleng.
- Tourist lodge at Makha.

Recently the state Minister of Tourism Mr. K.T. Gyalsten visited Berlin in Germany to explore the possibility of exporting Sikkimese products vis –a- vis to attract the international tourist to the state. Recent visit of tourism ministers of Meghalaya and Arunachal Pradesh to the state of Sikkim has developed opportunities for more inter – state tourism in the North – Eastern region. Efford are also being made to promote tourism operation in consultation with Nepalese government at Kathmandu. The Tourism Department also promoting activities likr river rafting, helicopter services, mountain flight etc.

Besides, this the nature of the economic growth of any country and a state is greatly influenced by its geographical aspects like topographic, location etc. And the Sikkim is fortunate enough to have this geographical aspects which has proven to be very favorable condition for the development of tourism industry as compared to any other resources. From an economic standpoint,

there is probably no other industry in Sikkim that can make its impact on the state so quickly as tourism.

As Sikkim possess all those properties like natural beauty, beautiful scenery available of different types of flora and fauna which is essential for the development of tourism industry, it does not only a mass the revenue for the government but it also provides several other benefits also like :

- Increase foreign exchange earning.
- Improve the state.
- General tax revenue
- Promote other industry such as retail sales.

Sikkim could become another Switzerland if her rich natural resources are exploited and developed properly. Sikkim government has also placed tourism on a high priority lists and accordingly various programme have been drawn to make Sikkim an ultimate tourist destination. Tourism is an industry that can create self employment. Further Sikkim has a vast potential of tourism development. The villagers, farmers, artisan. Florists could also play important roles in promoting tourism by simply popularize their products.

Sikkim is one of the most popular destination of the world. It is renowned for its natural beauty and is very popular for trekking and rafting. If more attraction packages with more incentives is to be provided to the Indian tourists the number of Indian tourists visitors of Sikkim would increase and this in turn will help to boost the tourism industry in Sikkim.

Physical, social and economic tourism planning can ensure that resources are not depicted in the process and the adverse impact is minimized. At the same time controlled development requires appropriate institutional structures, fiscal measures and marketing strategies that must be integrated with the tourism policy. The master plan aims to prepare such a cohesive document addressing are pertinent issues relating to tourist development.

The spectacular natural beauty and cultural uniqueness are Sikkim's wealth and also pose a serious challenge to tourism planners. The silent features of the Sikkimese tourism product are :

- Natural beauty in terms of perennially snow capped mountain, lush green tropical and temperate forest, the majestic Teesta and Rangeet rivers and numerous lakes.
- Virgin and unspoiled territory.
- Tremendous altitudinal variations from 3000 meters above sea level of Jorethang to 8,500 meters at Mt. Kanchanzonga, the third highest mountain in the world.
- Rich flora, fauna and avi – fauna. Flowers ranges from tropical orchids to alpine primula.
- Tibetan Buddhist culture.
- Friendly.

6.2 Tourism Policy of Sikkim

The tourism policy of the state government has also been prepared for the first time to give proper direction to the Master Plan. The tourism policy document clearly highlights the needs to bring about development in the rural sector thoroughly. That is the means of offering more financial incentives. It also stresses on the management and control required to ensure that the tourism industries embodies the concept of sustainable development.

6.3 Tourism Master Plan (1997-2011)

As 15 years perspective Master plan on tourism was prepared for the first time. Covering the period from 1997 – 2011. The plan emphasizes on developing the three independent tourists destination within the state including Gangtok with objectives to accelerate economic growth in other rural areas of the state. It also stresses for the promotion of eco – tourism capitalizing in the abundance of natural resources and in conserving them for long – term sustenance. Eco – tourism would be a vehicle for developing the rural economy developing the rural economy of the state.

It is for the first time that such a Master plan has been prepared for the development and promotion of tourism industry in the state which is likely to

the main stay of the economy of Sikkim in the near future. The for tourism planning arises because of the sheer importance of the tourism industry, its multi – sectoral nature, and lets impact on every facet of life, whether

-Provide additional employment opportunities to the Sikkimese people. Emphasis on employment of persons from Sikkim and more particularly from the areas where it is develop.

-Develop management and technical skills of local people to meet the estimated demand for trained manpower arising from the tourism industry.

-Establish a tourism plan in consonance with local area capabilities to socially absorb tourism subject to infrastructure and manpower constraints.

6.4 Objectives of Tourism Development

- Developing foreign and national tourism so as to promote regional development and understanding of Sikkim's unique culture and bio – diversity.
- Distribute the benefits of tourism as widely as possible across Sikkim.

6.5 Short Term Development Strategy

The development strategy and programs have been devised for the short – term and medium and long – term. The corresponding time frame refers to the periods 1997 – 98 to 2001 – 02 –3 to 2006 – 2007 and 2007-2008 to 2011-12. These also coincide with the Ninth, Tenth and Eleventh Five Year Plan Periods.

East District

The development strategies for different districts are in time with the overall strategy presented earlier Tourism is already well established in the East District. The strategy here is to present the product in the premium segment by:

-Upgrading of attractions.

-Imposing entry charges for all attractions, and highest charge for the more popular attractions.

The resources generated may be used for providing for development of

attractions in other districts and marketing of Sikkim as a tourist destination.

-Upgrading of hotels through incentives and regulations.

