# Tourism Development in India under Government Five Year Plans

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#### **Abstract**

The Indian tourism and hospitality industry has emerged as one of the key industries driving growth of the services sector in India. This paper will review the progress of tourism development in India under Government Five Year Plans. Tourism development in India has passed through many phases. Tourism development has always has been an integral part of the country's five-year plans. Government has been giving special emphasize on the tourism sector during the each plan period. The rising significance of tourism in terms of its arrivals and receipts has motivated the government to increase its budget allocation in its five-year development programs. The Ministry of Tourism, Government of India has consistently been working on improving India as a prime destination for world tourists. The Ministry of Tourism designs national policies for the development and promotion of tourism development and give important place to tourism in the overall development of the country. Government of India takes several steps time to time for the development of tourism industry. No appropriate marketing strategies of India's tourism are available in India as well as abroad. There is a need to increase the government's role in promoting India as a brand.

## Keywords

Budget; Development; Five Year Plans; Infrastructure; Tourism

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#### Introduction

The Indian tourism and hospitality industry has emerged as one of the key industries driving growth of the services sector in India. Tourism in India has registered significant growth in the recent years and the country has tremendous potential to become a major global tourist destination. Indian tourism industry is thriving due to an increase in foreign tourist arrivals and greater number of Indians travelling to domestic destinations than before. The growth of India Tourism market is also equally beneficial for the several associated industries such as the aviation industry, medical tourism industry and hotel industry (http://www.ibef.org/).

The role of Tourism is certainly essential in the economic development of a country as it is the second largest foreign exchange earner in India. The tourism industry employs a large number of people, both skilled and unskilled. Hotels, travel agencies, transport including airlines get a lot of benefits from this industry. Tourism promotes national integration and generates foreign exchange. It promotes socio-cultural activities. Tourism also promotes traditional handicrafts sector. The tourists get an insight into the rich and diverse cultural heritage of India (http://www.goarticles.co.in/).

India is one of the popular tourist destinations in Asia and it offers a wide array of places to see and things to do. The delighting backwaters, hill stations and landscapes make India a beautiful country. Historical monuments, forts and palaces, beaches, places of religious interests, hill resorts, rich tropical forests, captivating wild life, desert safari, lagoon backwaters, diverse culture, unique hospitality etc. add to the grandeur of the country. They attract tourists from all over the world in general and Asia in

particular. There is a harmonious blend of art, religion and philosophy. Major religions like Christianity, Buddhism, Islam, Hinduism, Jainism, Sikhism and Zoroastrianism etc. have co-existed in India for several thousand years. India has fascinated people from all over the world with its secularism and culture (http://www.ibef.org/).

Tourism development in India has passed through many phases. The first and most systematic step to promote tourism in India after independence was the formation of a separate Department of Tourism under the Ministry of Transport and Communications in 1958 (Kumar, 1998). It helps in promoting international and domestic tourism in the provides country. It infrastructure, information aimed at promotion of tourists' sites in the world market, carries out publicity campaigns and formulates policies and programmes for the promotion of tourism in the country. It has offices and officers in India and abroad. The Indian Institute of Tourism and Travel Management, the National Council Hotel management and Catering technology etc. provide professionally trained personnel to the industry. The Tourism Advisory Board recommends measures for promotion of tourists' traffic in the country. It reviews the tourist trends and suggests appropriate measures (http://www.publishyourarticles.net/).

Tourism development has always has been an integral part of the country's fiveyear plans. The Ministry of Tourism, Government of India has consistently been working on improving India as a prime destination for world tourists. The Ministry of Tourism designs national policies for the development and promotion of tourism. In the the process. Ministry consults collaborates with other stakeholders in the sector including various Central Ministries/Agencies, State Governments. Union Territories and the representatives of the private sector. Concerted efforts are being



made to promote new forms of tourism such as rural, cruise, medical and eco-tourism. The Ministry also maintains the Incredible India campaign (http://www.ibef.org/).

# Tourism Development in India under Different Plans

Five Year Plans form an important portion of the planning process in India. These are formulated, executed and monitored by the Planning Commission of India, which is an institution in the Government of India, headed by the Prime Minister. The tourism sector is dealt under the composite division of transport which has many subdivisions including Railways, Road Transport, Roads,

Ports and lighthouses, shipping, Inland water transport, Civil aviation, Tourism etc. Table 1 gives Government Allocation for tourism development in India under Five Year Plans.

From 1966 to 1969 no five year plan could be launched because of an Indo-Pak conflict. The conflict in combination with the drought resulted in the devaluation of the currency and a general rise in prices. This erosion of resources disrupted the planning process. These years were treated in three annual plans between 1966 and 1969.

The five year planning process was again disturbed in 1978 for two years and thereafter again in 1990 for two more years. On both these occasions there was a political disturbance at the centre (Fazili and Ashraf, 2006).

