CHAPTER-III

ORGANISATIONAL STRUCTURE OF HIMACHAL PRADESH TOURISM DEVELOPMENT CORPORATION LIMITED, HEADQUARTERS OFFICE, SHIMLA
The word "organisation" may convey at least three meanings. First, it may refer to the activity of management in arranging people, tasks, and resources in most orderly and efficient manner. Secondly, organisation may also indicate the arrangement itself, the outcome of the organising activity. Thirdly, the word is also used, especially in the adjectival form, to describe any number of business, behavioural, and humanistic concept. The basic principles as stated by Robert M. Fulmer, of organisational structure are as follows:¹

1. Division of labour or specialised effort;
2. Scalar and functional process or the chain of command;
3. Span of Control, or Span of management;
4. Structure;
5. Authority; and

Organisational Structure delineates and regulates in a consistent way the work, the actions and the behaviour of the people in the organisation, in their relationships with each other, with the organisation's environment, and above all with the organisation's objectives. Any feature that does this delineating or regulating is thus structural or has structural implications, and it is essential for effective design that all such features are identified and taken into consideration.\(^2\) Efficiency of administration largely depends upon the soundness of its organisation and its techniques.\(^3\) Thus, organisation is the first and foremost step in any administrative process. Without proper organisation, administration is not possible.

The term organisation tends itself to three different meanings, the act of designing administrative structure, both designing, and building the structure, and structure itself.\(^4\) Organisation is the systematic bringing together of inter­dependant parts to form a unified whole through which authority, co-ordination and control may be exercised to achieve a

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Further, there are three basic features of organisation that lead to the need for structure. One is the organisation's work, in the 'structural' sense of objectives and their delegation, desired activities and resources and their allocations. This feature leads to the concepts of work-role and structure. Another is the organisation's work in the 'process' sense of decisions being made, resources used, activities carried out, and, this leads to the concepts of role and role-relationships in the dynamic sense. The third is to do with one another; which leads to some consistency of expectation. In practice, the structural implications of these three features are inter-related, but they are not necessarily mutually compatible or reinforcing. But, one of the arts of organisation design is evolving the structure of the organisation so as to achieve as much reinforcement as possible between these features. In short, any organisation involves sets of relationships, between people, between roles, between units, whether or not these relationships are recognized formally to the extent that there is some consistency or an expectation of more than randomness in a relationship than there is 'structure' in that relationship, and this feature of relationship is a basic source of organisation structure. An effort is being

made in the following chapters and their sections to underline, analyse and to assess the above factors and features in the organisation and working of Himachal Pradesh Tourism Development Corporation.

Himachal Pradesh Tourism Development Corporation (H.P.T.D.C.) was set up as a Government Company on 1st September, 1972 under Companies Act, 1956.

By its formal concept a Government Company means "any company in which not less than 51 per cent of paid up share capital is held by the Central Government or by the State Government or Governments or partly by the Central Government and partly by one or more State Governments." The Companies Act, 1956, which constitute the Company Law in India, is the largest statute ever passed by Indian Parliament. It is both a consolidating and amending Act. This Act presents the whole body of the Company Law in subsequent amendments.

The word 'Company' has no technical or legal meaning. In the terms of the Companies Act, a "Company means a company formed and registered under the Companies Act." A company is

8. No. 1 of 1956 Act, Section 3(1) or under any of the preceding Acts.
legally an entity apart from its members, capable of rights and duties of its own, and endowed with the potential of perpetual succession. A company, thus, may be defined as an incorporated association, which is an artificial person, having an independent legal entity, with a perpetual succession, a common seal, a common capital comprised of transferable shares and carrying limited liability.

The main objectives underlying the Company Act, 1956 are as under:

1. To protect the interest of a large number of shareholders as there exists separation of ownership from management in a joint stock company.

2. To safeguard the interest of creditors, in view of limited liability feature of a joint stock company.

3. To help the development of companies in India on healthy lines because corporate form a business organisation constitutes every important sector of the company.


5. To equip the Government with necessary powers to intervene directly in the affairs of a company in the public interest so that the interest of consumers, labourers and suppliers


of raw material may be protected from unscrupulous management.

In accordance with the above Act, the Himachal Pradesh Tourism Development Corporation is a fully Government owned company and 100 per cent of its paid up shares capital has been subscribed by the Government of Himachal Pradesh.¹¹

**Organisation at the Headquarters**

Headquarters Office(HO) being at the apex, generally concerns itself with the direction, control of policy, appraisal of performance, overall health of the Corporation, forward planning and coordination. The headquarters office has control over all the top level functions, such as capital investment decisions, management innovation, long-range planning, organisational structuring, financial and personnel decisions, relations with government, laying down of management objectives, executive development, advisory services, overall coordination and general supervision of various complexes, i.e. the field offices of the Corporation.