-Improvement in transport and other infrastructure

-Improvement in the skills of the people engaged in tourism industries.

West District

The strategy for the west district aims at the developing it as an independent tourist zone. Its success depends on developing a center which provides basic tourist infrastructure in terms of accommodation, and other transport communication and other zone amenities.

- Master planning of Pelling including land zoning
- Motivating establishment of hotels by providing finance tax holiday and other incentives
- Improvement in attractions supported by appropriate marketing.

North District

The high Himalayas make the North district the most environmentally fragile, as well as the most scenically well endowed.

-Maximization permanent structures to be set up, so that local environment is not affected. Agents to provide all service themselves so that support services do not develop there and this create environmental problem.

-Price of the visit to be set high to limit the number of tourists.

South District

The South District is to be developed in the short – term as a halting point for tourists traveling from East Sikkim to the west or vice – versa, and as a base for certain attractions which tourists access either transit or while staying in other districts.

6.6 Tourism Legislation

Draft tourism legislation has already been prepared by the department on the various facets of the tourism industries. In the quest to promote tourism it

should not destroy the ecology and environment of the area. Till to date there was no such legislation to regulate activities under tourism sector. Considering the way the tourism industry is growing such a regulation was long over due.

6.7 Permit Relaxation/ Proposal

The state has a Pandora box containing plenty of natural scenic resources and features to promote tourism. It has a good prospect as the beauty of unknown region, but at the same time, carrying capacity of the tourist spots indicate that it must concentrate on the promotion of quality tourism.

Need of quality tourism was felt necessary for further permit of relaxation from the Government of India. A proposal of the state Government was prepared at New Delhi on the 30th September 1997 and shortly further permit relaxation would likely to be given by the Government towards promotion of quality tourism.

6.8 Sikkim Tourism Development Corporation (STDC)

The numerous hotels lodges, trekkers huts and way side amenities established already are being consolidated and management reconstructed to introduce management ethics in these commercial units. It is felt that the present system of keeping the management under direct control of the department cannot be continued, owing to the change of time and system. It is with this intention that the tourism Development Corporation has been registered initially to manage hospitality wings as well as the transport sector. Corporation is likely to start its operation very shortly.

6.9 Travel Agent Association of Sikkim (TAAS)

(TAAS) has been in the forefront promoting Sikkim by participating in various international travel trade fairs, which has resulted in the increased inflow of both domestic and international tourists set up 12 years ago to bring Sikkim's Travel Industry under a common forum, TAAS is giving almost importance to the regional marketing in association with the TAAN (Trekking Agents

Association of Nepal). It has been trying to promote the entire region in the international market as the “Eastern Himalaya “ – a broader concept to promote the destination as one consolidated package.

Much of the Sikkim’s tourism revenue is generated by mountaineering expeditions that also provide enormous benefits to the locals. Realizing this, TAAS has initiated the training of mountain guides while introducing the concept of maintain rescue. The world’s third highest peak Mt. Khangchendzonga is being promoted but with some caution.

As a member of the world Eco-tourism society TAAS strictly abide by the eco-tourism code of conduct, which is a platform for sustainable tourism in the small Himalayan territory. For Sikkim, conserving its image as a hot spot bio-diverse area is important. As tourist destination points, Sikkim still boasts of exotic destination with rare flora and fauna, unlike anywhere in the world which offers enormous potential for future tourism.

CHAPTER-7

PROBLEM AND PROSPECTS OF TOURISM IN TSOMGO LAKE, EAST SIKKIM

Sikkim excels in tourism but much of its vast potential still awaits exploitation. It has Spectacular natural environmental its landscape, mountains and lakes etc. which are required for the development of tourism. But there a saying that to attract tourist not only above mentioned factors are essential besides that customs, culture, religion and language plays an significant role to attract tourist from all over the world, which are attained by Sikkim it is rich in diversified culture even though it has not achieved satisfactory development in tourism sector. This limited growth in tourism is a reflection of the inadequate tourism infrastructure and poor connectivity of the state. Tourism, here a purely seasonal activity, shows an economic weakness because people remain unemployed during off seasons. To present the untrammled exploitation of the tourist potential of the state, it is important that the government formulate policies to promote environmentally sustainable tourism added to this will be a greater role for STDC and development and promoting of special interest on tourism such travel to cultural and religious heritage sites, adventure tourism and business tourism.

7.1 Lack of Infrastructure

The state's lifeline is its road and they are for the growth of all sectors. Due to geographical setting the state lacks in railway network, commercial air service is recently taken into under construction by the government into the state which is incomplete, means that roads are the only means of transportation. Unfortunately, the topography and climate of the region makes the terrain vulnerable to landslides and erosion and the roads are in continuous state of disrepair, poor maintenance of the road has exacerbated the problem of poor connectivity, the study area, Tsomgo Lake East Sikkim also not escaped from those problem.

7.2 Problem of Information and Publicity;

While the information and publicity section of the tourism has offices in Siliguri, Kolkata and Dehli, it has made little effort to disseminate information on the attraction of the state, and tourist traffic remains largely seasonal and confined to the capital. Most of the foreign tourist visiting Sikkim do not visit Tsomgo Lake in comparison to domestic tourist. Almost all the domestic tourists visiting visit Tsomgo Lake it may be due to lack of publicity in international level.