Table 1: Government Allocation for Tourism Development in India under Five Year Plans

Five Year Plan	Time Period	Plan Allocation (in Rs.)
1 st	1951-1956	0.00
2 <sup>nd</sup>	1956-1961	336.38 Lakhs
3 <sup>rd</sup>	1961-1966	800 Lakhs
	1966-1967*	58.50 Lakhs
	1967-1968*	87.65 Lakhs
	1968-1969*	183.81 Lakhs
4 <sup>th</sup>	1969-1974	36 Crores
5 <sup>th</sup>	1974-1979	133 Crores
6 <sup>th</sup>	1980-1985	187.46 Crores
$7^{\mathrm{th}}$	1985-1990	326.16 Crores
	1990-1991	83 Crores
	1991-1992	90 Crores
8 <sup>th</sup>	1992-1997	773.62 Crores
9 <sup>th</sup>	1997-2002	793.75 Crores
10 <sup>th</sup>	2002-2007**	2900 Crores
11 <sup>th</sup>	2007-2012***	3112.71 Crores
C E V N	Revised****	5156 Crores

Source: Five Year Plans, Government of India; \*Indian Tourism: Economic Planning & Statistics; \*\*Annual Report, 2002-2003, Department of Tourism, Government of India; \*\*\*Annual Report, 2011-2012, Department of Tourism, Government of India; \*\*\*\*Report of the Working Group on Tourism, 12<sup>th</sup> Five Year Plan (2012-2017), Ministry of Tourism, Government of India.

#### First Five Year Plan

In the first five year plan from 1951 to 1956 there was no provision for tourism. India had just earned her independence and the priority areas for development differed a great deal from what they are today. During those times tourism had not yet established itself as a separate entity. The subject of tourism was looked after by the Ministry of transport,



under a separate division formed in 1949. The allocations made for transport included the investments to be made for tourism as well. The provisions for tourism development in the 1<sup>st</sup> five year plan included the production of publicity material with an emphasis on participation in exhibitions and screening of films. The provisions also included the opening up of tourist offices both in the abroad. country and The promotional activities were also to be taken in collaboration with travel agencies and tour operators (Five Year Plans, GOI).

#### Second Five Year Plan

The second five year plan provided an outlay of Rs. 336.38 lakhs for tourism. It was for the first time that the funds were set aside separately for tourism. There were separate allocations for the state and center plans. The main emphasis was on the development of transportation and accommodation facilities at major tourist centers. The idea was to increase and improve recreational facilities at such centers. For this purpose the plan allocation was divided into three schemes of part I, II and 111.

Part I schemes were intended to create facilities for foreign tourists. These schemes were directly dealt by the center and were carried out through the Central Public Works Department with cent percent financing from the center.

Part II schemes were intended to develop infrastructure for domestic tourists at places which were important for foreign tourists as well. These schemes were jointly sponsored by the center and state governments. The schemes were carried out through state Public Works Departments; however the schemes were treated as centrally sponsored schemes.

Part III schemes were intended to develop infrastructure at places which were of local importance. These places mainly included pilgrimage centers, gardens and picnic spots. The schemes were fully

sponsored by the state governments and were executed through state departments only (Five Year Plans, GOI).

#### Third Five Year Plan

By the time third five year plan was launched the potential of tourism as an instrument of growth and development had been realized. The number of foreign tourists visiting India had shown an increase that amounted to about six times over the decade. From a meager number of 17,000 tourists in 1951 the number had risen to 1, 23,000 in 1960. Similarly there was an increase in the estimated foreign exchange earnings from Rs. 4 crore in 1950 to Rs. 20 crore in 1960.

In the third plan the total allocation for tourism was Rs.800 lakhs. As in the second plan the allocations were divided into three parts. The priorities for development of tourism in the 3<sup>rd</sup> plan remained unchanged from what they were in the 2<sup>nd</sup> five year plan. There were provisions of development for accommodation, transport and roads. The development plans for foreign tourists were to be carried out by the centre and those for the domestic tourists at places were foreigners were also expected were jointly to be carried out by the respective state governments and The development center. improvement of facilities at local tourist centers was the sole responsibility of the state government. The plan document contained separate provisions for the development of winter sports complex at Gulmarg in Jammu & Kashmir. Moreover measures were under consideration for assisting the hotel industry with loans for the construction of new hotels and improvement or expansion of the existing

The third five year plan was followed by three annual plans of 1966-67, 1967-68, and 1968-69. In these annual plans the allocation for tourism was divided into two parts only. There was allocation in the central and state sectors with no joint ventures.



In the annual plan of 1966-67 the total allocation for tourism was Rs.58.50 lakhs and in the annual plan of 1967-68 the total allocation for tourism was Rs.87.65 lakhs and in the annual plan of 1968-69 the total allocation for tourism was Rs.183.81 lakhs (Five Year Plans, GOI).