The organisational structure of the Corporation can be summarily viewed from the Organisational Chart as given below:


¹² See Organisational Chart of Himachal Pradesh Tourism Development Corporation(HO), given at p.84.
ORGANISATIONAL STRUCTURE OF H.P.T.D. CORPORATION
(Headquarters Office)

Board of Directors

Chairman

Vice-Chairman

Managing Director

Administration
Division (Dy.G.M.)

Finance and Account Division (Financial Advisor)

Planning, Publicity and Projects Division (Dy.G.M.)

Catering and Accommodation Division (Company Secretary)

Civil Maintenance Division (Senior Officer)

Transport Division (Asstt.G.M.)

Dy. = Deputy
G.M. = General Manager
Asstt. = Assistant
As per the above Organisational Chart, the top of the hierarchal ladder is occupied by the Board of Directors which according to the statutory provision comprises of nine Directors. Next in the hierarchy comes the Chairman. Vice-Chairman is immediately next to the Chairman and is a whole-time functionary of the Corporation. He is theoretically appointed by the Board of Directors but in fact is the appointee of the Government. Managing Director comes next in the administrative hierarchy and is overall incharge of the Corporation. All the major seven divisions such as the administrative division; finance and accounts division; planning, publicity and projects division; company affairs division; catering and accommodation division; transport division; and civil maintenance division are directly under his control and supervision. He is also one of the members of the Board of Directors. General Manager comes next to the Managing Director. He is entrusted with overall control and supervision of the function of catering, the most important function of the Corporation, in all its establishments. He also holds overall charge of line authority over various complexes of the Corporation.

There are seven functional divisions immediately under the charge of Managing Director. Administrative Division and the Division for Planning, Publicity and Projects
are headed by two separate Deputy General Managers. Finance and Account Division is under the charge of Financial Advisor. Company Secretary is in charge of Company Affair Division. Civil Maintenance Division is headed by a Senior Engineer, whereas an Assistant General Manager is in charge of the Transport Division.

The General Manager (Catering) is assisted by an Assistant General Manager to administer the division of Catering and Accommodation.

BOARD OF DIRECTORS

The success of any complex organisation depends upon the team work of a devoted, competent and efficient Board of Directors. The responsibility for the proper running of an enterprise rests with the Board of Directors and it is through Board that any one else may be responsible for the management of the enterprise or any part of it.¹³

A proper composition of the Board is very important for the success of a public sector. An undertaking which calls for energy, drive, enterprise and specialised management must have a competent Board for conducting it successfully. There has been a lot of controversy as to whether the Directors

should be selected from civil servants or from specialists in profession. It has generally been agreed that, in fact, the criterion should be, on the one hand, to have a team of able and honest person who could work in a co-operative manner and, on the other hand, to have only such persons and from such ranks that the autonomy of the Board is not impaired.  

Composition of Board of Directors of the H.P.T.D. Corporation:

Board of Directors is the executive body of the H.P.T.D. Corporation. In 1988 there were nine Directors on the Board including the Chairman, the Vice-Chairman and the Managing Director of the Corporation. Since the Corporation is a fully Government owned company, the Government has powers to fill in any vacancy on the Board or to remove any Director therefrom. The Chairman of the Board is, however, consulted in appointing the members of the Board of Directors.

The present composition of the Board of Directors of H.P.T.D. Corporation is as follow:

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Designation</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Chief Minister of Himachal Pradesh</td>
<td>Chairman</td>
</tr>
<tr>
<td>2</td>
<td>Tourism Minister of Himachal Pradesh</td>
<td>Vice-Chairman</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Designation</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Chief Secretary of Himachal Pradesh</td>
<td>Director</td>
</tr>
<tr>
<td>4</td>
<td>Secretary, Finance, Government of Himachal Pradesh</td>
<td>Director</td>
</tr>
<tr>
<td>5</td>
<td>Director, National Council of Educational Research and Training (NCERT) Delhi</td>
<td>Director</td>
</tr>
<tr>
<td>6</td>
<td>Secretary, Public Works Department (P.W.D.), Government of Himachal Pradesh</td>
<td>Director</td>
</tr>
<tr>
<td>7</td>
<td>Secretary, Tourism, Government of Himachal Pradesh</td>
<td>Director</td>
</tr>
<tr>
<td>8</td>
<td>Managing Director of H.P.T.D. Corporation</td>
<td>Director</td>
</tr>
<tr>
<td>9</td>
<td>Vacant</td>
<td>-</td>
</tr>
</tbody>
</table>

Source: Based on Information collected from the official records of the H.P.T.D. Corporation.