7.3 Accommodation Problem:

Accommodation is an important part of tourism industry industry. The socialtate Status of the tourists signifies the demand for accommodation, expansion of tourism inevitably brings about the development of accommodation. Existence of hotels, lodge or resorts is a recent phenomenon. Tsomgo Lake is Suffering from accommodation problem because there is only few hotel, lodging is Allowed only to person from tourism department because this hotel is sponsored by Tourism department government of Sikkim and another hotel is sponsored by Military Army and tourist from military family are only allowed to stay there and there are few Private hotels excluding accommodation or lodge and lacks in quality service. Recently in 10th plan the government of Sikkim, tourism department has contracted the complex Where hotels and lodge are allow but it has not been upon. Till now government has not taking initiations to upgrade making the quality hot

7.4 Travel and Trekking Agencies

Opening of travel agencies is not an easy job as it involves lot of planning and organization. They are intermediaries between the tourist and supplier of the tourist service of the tourist receiving country. This is very specialized job and the person behind the counter should be a specialist having excellent

knowledge of various travel alternate plans. Therefore, the knowledge of foreign language is an essential pre-requisite for personnel working in a travel agency. But lack of well organized travel agencies and qualified personnel, it could provide substantial contribution to tourism sector. Besides there not a single agency have their branches in foreign countries which also affect development of tourism in our state.

7.5 Superstructure

Superstructure is the aspect above ground facilities served by the infrastructure such as resorts, hotels, motels, restaurant and places of entertainment etc. Such facilities are available only in town sides but it lacks in rural tourist area these are the main problem faced by the tourism sector in the state, this is due to the less attention paid by the state government. The government should take prompt action for the promotion of rural tourism by providing all the facilities that are necessary for tourist attraction.

7.6 Prospects of Tourism

Prospect of tourism development in any area are influence by different geographical, cultural, religious elements. Tsomgo Lake has its own scope for tourism development is the first tourist destination in the state. Tsomgo Lake has bright prospects for tourism development, which are listed below.

7.7 Scenic Attraction

The scene tsomgo lake 38 km from gongtok and is located at a height of about 12,400 feet. the lake is oval shaped and it derives its water from its melting snows off the surrounding mountains. its cool, placid water harmonizes the scenic beauty around which is double by its reflection in the lake. primula flowers and other alpine vegetation grow around the lake, which has an average depth of 50 ft; lend a pristine beauty to this place.

7.8 RELIGIOUS SITE

Tsomgo lake is a holy lake, a small temple of lord shiva is constructed in the lakeside. during the older times lama used to study the color of the water of the lake and forecast the future. If the water of the lake has a dark tinge, it foreshadowed a year of trouble and unrest in the state. The lake has a few rainbow trout and lucky you may catch a glimpse at them. The fishing and boating is prohibited in the lake. Baba Harbhajan Singh Temple is 20 km from Tsomgo Lake, the tourist visiting Tsomgo lake visit Baba temple first and come down to lake. The tourist comes to visit this temple because there is a touching story behind the establishment of the temple. Harbhajan Singh was a sepahi in the Punjab Regiment, in October 1968, while escorting a column of miles carrying provision, he fell into a stream and drowned. A few days later he appeared in the dream of his colleague and expressed a desire that a monument in his memory be build, his colleague in the regiment considered the dream to be auspicious and felt that if they fulfilled his desire he would protect them auspicious and mishap. Although long dead, it is understood that the sepoy has been protected to the rank of honorary captain and his salary is even send to his home in Punjab. Once a year arrangement are made to send him on leave to his hometown. A berth is booked in a train and his uniform placed on it. A soldier from the regiment accompanies, the makes the tourist more excited and curious to visit there.

7.9 Cultural attraction

Sikkim is constitutes with varied socio culture, people are from different caste and communities and have their own culture and tradition even though they are tied up by diversified culture. They got their own customs, tradition, language and religion they practiced and their caste wise festivals they enjoyed. The culture of Sikkim is very diversified and it attracts the tourist and researcher to learn more about it. And in study area, Tsomgo Lake tourist visit for scenic beauty and they take snaps wearing different cultural dresses provided by private stalls paying the amount fixed by the stall. This shows that tourists are

attracted to visit Sikkim are only due to scenic beauty, trekking but also due to cultural factor that attracts tourist from all over the world to Sikkim.

7.10 Recreational;

Tsomgo Lake is situated on the Gangtok – Nathula highway that form a part of old trade route from India to China. At Serethang there is an Indo – China Border Trade Mark where we can go for shopping at cheap and reasonable cost. Nowadays, the Sikkimese businessmen imports and exports their goods from these trade mark. Tsomgo Lake which is hardly 20 km from famous Nathula pass about 40 km from Lhasa fall in the restricted area and hence inner line permit is required by the visitor which can be obtained from the police through the Tourism Department.

7.11 Adventure Tourism;

The government of sikkim has recently introduced the tourism activities like trekking, mountaineering, mountain biking and water rafting. State has recently stated bungay jumping and has everything to adventure tourism in the state and there are number of trekking routes which lies in the various part of sikkim. Therefore tsomgo lake immense possibilities of developing tourist traffic because of its geographical features.