#### Fourth Five Year Plan

The fourth plan document recognizes tourism as an important means of earning foreign exchange, with an ample scope for employment generation. It further elaborates the role of tourism in international relations and accepts it as an important tool for international contacts and understanding with an emphasis on development.

The 4<sup>th</sup> plan envisaged development of destinational traffic, rather than transitional traffic. On this account it was suggested that areas will be selected and developed as destinations for tourism. Expansion and improvement of tourist facilities was to be taken in a way so as to develop new destinations. Charter flights were to be encouraged. The main emphasis was to be laid on provisions of accommodation. transport and recreational facilities. Efforts were to be concentrated in areas where there was an identified large flow of tourist traffic.

During the 4<sup>th</sup> plan period the allocations for tourism were increased to Rs. 36 crores from Rs. 8 crore in the 3<sup>rd</sup> plan. Out of this Rs. 25 crores were meant for central programs and Rs. 11 crore for states and Union Territories (Five Year Plans, GOI).

#### Fifth Five Year Plan

By the time 5<sup>th</sup> five year plan was launched tourism had established itself as an important means for development. World over the phenomenon was gaining momentum and had received recognition among the top most developing industries. With the advancements in technology the transport system received a boost and an increased traffic resulted in reduced international airfares. With a view on

future development of tourism the 5<sup>th</sup> plan laid down the investment priorities on:

- (1) Increased accommodation and transportation facilities so as to meet the demands of ever increasing international tourism.
- (2) Integrated development of selected areas with a view to spread traffic as far away as possible covering different regions of the country.

#### (3) Tourism promotion abroad

Based on above guidelines the areas selected for development were Kovalam, Goa, Gulmarg, Kullu-Manali, certain archeological centers of tourist importance and wildlife sanctuaries. Provisions were also laid for loans to private hotel projects and tourist transport operators. Funds were also earmarked for publicity and promotion abroad.

The total allocations for tourism sector in the 5<sup>th</sup> plan were Rs. 133 crores. Out of this Rs.78 crores were for central sectors and Rs. 55 crores were for states and union territories (Five Year Plans, GOI).

#### Sixth Five Year Plan

The sixth five year plan was launched in 1980. By this time both international and domestic tourism had come to be seen as an activity with a number of economic and social benefits. As part of the sixth five year plan it was decided that this imparity in the numbers will he abridged through development of proper infrastructure.

The emphasis in the sixth plan document was to ensure investments in the accommodation sector so as to increase the bed capacity in the country. While taking steps towards the development of tourism in the country it was to be ensured that the development will take place on a sustainable basis and as such there will be no adverse effects on the environment or for that matter cultural ethos of the place concerned. All developmental schemes will be carried out in close coordination with state and central



sectors. Specific areas were to be selected in order to form travel circuits.

The total outlay for tourism in the sixth plan was Rs. 187.46 crores Out of which a total of Rs. 115.46 crores was to be spent by the state sectors and Rs. 72 crore by the central sector. As part of this plan provisions were made to increase the carrying capacity of Indian Airlines and at the same time enhancement of airport infrastructure was to be prioritized so that more flights can be accommodated (Five Year Plans, GOI).

#### Seventh Five Year Plan

The objectives for the development of tourism in the seventh plan were:

- (1) Faster development of tourism so as to achieve an annual growth of 7%.
- (2) Acquire the status of an industry for tourism.
- (3) Re-defining the role of public and private sectors to ensure that the private sector investment is encouraged in developing tourism and public sector investment is focused on development of support infrastructure.
- (4) Exploiting tourism potential to support local handicrafts and other creative arts to promote national integration.

In the seventh plan areas marked for tourism development in the country were:

- (1) Development of tourism was to be taken in the selected areas which were most popular with the tourists
- (2) Diversification of the tourism product from cultural tourism to other forms of tourism keeping in view the aesthetic, environmental and socio-cultural implications of such projects. This was aimed at Wildlife, Adventure tourism, Winter sports and Beach Resort tourism.
- (3) Restoration and development of national heritage products with a view to exploit their tourism potential on a sustainable basis. This way tourism will be utilized as a major force that will support in the conservation of our national heritage.