Powers of Board of Directors:

The Board of Directors is responsible for managing the business of the tourism corporation and do all such acts and things as the corporation is authorised to do by its Memorandum of Association. The Board determines broad policies and exercises such control as will satisfy it that these policies are being carried out. It approves the capital
expenditure, sets out corporation objectives and strategies, assigns responsibilities and authorities to the Managing Director, and makes all senior appointments, except those of the Directors and the General Managers. However, in H.P.T.D. Corporation the powers reserved for the State Government mainly related to the appointment of the Chairman, the Vice-Chairman and members of the Board, approval of the appointment of the Secretary, and approval of the rules and regulations framed by the Board therein.¹⁵

The Board of Directors is from time to time entrusted with the powers to give directions to the Managing Director of the Corporation. The Board as subsidiary legislature authority of the Corporation derives its various powers under the Memorandum and Articles of the Association, under which it can make its own regulations to govern its various activities within the provision of the Act pertaining to its internal working process. Beyond the functions and powers of the Board enumerated above, arising out of its statutory obligations, the Board may be called upon to act as the principal advisor of the State Government in all matters of policy concerning, development or tourism in the State and its relations with the Union Government in the field of co-operation and co-ordination in periodic development plans for the overall tourism development.¹⁶

¹⁵. Memorandum and Articles of the H.P.T.D. Corporation, p.32.
¹⁶. Ibid.
With regard to major financial matters of the Corporation, the Board of Directors have the authority to take various decisions and to frame policy on financial matters. In the Corporation, all important decisions pertaining to investment, raising of capital, purchases, management of catering and hotels, reserve fund, recurring and non-recurring expenditure, bonus, revision of pay structure and consideration of ways and means position are taken by the Board. The Board is also empowered to appoint all the key personnel of the Corporation in consultation with the State Government mainly relate to the appointment of the Chairman and Vice-Chairman of the Corporation. Thus the Board’s direct responsibilities are:17

1) to set overall policy objectives for the corporation;
2) to review and approve strategic plans for the achievement of these objectives;
3) to decide on entry into new fields of corporation activities;
4) to approve development and annual operating plans;
5) to approve or delegate the authorisation of all capital expenditure;
6) to approve major organisation changes subject to any ministerial consents required;
7) to approve, or delegate approval of senior appointments;

17. Ibid., pp.32-33.
viii) to keep under review general policies of employment;
ix) to deal with matters of policy affecting ministerial and governmental relations; and
x) to take decisions on all matters delegated by the Board.

Committees of the Board of Directors

For the foregoing matters, the Board, presided over by the Chairman, reaches appropriate decisions and conclusions, subject to statutory constraints which exist and within the powers reserved for the minister. To facilitate effective and speedy conduct of the Board's business, committees of the Board are also established to consider and report on certain matters, to make recommendations or to take decision within prescribed limits on Board's behalf. At present the following two committees of the Board are functioning:

(i) Finance and Capital Approval Committee
(ii) Planning Committee

These Committees are chaired by the Chairman and the Deputy Chairman respectively. Membership of these committees is confined to the members of the Board and the Managing Director of the Corporation.18

18. Ibid., p.33
The Financial and Capital Approval Committee recommends financial policies for the approval of the Board and advises the Chairman of the Corporation on financial matters related to the development of resources in the Corporation. The Planning Committee recommends the plans for maintenance and development of the Corporation's principal activities to the Board.

Meetings of the Board of Directors and Quorum

It is at the general meetings of the Board of Directors of the Corporation that the Directors express their will by passing resolutions. Board of Directors generally meets for the despatch of business once in a year except in case of any special reason. The Board may adjourn and otherwise regulate the meetings and proceedings as it is deemed fit. Further, at least 21 days' notice is required to be given to the members to call a meeting of any kind. 19

Quorum means a certain prespecified number of members of any organisation required to attend a meeting to enable it to commence its deliberations. For the H.P.T.D. Corporation a minimum of three members of the Board are required to form the quorum for an annual meeting. Generally the Chairman of the Corporation presides over the meeting. In case he is