CHAPTER - 8

TOURISM CO – OPERATION BETWEEN INDIA AND NEPAL

Nepal is renowned worldwide for its mountains and magnificent scenery. Every year thousands of visitors come from all over the world to see this magnificent country. They are thrilled by its durbar squares quaint market, ancient architecture, historical places and centuries of old temples. Many come to climb breathtaking heights of such peaks as Mt. Everest, the highest mountain in the world. India is also famous for its scenic beauty, mountain, beaches, historical places and wildlife. Many visitors come from third world countries to see and enjoy the magnificent of the country.

India is Nepal's biggest tourism market. Both these countries share a unique kind of friendship, which cannot be found anywhere else in the world. They are not just bound by geography but also linked through close friendship between countries are unique and unparallel for their old cultural monuments, flora and fauna, snowy mountains, scenic landscape. Mountaineering and trekking, which are the major attraction to the people from all over the world India and Nepal are strongly tied up by their religion and cultural practiced that is Hinduism and Buddhism.

No doubt that every year hundreds of Hindu devotees travel to Nepal for Shiva Ratri to worship in Pashupati Nath Temple. Nepal has been able to attract hundreds of people every year for this specific day of devotion. Similarly, Buddhism is also practiced in India and worldwide. Besides Lumbini, there many Buddhist monasteries and stupas that can draw in tourists interested in Buddhism. Nepal needs to promote these religious sites more affectively in India and so that Indian tourists can become aware of its existence and important. Product change and product diversification urgently required in Nepal to give the country's tourism a fresh new look. Buddhism is a great tourism attraction nowadays but Nepal, the birth place of lord Buddha and India, the place where he attained enlighten have not jointly or individually explore, promoted or marketed this huge potential adequately. The Buddhist

circuit in India and Nepal should be developed in a way so that it can complement each other. Similarly, the Himalayas which are used mostly for high range mountaineering in Nepal and trekking in India could be promoted as complementary adventure tourism products.

In the view of world economy scenario, SAARC region suffers from economic backwardness, poverty, illiteracy, mass unemployment, regional disparities and many other problems. Besides the limiting factors, the regions have enormous prospects of tourism development, which can be linked, with other sector of economy to foster growth. India and Nepal are two neighboring countries that have area which hold great potential for tourism development. If Nepal and India are improve on tourism and trade, focus must be given to simplify custom procedures at border point, facilitate SAARC travelers, ensure quality service to tourists. Increase bilateral cooperation on tourism promotion and capitalize on increasing inter – regional traveling trends. To encourage more Indian tourist, Nepali Tourism sector reviewed have visible presence in India. It is necessary to facilitate road journey to Nepal as alternative since it is more practical and easier for people to travel through upon border shared by Nepal and India. That fact is that people of India and Nepal does not need visas to travel into each other's country I an added attraction more Indian people to choose Nepal as their travel destination. The bilateral issue should feature quality of roads leading to and Nepal.

8.1 Bilateral Promotion of Tourism Between Sikkim and Nepal

Sikkim is a 22nd state of India, is a small state with a big heart because of its enchanting scenery. With its spectacular scenery and enviable climate it is no wonder that tourist die to visit it. Its abundance of rivers and lakes accompanied by its moist air gives it a lush. Its tropical looks gives the habitat of varieties of exotic flowers and it is shaped by the natural wealth of its glaciers, rushing rivers, tropical forest and majestic peaks accompanied by its divers. Sikkim is tucked in the Himalayan across Nepal's eastern frontier. The entire range that stretches across the Sikkim – Nepal border inspires a mixture

of excitement and desire. Sikkim – Nepal are tied up by their diversified custom, culture, tradition, religions and language. In this cutting edge technological era, tourism destination no more requires plain and simple awareness information. However, they should bundle information along with price factor. In instead of competitive price, the offers would have no essence. Hence floating competitive offers in the name of information is the only effective promotional program that the consumers of today acknowledge. All we need to adopt is coherent efforts. The problem of fetching greater number of tourists is associated with the bilateral policies rather than promoting institution. Sikkim Tourism Department has been organizing Tourism festival every year for one month since 2003. Sikkimese people enjoyed and taste the different food items of different caste and ethnic groups of the state. People come from all over the world and even the people of remote areas of the state enjoy the festivals, which is one of the initiatives taken by the state government. Similarly, in Nepal, Nepal government initiated various activities including ‘ Visit Nepal year 1998 ‘ and ‘Destination Nepal 2002 – 2003 ‘ to promote tourism in Nepal. The pre requisites for tourism development in Nepal are to establish peace because the flow of tourist has substantially declined over the years primarily due to conflict created by Maoist, and enhance compatible with the liberalization.

The Trekking agents Association of Sikkim (TAAS) is giving utmost importance to regional marketing in association of Nepal (TAAN). It has been trying to promote the entire region in the international market as the ‘Eastern Himalaya’ a border concept to promote bilateral tourism between Sikkim and Nepal destination as one consolidated package. It is necessary to raise the expression of the common desire and political determination to promote the tourism in Nepal – Sikkim through commonly agreed programs of co-operation of benefit and opportunities of integration among the people. Trekking Association of Nepal and trekking association of Sikkim incorporates issues of major interest and concern to the regions which directly or indirectly helps to promote tourism in Sikkim and Nepal. The recent visit of tourism ministers of

Meghalaya and Aarunachal Pradesh to the state of Sikkim has developed opportunities for more inter – state tourism in the north – eastern region and efforts are also being made to promote tourism operation in consultation with Nepalese government at Kathmandu, which shows the policy of bilateral promotion of tourism between north – Eastern state of India and Nepal. Recently, state government of Sikkim has talked to Nepal private Airlines about the air service, which the Sikkim government is going to start from Bhadrapure to Sikkim, which is not yet started.

