ABSTRACT

Tourism as a multifaceted activity, has been defined in various ways including the relationships and phenomena arising out of journeys and temporary stays of people primarily for leisure or recreational purposes. But, normally this is supplemented by business, education, religious, cultural and/or social motives. As such, there are business tourism, educational tourism, religious tourism (pilgrimage), cultural tourism, social tourism etc. within the framework of tourism in general. Five Broad Sectors of the tourist industry have been generally identified: Attractions, Transport, Accommodation, Supporting Facilities and the Infrastructure. The attractions induce the tourist to visit the area, transport services enabled him to move out, accommodation and supporting facilities (e.g. shops and restaurants) cater for his well-being away from home and the infrastructure ensures the successful functioning of all of these.

Tourism has rapidly one considerable recognition as an activity generating a number of social and economic benefits like promotion of national integration and international understanding, creation of employment opportunities, removal of regional imbalance, opening up of new growth centres in the interior areas and augmentation of earning including that of foreign exchange. Its impact are felt not only on the economy, but society, culture and environment.

India has not been able to harness its abundant tourist potential despite the vastness variety and richness of the tourist destination found here. Among its popular tourist destinations, Kashmir has been on the top of the preference list of the domestic as well as international tourists. Tourism
has been Synonymous with J&K over a hundred years. Its economic growth is strongly linked with the flow of tourist traffic and purchases made of its handicrafts.

The Directorate of Tourism carried out a survey of the importance of the tourism to the economy of Jammu and Kashmir in 1983. This survey showed that 30% of the States domestic product was generated by activities connected directly or indirectly with tourism. However, all this activity came to a stand still due to disturbed conditions particularly in the valley. The entire Workforce in tourism was thrown out of jobs and the infrastructure which had been created over last 40 years started disintegrating.

The Jammu and Kashmir Tourism Development Corporation is a typical public sector enterprise which evolved as a result of the partial metamorphosis of J&K Tourism. The Corporation is a pure traditionally financed public sector enterprise. The basic aim of the Corporation for which it has been established makes its plans and operations on long term as well as on short term basis and constantly considers the cost benefit alternatives and makes constant effort to integrate the programmes of action to achieve specified goals efficiently. Considering the development of Tourism Development Corporation in the State and efforts made by the Govt. It can be said that the Corporation has passed its introductory stage of life and has made a lot of development during that time. The Corporation is now marching towards a well developed Corporation, but the Corporation is making huge losses from last so many years which is because of the problems faced by the Corporation. The Corporation is working under heavy odds due to which its performance
(physical as well as financial) is at low ebb. The main reason which retards the pace of sound development of the Corporation is because of the eruption of sessionist movement in 1989. The ongoing turmoil in the State severely affected the functioning of the Corporation. The properties of JKTDC suffered great damage. The tourist flow declined tremendously and the Corporation ran into losses. JKTDC has a number of assets idle. These assets are mainly the hotels and cafes situated at different tourist resorts, with the tourist traffic cut down. The demand for these resorts has decreased considerably. The cost of running and maintaining these resorts far exceeds the returns. Thus these resorts are dragging the Corporation's profit. Statistical data of the Corporation reveals that revenue receipts no doubt are showing an increased trend, yet this advantage does not get translated into profits. Revenue expenditure shows increase in almost in all objective as compared to the initial year expenditures because of the fact that:

(i) There is increase in the employment roll of the Corporation, hence the increase in the monthly salary component of each year.

(ii) The revision of pay scales from time to time release of bonus and other allowances.

(iii) There is increase in the expansion programmes of the Corporation.

(iv) There is increase in the volume of work in the units of the Corporation.

(v) There is increase in number of units.
Attempts are made to achieve the results of the Corporation on improvement bases. The room department shows occupancy achievement 60% during the year 1998-99, which normally is good as compared to previous years achievements. The improvement could have been more had their not been the law and order problem in the State.