19. Ibid., p.18.
not able to attend the meeting, the Vice-Chairman takes the Chair. In case of tie, the Chairman exercises his casting vote in addition to his usual vote as a member.\(^\text{20}\)

In the following table some information with regard to the meetings of the Board of Directors of the H.F.T.D. Corporation from the period 1976 to 1986 is given:

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Meetings</th>
<th>Presided over By</th>
<th>Quorum of the Meeting</th>
</tr>
</thead>
<tbody>
<tr>
<td>1976</td>
<td>one</td>
<td>Vice-chairman</td>
<td>5/9</td>
</tr>
<tr>
<td>1977</td>
<td>one</td>
<td>do</td>
<td>6/9</td>
</tr>
<tr>
<td>1978</td>
<td>one</td>
<td>do</td>
<td>6/9</td>
</tr>
<tr>
<td>1979</td>
<td>one</td>
<td>do</td>
<td>4/9</td>
</tr>
<tr>
<td>1980(i)</td>
<td>Two</td>
<td>Chairman</td>
<td>7/9</td>
</tr>
<tr>
<td>1980(ii)</td>
<td></td>
<td>Chairman</td>
<td>6/9</td>
</tr>
<tr>
<td>1981</td>
<td>one</td>
<td>Vice-chairman</td>
<td>4/9</td>
</tr>
<tr>
<td>1982</td>
<td>one</td>
<td>do</td>
<td>5/9</td>
</tr>
<tr>
<td>1983</td>
<td>one</td>
<td>Chairman</td>
<td>6/9</td>
</tr>
<tr>
<td>1984</td>
<td>one</td>
<td>Vice-chairman</td>
<td>5/9</td>
</tr>
<tr>
<td>1985</td>
<td>one</td>
<td>do</td>
<td>4/9</td>
</tr>
<tr>
<td>1986</td>
<td>one</td>
<td>Chairman</td>
<td>6/9</td>
</tr>
</tbody>
</table>

Source: Based on the information collected from the Official Records of the Corporation.

19. Ibid., p.20
THE CHAIRMAN

The Term:

The term 'chairman' has not been defined in Indian Statutes. In some companies the Chairman may be the member who only presides over the meetings of the Board on the company, while in other he may himself be the chief executive, virtually occupying the position of a managing director, or he may, without taking part in the day-to-day management of the company, be available daily at the head office for advice and consultation. Thus the Chairman may be simply a figure head, or he have a great influence on functioning, growth and progress of the Company.

The Functions:

The functions of a Chairman have been enlisted within the broad framework of the list of powers of the Chairman of State Corporation as formulated by the Department of Personnel and Administrative Reforms, Government of India. These functions are given below:

1. The Chairman is the authority to initiate the annual confidential report of the Managing Director. In respect of those senior officers for whom the


22. Department of Personnel Administration and Administrative Reforms, Government of India.
the Managing Director is the responsible authority, and in respect of officers for whom the Managing Director is the reviewing authority, the Chairman is the accepting authority.

2. The Chairman approves date and time of all the meetings of the Board of Directors convened by the Managing Director.

3. The Chairman is competent to add items to be included in the agenda of the meeting for the Board of Directors drawn up by the Managing Director.

4. The Chairman is provided with all the significant information concerning the functioning of the company by the Managing Director. In addition, the Chairman may call for information from Managing Director or any aspect of the working of the company.

5. The Chairman visits and checks from time to time various field offices and operating units of the Corporation within the State. Points of action arising from such visits are communicated by the Chairman to Managing Director.

6. Copies of the tour programme issued by various senior officers of the Corporation are invariably endorsed to the Chairman.

7. Whenever the Chairman so desires, he can be
associated with a meeting of the field staff concerned by the Managing Director at the Corporation's headquarters.

8. Ordinarily responsibility for furnishing reports to government and undertaking correspondence rests with the Managing Director, however, on important matters of policy, it is open to the Chairman to send semi-official communication to the Administrative Secretary of the Ministry in charge.

9. The Board of Directors, however as a whole, has the final responsibility for direction and control under the laws, rules and regulations applicable to the Corporation. Hence, in the event of a difference of opinion between the Chairman and the Managing Director, the concerned matters are placed before the Board of Directors.

Chairman of the H.P.T.D. Corporation

In Himachal Pradesh Tourism Development Corporation, the Chief Minister of Himachal Pradesh is the ex-officio Chairman. He is assisted by his personal assistant in his office work for the deliberations of the meetings of the Board of Directors.