Second annual Convention of SAATO for developing Adventure Tourism in Sikkim. With the aim to develop Sikkim as an adventure tourist destination, the entrepreneurs of Sikkim have set forth with the alliance called Sikkim Association of Adventure Tour operators (SAATO) formed in 2004. To its regards, the Second Annual Convention of (SAATO) was held in Namchi of South Sikkim from 12 – 14 January where delegates from different countries including Nepal, participated. Delegates from Bhutan and other parts of India also participated in the convention.

The president of SAATO, Y. Dorjee said that the reason behind the convention was to built the network between the travel agencies and tour operators from different regions. He said, “Although SAATO was formed just two years back, it has received a very response from sector including national organization, stake holders, the government and individuals. SAATO is also expected to develop professionalism among the stakeholders of Sikkim. This could also prove a platform for exchange in innovative ideas for the bilateral tourism development and enhance opportunities”. He also stressed on the importance of tourism in developing any region as it is emerging as one of the high employment generating industry in the global scenario. “SAATO serves to achieve a common goal of developing adventure tourism in Sikkim. It is an association of the like minded people. The second convention was to exchange and attribute the expertise and ideas, to achieve a common goal of developing friendship between the travel and tour operators of Sikkim and neighboring counties and to promote bilateral tourism” informs D. N Pradhan, General

Secretary of SAATO.

Sikkim is a small state of India having total area of 7,096 sq. kms and lies in the eastern end of the mighty Himalayas flanked by Bhutan, Nepal and Tibet on its east, west and northern border respectively. The total population of Sikkim is 570,077 and inhabitants are regarded Nepali, Lepcha, Limboo and Bhutia. The primary language of Sikkim is Nepali.

Sikkim has also extended a friendly tie with Nepal for bilateral tourism promotion through the convention. Speaking on the context, P. K Dong, the chief Executive Officer of Tourism Department of Sikkim said, “ Nepalese tourism coherently so that both the parties can get equal benefits. There is no doubt that Sikkim could prove an adventurous tourist destination but without a helping hands that would be little difficult. People of Sikkim have an emotional attachment with Nepalese people and is the closest friend of Nepal”. Likewise, the chairman of Dream Nepal Travel and tour and one of the delegates from Nepal for the Second SAATO convention, Bijay Pradhan says, “Due to linguistic and cultural similarities tour operators from Nepal and Sikkim can work together to develop package tours to Sikkim and vice versa.

Table 10. Nationality wise Tourist Arrival in Sikkim

Year	2000	2001	2002	2003	2004	2005	2006
Nepal	28	01	09	27	03	169	231
Pakistan	-	-	-	-	-	-	02
Bangladesh	05	-	31	24	15	17	18
Srilanka	17	06	18	03	12	22	12
China	15	04	-	-	14	-	21
Australia	600	505	491	532	769	1074	1085
Canada	348	273	241	533	501	470	563
Italy	259	274	273	524	479	536	635
Japan	481	271	391	425	602	601	890

Source: Tourism Department Gangtok

The above table depicts that in comparison of tourist arrival from the overseas countries the inflow of tourist from Nepal is very less to Sikkim as compared to the overseas countries. It is because most of the overseas tourist visits Sikkim especially for the purpose of adventure recreation, mountaineering, trekking etc. Nepalese can enjoy all these facilities in Nepal itself.

On the other hand in comparison to the neighboring countries like Nepal, China, Pakistan, Bangladesh, Srilanka and Maldives, the arrival of tourist to Sikkim from Nepal is high because among these neighboring countries Nepal and Sikkim are very closely tied up by their diversified custom, culture, tradition, religious, language and so on. Nepalese people visit Sikkim especially for the purpose of pilgrimage, to visit their relatives, friends for education etc. Similarly Sikkimese people visit for the same purpose.

8.2 Necessary Condition for the Promotion Tourism in Sikkim

8.2.1. Establishment of Entrepreneurs Co- operation

Establishment of Entrepreneurs Co –operation with the entrepreneurs is very important because with co –operation Sikkim can work together with other country to develop package tour to visitors from all over the world to Sikkim and country like Nepal. Entrepreneur of Sikkim – Nepal are trying to establish co – operation among them and organizing many convention such as TAAS and TAAN in 2002 and SAATO in 2004 for development of entire region through adventure tourism but they failed to attained the aims of convention.