Consequently, for the smooth running of the Corporation, JKTDC will have to take appropriate measures to minimize its losses and cut down the operating costs to a minimum so that its position in the market would be stable enough and thus, improve their financial and operating affairs. The State is virgin with lot of potentialities of tourism and the JKTDC is the instrument to exploit this potential. Untill the industry is not developed to its full extent, the economic backwardness of the State can not be improved because directly or indirectly the State economy and its development to a large extent depends on the development of tourist trade. The Corporation operates under the direct and total control of the State Government, as the whole lot of the company's top management (from Managing Director to Financial Advisor) is employed exclusively by the State Government. The Board of Directors of the Corporation has no member who could take decisions independent of the State Government. State Government is the ultimate authority to Fix, Revise and approve the required Authorized Capital. Organizationally the Corporation is centralized at policy making level and completely decentralized at the operational level. The fact is confirmed by the investigation on delegation of authority and the functioning of organization. It works on departmentation basis and services are offered territory wise.
The Jammu and Kashmir Tourism Development Corporation continues to look after its employees as model employer in the public sector ensuring good level of remuneration, career growth and job satisfaction. Since its inception, JKTDC has recognized the need to build up a strong manpower resources base to conduct the business in the field of tourism in the State. The main power resources comprise of personnel with multidisciplinary skills, who works with high degree of purpose, motivation and self discipline coupled with creativity and innovative inputs.

Personnel policies and practices in JKTDC, LTD. have not gained the general acceptability and sophistication. The aspect of Recruitment, Selection, Training and Development, Performance Appraisal and Compensation have received little attention in the Corporation. The system of Recruitment and Selection is very usual one. It does not conduct written test because of the fact that the Corporation does not need such a large number of persons at a time. As and when a vacancy arises. It is almost filled in by personnel recommendation. In the field of Training and Development though some attention has been given but it needs a lot to be done. JKTDC have faced the problem of non-availability of technical know-how and Managerial talent. With regard to Promotion, there is wide variation in the policies and practices adopted by the Corporation. The promotion of the Operative Workers are done by the departmental head on the recommendation of the immediate supervisor whereas the promotion of the higher Managerial and Technical personnel are dealt by the Managing Director on the basis of recommendation of their supervisor. Seniority Cum-merit is main basis of promotion up to supervisory, clerical and workmen levels, whereas merit-cum
seniority basis is used in case of managerial and higher technical jobs. In JKTDC. There exist no systematic and scientific evaluation. The workmen are evaluated by their immediate supervisors on the basis of targets fixed and percentage of achievement achieved, duty punctuality, attendance, character and behaviour. The evaluation of higher Managerial and Technical Personnel is done on the basis of the factors like qualifications, leadership, loyalty, dependability, creativeness, initiative etc. such evaluation are done by the immediate supervisors and the results are kept in the personnel records of the individual employees which are used while deciding the promotion and annual wage increases. One the basis of personnel observations, when enquired about the compensation and welfare service activities. It was observed that majority of employees had a feeling of dissatisfaction with regard to welfare programmes designated & implement by the Corporation.

In short, it can be concluded that the employees of the Corporation have a mixed feeling about the existing policies and practices pertaining to employment, development & welfare aspects. The prevailing state of un-healthy feelings in the employees is not good from the stand point of individual efficiency, organizational harmony and effectiveness. Thus, under the changing Socio-technical and environmental conditions, modifications in the policies and programmes become inevitable for the continuity and advancement of the Corporation.

To evaluate the Financial Performance of the Jammu and Kashmir Tourism Development Corporation and attempt has been made to frequently use Ratio Analysis, Funds Flow
Analysis and Common Size Balance Sheet. To measure the short-term solvency, liquidity ratios are used. In these ratios, current ratio is the most important and this ratio shows the decline position of the corporation. However by and large the overall analysis of quick ratio of the Corporation shows better liquidity position barring few years, in which the quick ratio shows declining position. Working capital turnover ratio has also been used to indicate the liquidity of the Corporation.

To judge the long-term financial position of the Corporation, Financial Leverage or Capital Structure are calculated and how they can be used to draw inferences regarding the financial soundness of a Corporation. Debt-equity ratio shows satisfactory position, it seems that the JKTDC adopts a very conservative policy as regards raising of funds. In addition to this Net Worth to Total Assets Ratio and Fixed Assets to Net Worth Ratio are also used to measure the long-term solvency of the Corporation. So far profitability ratio of the Corporation is concerned, the Corporation sustained loss since 1989-90 to 1996-97. So, there is no question to compute profitability ratio for 1989-90 to 1996-97. Apart from these ratios, Fund Flow Analysis and Common Size Balance Sheet are also used to evaluate and examine the financial performance of the Corporation.

Finally on the basis of the analysis carried out in the first-five chapters, some main findings and conclusions have been drawn and summarized in the last chapter. In the light of these findings and conclusions appropriate suggestions having policy implications have been chalked out, which needs the consideration of the authorities and implementation.