The functions assigned to the Chairman have been laid down by the Government of Himachal Pradesh and also by
the Corporation. In H.P.T.D. Corporation, the Chairman is responsible for overall developmental, operational and economic plans and for keeping under review the general progress and long-term tourism development of the Corporation. His functions as envisaged by the Corporation include:\n\(23\)

(a) providing channel of communication with the Government of the State in all matters involving policy and finance;

(b) responsibility for public relations and press conference;

(c) providing guidelines in respect of personnel policies and industrial relations;

(d) initiating action or intervening when the image of the Corporation is likely to be affected; and

(e) to coordinate the work of the headquarters office and field units of the Corporation. This coordination covers developmental programmes, personnel matters, etc. for which the Chairman holds coordination meetings with Managing Director of the Corporation.

To sum-up, the Chairman is the leader of the management team of the H.P.T.D. Corporation and it is on his initiative and drive that effective functioning of the

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Corporation depends in a large measure. But at the same time, apart from everything else, he occupies the highest political position in the State. He has to attend to diverse political demands. He has a variety of relationships, political in nature, inside the State assembly, outside the assembly, inside the State Government and outside the Government. For him to become too specialised and too involved in a particular activity only may inevitably tend to render him less capable in discharging his main responsibilities as the political head of the Government. That is why a very grave disadvantage is involved in having the Chief Minister of the State being the Chairman of the Corporation. But, simultaneously, by way of his sheer position in the State Government he can prove a catalyst, a great source of motivation, inspiration and also of the facilities and resources for the growth and development of the Corporation, if he is able to get a good team of functional officers for the Corporation.

The Vice-Chairman of the H.P.T.D. Corporation

The Vice-Chairman is an appointee of the Government of Himachal Pradesh. No specific qualifications, experience or exercise have been laid down as pre-conditions for this appointment. The practice, however, shows that the incumbent to the position of Vice-Chairman has generally been either a legislator or some senior bureaucrat who enjoyed maximum
confidence of the Government, i.e. of the Chief Minister, who also happens to be the Chairman of the Corporation. At present, Tourism Minister of Himachal Pradesh who is also one of the member of the Board of Directors, is the Vice-Chairman and Second-in-command to the Chairman. In practice, he is real executive of the Corporation. In the event of absence of the Chairman, the Vice-Chairman presides over all the meetings of the Corporation and exercises the powers of the Chairman.24

With a view to providing integration and coordination in the activities of various functional divisions of the Corporation, which deal with diverse and varied specialised areas, the Vice-Chairman is provided with powers and authority to oversee the entire Corporation and all its divisions. The Vice-Chairman has also been assigned with the responsibility to assist the Chairman in formulating strategic tourism development policies and planning. He has also been provided with strong functional links with the Chief Executive of the Corporation, i.e. the Managing Director who, in reality conducts the entire business of the Corporation.25

MANAGING DIRECTOR OF THE H.P.T.D. CORPORATION

Managing Director (MD) as defined in the Memorandum

24. Ibid., p. 21
25. Ibid., pp. 21, 22.
and Articles of the Association, means a Director who is entrusted with substantial power of management. Managing Director means a Director who, by virtue of an agreement with the company or a resolution passed by the company in its general meeting, or by its Board of Directors is entrusted with various functional activities of the Corporation.26

Generally, the Managing Director of the Himachal Pradesh Tourism Development Corporation is appointed by the Government of Himachal Pradesh from among the Indian Administrative Services (I.A.S.) cadre in consultation with the Board of Directors. He is provided with personal staff viz; private secretary, a personal assistant and a steno, etc. to carry out his duties. He is the functional head of the Corporation. Every employee of the Corporation is responsible to him directly or indirectly. He occupies key position in the administration of the Corporation, and the entire business of the Corporation is conducted in the name of the Managing Director. Thus, he is the chief executive head of the Corporation.

The Managing Director of the Corporation derives his powers, functions and responsibilities from the Board of Directors and is accountable to it.27 In his capacity as the Chief Executive of the Corporation he has been invested

26. Ibid., p.27
27. Ibid., pp.27, 28.
with sufficient powers to enable him to exercise necessary initiatives and managerial leadership, essential for the actual running of the Corporation.

All the seven division at the headquarters office function under his direct control and supervision. Thus, all the seven divisional heads are immediately under him. He has given the responsibilities of appointments and expenditure. His responsibilities and authority also indicate various decisions relating to the Staff, financial matters for appropriation and spending, fixing charges of various kinds, entering into contracts, and, effecting purchases. The Board has delegated to him all these functional powers and responsibilities to facilitate discharge of his functions.  