8.2.2. Adventure Tourism

Sikkim lacks in adventure tourism such as Mountaineering , Mt.biking, Bungee Jumping , Mt. Gliding and so on. Which is most important attract foreign tourist , because foreign tourist visit for adventure trip. They like to enjoy with the adventure tourism product and is ready to pay the amount even if it is high enough. They are the main sources of foreign exchange earning. Sikkim is regarded one of the most unvisited destinations for third world country and regional tourist but an ever talked destination among nature lovers. Most of the

domestic tourist visited Sikkim for natural beauty and they enjoy with natural beauty of Sikkim and are not interested in adventure trips, they like to travel through vehicles whereas foreign tourist enjoy the scenery beauty along with adventure trip. For that Sikkim government has to develop all the adventure product which is given by nature in the form of Mt. Kanchenzonga, zongri

8.2.3. Air Facilities

Another necessary condition for the development of tourism is airlines facilities. Air service plays an important role in tourism, due to not having air service in Sikkim that hurdle the tourism development in Sikkim . Due to lack of time some interested tourist unable to visit Sikkim and due to long journey by road may be problem to some tourist and they lose their interested to visit Sikkim. So that air service is necessary to attract tourist from all over the world and help to Sikkim to develop package tour with other country.

8.2.4. Rigid Policies of the State

The state has rigid policies enforced by the government, rigid policies in the sense that tourist needs Inner Line Permit for domestic tourist and visa to the foreign tourist for 15 days which is provided by the police in the check post at Rangpo without any delay but it proves to be harassment to the tourist. We know that tourist visit many places of India and up to the Darjeeling, West Bengal the border of Sikkim but they do not visit to Sikkim due to this harassment. The tourist with Inner line permit will allow to visit Sikkim but within Sikkim there is some beautiful places with snow capped mountain like Yumthang valley and the Nathula Pass India China which are restricted area where only domestic tourist are allowed and tourist from foreign countries are not allowed to visit there. This policies proves the hurdle for the development of tourism in Sikkim and this hurdle should be remove from the way of development for the betterment of tourism in Sikkim.

The small state settled on the hills deliberately makes Sikkim a gateway destination for those who wants to be amidst the misty hills away from

everyday hustle and bustle of life take adventurous treks to sacred foothills of kanchenzonga or simply ride along the alpine ranges for snow experience and much more.

CHAPTER – 9

CONCLUSION, FINDINGS AND RECOMMENDATION

9.1 Conclusion

Sikkim only opened its door to tourism in 1990, therefore it simply goes back to not more than a decade and has made much progress in this sector. According to trend from 2000 – 2006, the total enrollment of domestic tourist and foreign tourist was 144203-292486 and 8794-18026 respectively. Among the visitors domestic tourist is very higher than the foreign tourist. The flow of tourist is totally seasonal in the state. There are generally two seasons in a year, April before monsoon and October after monsoon. In the month April and October the arrival of tourists is high. The lowest arrivals of tourist is in the month of January, December and February. So there is fluctuation in all the month because of the weather condition. During July and August due to heavy rainfall damage is caused to most of the roads network every year as road is the main link with other countries. Therefore, tourist arrival is found to be affected by season in Tsomgo Lake as well as in the state. Tsomgo being old tourist destination it can lose to attract tourist so for that it should be develop more with modern style and creating other facilities to the tourist there is mini lake near to Tsomgo lake which need to be develop by providing boating facility. The flow of foreign tourist is from limited countries Australia, Canada, France, U.K and Garman. According to field survey arrival of domestic tourists is very high specially from West Bengal because of easy accessibility and short distance followed by Gujarat and Maharastra. Majority of tourists visited for scenic beauty and monastic cultural tour. It is found that about 44 percent of tourist visited to lake for scenic beauty, 28 percent for monastic and culture tour. Travel books and booklets, media, magazine and travel agencies provide information about Tsomgo Lake. Many books, brochures, media and others are playing an important role to spread out the information of Tsomgo Lake. Duration stay is very low, almost all the tourist returned back to stay at Gangtok due to lack of well manage hotels at Tsomgo. The duration of stay at

Gangtok ranges from maximum 7 days to minimum 3 days. As a result the demand for food and accommodation encouraged increment in number of hotels. Gangtok is already well developed town being the capital of the state and entry and exit point of the state. So instead of developing the capital, why not to develop the rural tourism of Tsomgo Lake by providing good hotels which can increase duration of stay and generate employment to the local people and directly increase the income of the people. There are altogether 20 hotels in Tsomgo Lake only two are in good condition and remaining 18 hotels are less facilitated. Despite this hotels are running on profit. Tsomgo Lake is prospective tourism center in Sikkim because of its natural beauty and surrounding area is quite favourable for tourism development. Baba Harbhajan Singh Mandir, Nathula Pass and Serethang Indo – China Trade Mark are tourist attraction center around Tsomgo. Tsomgo Lake and Baba Mandir are religious centers of this region. Besides this Nathula pass is border of India and China and Serethang for business are some perspective trade. Some of the infrastructure facilities like transportation, communication, service of local buses are not satisfactory. Recreation facilities like swimming pool and cinema hall are not available. This place lacks in educated and trained hotel owners along with servant and taxi drivers in addition poor sanitation is itself a problem of tourism in the Tsomgo Lake. Tourism has helped to develop hotels and restaurant in the study area these sectors have been providing jobs which extent from unskilled to skill. Besides this others which are not directly related with tourism are also benefiting from it. For e.g. local farmers and those who involve in construction of roads, hotels and other public utilities. The conclusion can be drawn that Tsomgo Lake possess excellent circumstances for the development of national and international tourism, including holiday pleasure, religious, trade and many others. Income from international tourism indeed plays a vital role in the economy of the state. There is the need of both government and private sectors to work in coordinated manner, constructing more tourist infrastructure and prevent the environmental pollution in the tourist area. An important infrastructure and agenda item for the government

will be the preservation of Sikkim as a “green” state. Similarly joint efforts should be made in carrying out publicity campaigns abroad to promote international tourism what really is needed to maintain the current flow of tourists and boost it further in future in order to strengthen the economy is to create a larger number of alternative sites and make them play a more effective role in attracting a larger number of tourists for which equipping them properly with necessary facilities becomes a priority.

9.2 Major findings

1. According to the trend from 2000-2006, the total enrolment of domestic and foreign tourists was 1393576 and 85515 respectively.
2. The revenue earnings are increasing gradually every year at an average of 3 percent per annum.
3. Many of the domestic tourists visited for scenic beauty, monastery and cultural tours whereas the foreign tourists come for adventurous tours such as mountaineering, rock climbing, rafting etc.
4. Bilateral Tourism Program plays a vital role for the promotion of tourism in two countries.

Recommendation

9.2.1 Publicity and Advertisement

For the development of tourism advertisement and publicity is very necessary. A well planned coordinated and systematically integrated publicity campaign is required for effective promotion of tourism. Publicity of Sikkim in the outside world with various cultural traditions, religious heritage, photos of panoramic scenes, new tourism activities and required facilities must be organized time to time in the different parts of the world.

Expansion of All Round Facilities and Services Basic tourist facilities are however essential and must be continuously provided. These include construction and maintenance of roads, regularity in the supply of electric power and water, Sanitary disposal services at all our tourist centers

improvement of travel formalities adequate supply of telephones installation of tolex system interest, tourist medical and security service etc.

9.2.2 Good Quality Hotels

As or result of introduction of highly improved technology, non tourists want something more with greater touch of sophistication. In view of these new open introducing newer innovations to meet the requirements of modern tourists such as creation of more varied entertainment and recreational facilities, maintaining libraries and small miniatures of our movements, temples, new, sight scenery attraction history and culture of particular region could be displayed in the hotels. This will create a sense of desire to pay visit these out skirt places and there is a possibility that could prolong their stay in the state.

Second category hotels of the town should be well equipped with more facilities. Various types of food have to be made available in these hotels. The second and third category hotels should be well equipped with more facilities. Various type of food have to be made available in these hotels. It would be better if accommodation is provided by all the hotels. Club should be developed to conduct cultural program in the area because such program can be helpful to exchange the local culture between visitors. Moreover, it also helps to present the cultural wealth like songs and dance.

9.2.3 Tourism and Travel Agency.

The basic facilities of travel agency are to create effective demand of tourist in the market and to provide satisfactory service to the tourists. Therefore it is necessary to find out how and what makes an individual a traveler or tourist to our state. Most of the travel agent confined mainly to capital but it is essential to have tourist agency in every tourism center and should be able to provide proper and accurate information to the tourist.

9.2.4 Encourage Private Investment

The state government plays vital in the tourism sector. The government may

take initiatives in every field of tourism but it needs support of private investment in this sector for the betterment of tourism in the state. Without helping hand of private sector it is incomplete, this can be done by creating a favorable climate for investment and offering special credits, special facilities for the purchase of land, etc. All these investment incentives encourage private investment in tourism sector.

9.2.5 Educated and Trained Manpower

Education and trained manpower are equally important for tourism. Education programming will help us in creating awareness among the people to value our tourist resources and understand the impact of tourist influx. Basic tourism training should be given to those educated employees related to tourism activities. Tourism being a service industry, a developing destination must take the necessary steps to built a pool of efficiently trained people to fill various jobs, which will be created substantially. Trained manpower plays an important role for the development of tourism in any nation because they are the medium through which tourist flows out, they should be well equipped with all the foreign language.

9.2.6 Bilateral Tourism Program

The bilateral tourism program is very important between the two countries because it will help to promote tourism in both the countries by discussing about some necessary information. For this, there should be co-operation between the entrepreneurs of both countries then only they will be able to develop package tour to tourist between them. For this, Trekking Association of Sikkim organized the program with Trekking Association of Nepal in 2002 with a view to promote adventure tourism in Sikkim and declared that Nepal is famous for mountaineering and Sikkim for trekking and they can share the benefit by developing package tour from India to Nepal or from Nepal to India. Similarly, second convention of SAATO (Sikkim Association of Adventure Tour Operator) was organized by Sikkim which was held at Namchi, South

Sikkim from 12 – 14 January 2004 where delegates from different countries including Nepal, participated. Delegates from Bhutan and other states of India were participated in the convention. This convention concludes that Nepal and Sikkim are tied up by their culture and language and the tour operators from Nepal and Sikkim work together and develop the package tour to Sikkim and vice versa.

The Tourism Department, Government of Sikkim and Sikkim Tourism Development Corporation including TAAS are responsible for the upliftment of Tourism status of the state so that they should take prompt action to promote the tourism by facilitating some important recommended policies and programs.