The Managing Director is required to report on the exercise of all his activities to the Board of Directors of the Corporation. In actual practice the Managing Director being the Chief executive of the Corporation, he initiate all major policies and gets them approved by the Board of Directors. He coordinates staff activities at the headquarters office and evolves all kinds of plans for the Corporation.

28. Ibid., PP.27, 28.
29. Ibid., P.1'.
General Manager (GM) is next to the Managing Director in the overall hierarchy of the Corporation. The General Manager is the executive head of the catering division at the headquarters office and is entrusted with the functions of supervision and control of catering, the major activity of the Corporation, in all its establishments.  

General Manager is responsible for all types of catering activities including entertainment and hospitality of the Corporation's guests. He also controls bars and bar licences. He is assisted by a stenographer and other auxiliary staff in carrying out his daily routine work. He is responsible to the Managing Director, and, keeps him informed on all activities which come under his control.

The major functions of the General Manager relates to co-ordination, supervision and control, and proper communication with all the functional activities which comes under his charge. He is also expected to synchronise all major functional policies of the Corporation with the general tourism developmental policies laid down by the Government for the Corporation as a whole. He also generally ensures that all the affairs of the projects in hand are managed in

30. Ibid., p.31.
31. Ibid., pp.31,32.
the most economical, businesslike and effective manner. The General Manager is also assigned the authority with regard to personnel and industrial relations in the Corporation.32

The General Manager, however is not a member of the Board of Directors of the Corporation, but consequently, he is always invited to all the Board meetings. Generally he does not participate in the Board deliberations unless asked to do so, but there is no bar if he wants to contribute to the discussions. Whenever the Board discuss a matter involving General Manager himself, and when such an issue is to be deliberated in which the Board does not want the General Manager to be present and involved, then the meeting is held in a "secret session", where the General Manager is excused his presence and participation.33

The General Manager of the Corporation is responsible to the Managing Director and, keeps him informed about various activities relating to catering division of the Corporation at the headquarters as well as at the field offices. However, in this context, there is a direct line control of the General Manager in policy formulation and implementation in his catering division. He has been delegated these exclusive powers because in the opinion of

32. Ibid., p.11.
33. Ibid., p.32.
the Board these are necessary to carry out the functions and responsibilities of this important unit of the Corporation without any encumberance or hinderance. However, there is no set policy in regard to the extent and coverage of sub-delegation of authority by the General Manager within his division. The General Manager is not formally told as to what and how much power, authority and responsibility he has to sub-delegate. This is largely because the General Manager is responsible for the optimum results of his division, and, it is felt that it would be better if the decisions about the sub-delegation are taken by him keeping in view the special circumstance and the demands of each individual occasion.34 The General Manager of the Corporation is expected to refer to the Board all matters of policy and general procedure of question of planning including planning for the IV and subsequent plans, and cases where liaison with the head-quarters office is necessary.35

The Deputy General Manager (Administration Division)

According to the theory of administration, administration emphasises the concrete aspects of the method and procedure of management. Consequently the administration is as much concerned with what government does as it is with

34. Ibid., pp.32,33.
35. Ibid., p.33.
The functions of administration is to "carry out" or "execute" or "implement" policy decisions, or to coordinate activity in order to accomplish some common purpose, or simply to achieve cooperation in the pursuit of a shared goal.

In H.P.T.D. Corporation, the Deputy General Manager is overall in-charge of the administration division. He is entrusted with the functions of administering the various activities relating to personnel policies, viz., recruitment, training, promotion etc. of the Corporation to ensure smooth running of its administration. He is responsible for organising staff and promoting better personnel policies of the Corporation. All instructions and directions to the officers and officials, working in the Corporation at the headquarters office as well as the field offices are issued by the Deputy General Manager. He is the executive leader of the administration division and thus, provides leadership towards directions, supervision and control, decision-making, headquarters-field relationship and to build the morale of the employees of the Corporation to achieve efficiency in the organisation.

The following chart gives an idea of the position

of the Deputy General Manager (Administration Division)
of the Corporation.

The Deputy General Manager, administration division
of the Corporation, is assisted by a Tourism Development
Officer, a Deputy Tourism Development Officer, an office
superintendent and other secretarial staff to run the division.
The Deputy General Manager is accountable to the Managing
Director of the Corporation for each of his acts of commission
and commission pertaining to administration.