ANNEX a

Questionnaire for Tourist

Nationality _____

Date _____

Age _____

Sex Male [] Female []

1. Which place are you from?
2. Have you ever been to Sikkim ?
3. How many times have you ever been?
Once [] twice [] thrice []
4. How did you inspired to visit Tsomgo Lake ?
Through friends [] Through media []
Through Tour operator [] Other, specify, if any _____
5. With whom have you made this trip ?
Individual [] Partner []
Family [] Other, specify, if any _____
7. Where are you staying here during your present visit ?
8. How many days do you plan to stay here ?
9. Did you faced any problem while visiting to Tsomgo Lake?
Yes [] No []
9. What type of problem did you faced ?
Language [] Transportation []
Accommodation [] Guide []
Other, specify, if any _____
10. What makes you more satisfied in your visit?
Scenic beauty [] Yak riding []
Recreation [] Play with snow []
11. Please mention the amount of money you spent during your trip.
12. Please express your view about Tsomgo Lake/Sikkim as a tourist center.

-
-
13. In your opinion, what are the drawbacks for the growth of tourism in Tsomgo Lake?
 14. What kinds of programs may help in increasing the duration of tourist here?
 15. Do you have any suggestion for the promotion of tourism in Sikkim? Please state.

ANNEX a

Questionnaire for Hotel / Lodge owners

Name of the Hotel / Lodge _____

Established Year _____

Name and permanent Address _____

1. Is the present hotel / lodge your own or you have taken it on rent ?

Own[]

Rent[]

2. Investment capital Rs _____
while establishing hotel / lodge.

3. Have you taken loan or own capital to establish your hotel / lodge ?

4. If loan, then did you finish paying it ?

5. Do you consider tourism as one of the main source of economy of Sikkim ?

Yes[]

No[]

6. In what various forms do you provide revenue to the government ?

7. How many tourist foreign / domestic came to your hotel last year ?

8. What is the average expenditure of a single tourist per day ?

9. How many employees are there in your hotel / lodge ?

10. What kind of food do they like ?

Indian[]

Nepalese[]

Chinese[]

Specify other, if any _____

11. From where do you buy your necessary item ?

Local market[]

Gangtok Bazar[]

Outside State[]

12. Are there any difference in the change to foreign and domestic tourist ?

13. Is your hotel / lodge running on profit ?

Yes[]

No[]

14. What major problems are you facing to run your hotel / lodge ?

15. Do you think that tourist return fully satisfied with the service provided by you ?

Yes[]

No[]

If no, why ? Please give some reasons.

16. Do you think that inflow of tourist has an impact on local people ?

Cultural[]

Environmental[]

Economic[]

Specify other, if any _____

17. Do you see any problems of tourism is Tsomgo Lake / Sikkim ?

If Yes, then please state.

18. Do you have any suggestion for improving / promoting Tourism in Sikkim ?

REFERENCES

Agrawal A.P (1998), *Holiday in Sikkim and Bhutan*, New Delhi

Bhatia A.K (1995). *International Tourism Management and Sterling*, Publishers New Delhi.

Brason Samuel E. (2005). *The Wealth of Sikkim, Mayul Muluk House of Treasure and City News*, Gangtok, East Sikkim.

Chamling Pawan Kumar (2003). *Our National Resources Published by Department of Information and Public Relations*, Government of Sikkim.

Department of Tourism (2006), *A guide Line Book Published and Submitted to the Sikkim committee Assembly Library*. Gangtok.

Devid Mclarne (1995), *Eco – Tourism in Sikkim Institute for policy studies*, N. W Washington, USA.

Dongol Rajeev (2004), *Bilateral Tourism Promotion between Nepal and Sikkim*, an article, Nepal traveler.

Government of Sikkim (2006), *Journal on Sikkim Manpower Review*, Designed & Published by Department of Tourism of Information and Public Relation.

Gulati Ritu (1999), *Tertiary Sector and Economic Development With Special Reference to the Role of Tourism in the Development of hill Region of U.P*, unpublished dissertation for the Degree of Doctor of Philosophy, Submitted to the University of Lucknow, U.P, India.

Gurung Harka (2000) article “*Tourism and Tirtha*” published by Hotel Association Nepal (HAN)

India Tourism Department Corporation (200), *North–East Traveler’s Companion*.

India Tourism Department Corporation (2003). *Traveler’s Comparison*, Mehta Offset Pvt. Ltd, New Delhi.

Pran Nath Seth (1993), *An introduction of travel and tourism*. Sterling Publisher Pvt. Ltd. New Delhi.

Rai Ronika (2005). *Tourism in Sikkim Problem and Prospects* Unpublished Master Level Dissertation, Submitted to the Central Library, Tribhuvan University, Kathmandu Nepal.

Sherpa Palden Thendup (2001), *Tourism in Sikkim, Problem and Prospects*, unpublished Master Level Dissertation, Submitted to the Central Library, Tribhuvan University Kathmandu Nepal.

Tara Karki (2002), *Enchantment of Sikkim, Gangtok Sikkim*.

Tourism Department (2006). *Annual Report for the Financial Year*, Government of Sikkim India.

Travel Agents Association of India (2004), *Explorer*, Gangtok.

Upadhyay, Rudra Prasad (2003). *Tourism as a leading sector in Economic Development of Nepal*. Unpublished Dissertation for the Degree of Doctor of Philosophy, Submitted to the University of Lucknow, India.

Verma Rajesh (1990), *Sikkim Guide and Handbook*, A Key Book Corporation, New Delhi.

W. J. Claude (1984), *Sikkim and Bhutan*, Cosmo Publication, New Delhi.