Financial Advisor (Finance and Accounts Division)

The Finance is that position of economics which is
concerned with the economic activity of government. The
Science of finance includes public income, public expenditure

38. John F. Due (1959), Government Finance—An Economic
and its investigations. The head of this department is usually known as Financial Advisor though his designation differs from firm to firm. In H.P.T.D. Corporation, Financial Advisor is the head of Finance and Accounts Division. His concurrence is necessary for any proposal having financial implications before it is put in Board meeting. As the name implies, Financial Advisor is the incharge of Finance and Accounts division for the proper handling of all the financial transactions of the Corporation. His duties broadly fall under two categories, viz., financial advice and maintenance of accounts including budget. His role can be appreciated better by going through the following specific functions performed by him:

1. Compilition of accounts, submission of periodical account and other important statements of the Corporation.
2. Preparation of budget estimates of income and expenditure.
3. Acting as custodian for Corporation's cash-balance and maintenance of bank accounts.

41. Memorandum and Articles of the Association of H.P.T.D. Corporation, p.34.
(4). Scrutinising the proposals involving financial implications in accordance with the rules and regulations of the Corporation.

(5). Conducting internal audit of various complexes and checking the initial records maintained in various complexes of the Corporation.

The following chart shows the position of the Financial Advisor, Finance and Accounts Division of the Corporation.

Financial Advisor of the Corporation is assisted by a senior auditor, a senior accountant and a deputy tourism development officer. The whole of the division has the usual secretarial staff for assistance. He is also entrusted with the business concerning audit, committee business and
companies annual accounts. He exercises control and supervision over the maintenance of accounts of various units viz., hotels, tourist bungalows, cafeterias, etc. He is also responsible for the preparation of balance sheets and other accounts of the Corporation. Although Financial Advisor holds independent charge of Finance and Accounts Division but he is responsible to the Managing Director for his overall working process. He prepares a report regarding the activities of his division and submits it to the Managing Director.

Deputy General Manager (Planning, Publicity and Projects division):

Planning is the activity that concern itself with proposals for the future, with the evaluation of alternative proposals, and with the methods by which these proposals may be achieved.\(^{42}\)

In H.P.T.D. Corporation the Planning, Publicity and Projects Division has been established under the overall supervision and control of the Deputy General Manager of the Corporation. The activities of the division include planning various activities of the Corporation, to undertake new projects, to disseminate information, and, to give due publicity regarding the tourism activities of the

Corporation. The following chart gives an idea of the structure of the Planning, Publicity and Projects Division.

**Planning, Publicity and Projects Division**

```
       Deputy General Manager
            /  
       /    
Assistant General Manager

       /  
Deputy Tourism Development Officer

       /  
Technical Staff
       /  
Landscapist Officer  Golf Officer  Technical Photographer  Junior Assistant  Dark Room Assistant

       /  
Non-Technical Staff
       /  
Editor  Stenographer  Secretarial Staff
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The Deputy General Manager, Planning, Publicity and Projects Division is assisted by an Assistant General Manager, Recreation and Reservation, who is assisted by a Deputy Tourism Development Officer. This section of the Division has field agencies all over the State to carry out its obligations. The Division has both technical and non-technical staff at the headquarters level. On the technical side there is one landscapist, one golf officer, one technical assistant, a junior photographer and a dark-room assistant. On the non-technical side, he is assisted by an editor, a stenographer
and the secretarial staff. He keeps liaison with all publicity agencies in and outside the State with regard to the activities, programmes, policies and projected plans of the Corporation. He is responsible for all types of publicity including printing of brochures and publicity materials, advertisements in various newspapers, magazines and through radio and television. He is also responsible to maintain liaison with travel agents and all agencies which are devoted to the promotion of tourism. On the planning and project side this branch of the Corporation is responsible for the construction of all new projects, carrying out repairs, maintaining the buildings, landscaping and beautification. Taking land on lease for hotels and motels for the accommodation of tourists also forms the responsibility of this Division. It is also the function of this Division to frame and implement the Five Year Plans, Annual Plans and other plans of the Corporation. It is for this branch to furnish new hotels and restaurants of the Corporation in the State. It collects and consolidates all the requirements of the current purchases and fixed assets of all the units of the Corporation. It also projects the aggregate requirements of the purchases for future needs and activities. On the principle of delegation of powers and responsibilities, different officials of this Division has been entrusted with different types of work both technical and non-technical in nature, as will be evident from the above chart.
There is a provision for the position of a Deputy General Manager as incharge of the Division responsible for accommodation and catering activities in the Corporation. At present, however, the Division is headed by an Assistant General Manager, who also holds the charge Central Store-Purchasing. This Division is meant for the reservation of accommodation for tourists in different hotels and motels of the Corporation. The activities of this Division also include providing proper care for tourists, to attend to their grievances, if any, to control rates and taxes at the tourist complexes, periodically to review the tariff, and to collect and consolidate annual demands of all catering units for non-perishable items. The Assistant General Manager has also been entrusted with the function to collect, compile, analyse, report and maintain the reliable and up-to-date statistics with regard to occupancy, rental income and catering income, etc., which work he is required to do complex-wise within the State.

The staff of this division consisting of two types viz., technical and non-technical. While the Deputy Tourism Development Officer deals with the matter concerning catering and accommodation with the help of the Secretarial staff, refrigerator mechanic perform his technical functions.
Company Secretary (Company Affairs Division):

This is enshrined in Company Law that every company having a paid up share capital of rupees twenty five lakhs or more shall have a whole-time Secretary, and, where the Board of Director of any such company comprises only two Director, neither of them shall be the Secretary of the Company. In H.P.T.D. Corporation, there is an independent Company Secretary who renders his advice to the Managing Director of the Corporation in accordance with the Company law, in secretarial and legal matters. He has also been entrusted with the work of personnel management and general administration. Company Secretary of the Corporation is assisted by one Steno-typist in carrying out his official business. He records the minutes of the meetings of the Board of Directors. Company Secretary of the Corporation functions under the direct supervision and control of Managing Director of the Corporation.

Senior Engineer (Civil and Maintenance Division):

There is a provision of the post of a Senior Engineer to work as overall incharge of Civil and Maintenance Division to carry out the construction and maintenance works of all the hotels and buildings of the H.P.T.D. Corporation.

But since all the construction work carried out by the Public Works Department (P.W.D.), the post of Senior Engineer presently lying vacant. Two junior engineers have been taken on deputation from the State Public Works Department to look after the work of this division from point of view of H.P.T.D. Corporation. The Deputy General Manager, Publicity, Planning and Projects, has, however, been entrusted with the functions to supervise and control the working of the junior engineers of this division.

**Assistant General Manager (Transport Division);**

Transport is one of the most important divisions of the H.P.T.D. Corporation. It is headed by an Assistant General Manager, who is entrusted with the functions of providing conveyance to the tourists. The Assistant General Manager, transport, is assisted by both technical and non-technical staff. On the technical side there is one service manager, one foreman, a mechanic grade I and a mechanic grade II each, and other staff. On the non-technical side he is assisted by an accountant and some clerks. For overall development of tourism in the hilly State of Himachal Pradesh, road transportation constitutes a very important chain of activities of the Corporation.
SUMMING UP

By way of summing up it may be said that due care seems to have been taken in structuring the Himachal Pradesh Tourism Development Corporation in the context of the organizational and management theory. An effort seems to have been made to arrange the people—technical, administrative, professional, secretarial and political—for the achievement of targetted objectives efficiently and in an orderly manner. Similarly, the arrangement of tasks by way of assignment of powers, authority, responsibility and answerability also seems to have been taken care of besides the arrangement of resources at hand. A clear view of division of labour, chain of command, span of control and structural hierarchy are also discernible in the brief over-view of the organizational structure of the H.P.T.D. Corporation’s headquarters office at Shimla.

A brief history of the establishment of the Corporation under the Company’s Act, 1956, the Constitution of its Board of Directors with its functioning, functions and role, and the establishment of the Committees of the Board of Directors forms the core of this introductory chapter. The functioning, role, the utility and limitations of its politician—Chairman have also been briefly discussed.
Similarly, the complementary role of the Vice-Chairman, who again is an ex-officio politician, finds brief mention in this Chapter.

The functional organizational structure begins from the managing director downwards and includes the general manager and the seven functional divisions of the Corporation; such as the administrative division; the division of planning, publicity and projects; finance and accounts division; company affairs division; civil maintenance division; transport division; and catering division. A brief survey of all the divisions with their respective heads, their branches and sub-branches and the various technical, professional and administrative personnel manning these branches have also been briefly discussed. The role, the function, the power and authority and the accountability of all the major functionaries have also been indicated.

A brief survey of the headquarters office of the Himachal Pradesh Tourism Development Corporation has been made in this chapter. In the chapter to follow an effort has been made to give the organizational structure of the field units or complexes of the Corporation spread over the whole of the State of Himachal Pradesh and also at Chandigarh and Delhi.