- (4) Resources were to be pooled with a coordinated and combined effort of various agencies involved so as to work towards a National Image Building and Marketing Plan. It was supposed that the marketing campaign will target the world's biggest tourist generating markets.
- (5) Provisions for the development of budget accommodation at places of tourist interest were to be taken in a big way. In this regard Dharmshalas Yatrikas. Musafirkhanas were to be constructed at places of pilgrimage interest. The construction of Yatrikas was to be carried out through Bharatiya Yatri Vikas Samiti, a registered society set up by the Department of Tourism for this purpose. The funding for this purpose was to be made available through central grants and local donations. Moreover provisions were also laid down for construction of Yatri Niwases at places of tourist interest. It was supposed that such accommodation units will cater to both domestic and international tourists.
- (6) Public sector organizations in the tourism sector were asked to consolidate and improve their operations with no room for expansions. However it was emphasized that new properties can come in collaboration with state governments. The plan document also stressed the need for a close coordination between ITDC and HCI.
- (7) Improvement & streamlining of facilitation procedures at Airports to reduce the time factor.
- (8) Development of Human Resource Management in the tourism sector was to be given a top priority. In this regard it was said that IITTM will be developed as a model institute for professionally trained manpower. Moreover it was proposed that five food craft institutes will be upgraded to diploma level and 15 new FCI's will be opened.
- (9) Encouragement of private sector in the investment process was highlighted. In this regard, role of private sector in the accommodation sector will be looked into and



all efforts will be made to make them invest in the sector.

(10) With the status of an industry to tourism, efforts will be made to create right climate and environment in which the industry can flourish and earn so as to generate adequate internal resources for its long lasting development.

Against the provision of Rs.187.46 crores in the sixth plan an outlay of Rs.326.16 crore was provided in the 7th plan (Five Year Plans, GOI).

Due to certain political disturbances at the centre, the 8<sup>th</sup> five year plan could not be launched on time. In between 7th and 8th five year plans there were two annual plans for 1990-91, 1991-92.

The total outlay for tourism in the annual plan for 1990-91 was Rs.83 crore. Out of a total outlay of Rs.83 crore, Rs.58.00 crore were meant for Department of Tourism, Rs.15.50 crore for ITDC and Rs.12.50 crore for HRD.

The total outlay for tourism in the annual plan for 1991-92 was Rs.90 crore. Out of a total outlay of Rs.90 crore, Rs.64.05 crore were meant for Department of Tourism, Rs.16.00 crore for ITDC and Rs.9.95 crore for HRD (Five Year Plans, GOI).

#### Eighth Five Year Plan

By the time of eight five year plan, tourism had emerged as one of the major segments of Indian economy. 15 States and 3 Union Territories had accorded the status of an industry to tourism. The eight plan document suggested the following roadmap for the development of tourism in the country (Fazili and Ashraf, 2006).

(1) The role of public sector enterprises in the development of tourism was duly recognized and it was said that over the last decades it is the public sector only that has contributed to the development of tourist infrastructure in the country. As a result the industry is now well equipped with the structure and is posed for self-sufficient growth. The future growth

- of tourism should therefore come through private participation. The state can contribute by regulating the industry and at the same time can work as a catalyst for private participants by lobbying for their cause and providing them incentives and loans.
- (2) The development of tourism should take place on a selective basis. The strategy for development should be based on the principle of low cost economy, higher productivity and efficient use of infrastructure. For this purpose certain specific areas with a high tourism potential will be identified. These areas will be provided with full-fledged infrastructure accordingly.
- (3) A "Tourism Development Fund" will be created to provide, financial assistance in these special tourism areas. Simultaneously there will be the launch of an "Equity Scheme" under which the government will contribute to the equity capital of tourism ventures.
- (4) Tourism marketing and publicity wilt be taken in a big way through coordination of all the organizations involved. The target markets will be those of high spending tourists (Europe, U.S.A. and Japan) whose number has considerably gone down over the years.
- (5) The technological developments in the field of communications and computers will be fully made use off and there will be efforts to create an effective update information system.
- (6) Efforts and investments will be made by the state for development of hygienic and inexpensive accommodation.
- (7) Anti-poverty and rural development programs will be linked with tourism development programs.
- (8) Role of transport in the development of tourism needs to be recognized. In this connection Airline capacity on Indian routes is to be increased. Air charters will be encouraged. Role of private operators in the surface transport will be encouraged in the form of loans and tax benefits. There will be relief in excise duty for such players if



indigenous vehicles are purchased. Similarly ship cruises will be encouraged and above all role of railways in the development of tourism will be given due consideration. For this purpose new rail tourism projects on the lines of "Palace on Wheels" will be encouraged.

- (9) Adequate attention will be paid towards the development of various forms of tourism. Steps will be initiated for the preservation of cultural heritage. For this purpose master plans will be formulated for all states. This will ensure that economic activities are so planned that they facilitate tourism development and avoid overlapping. There will be integrated developmental plans for the heritage centers with focus on forts, palaces and old havelis with due concern for town planning.
- (10) Due attention will be paid for human resource development in tourism. In this regard universities will be encouraged to introduce courses on Travel and Tourism.
- (11) As part of the plan, external assistance will be sought for the development of "Agra Heritage Project" and Buddhist places of interest in UP and Bihar.

The total outlay for tourism in the eighth plan was Rs.272 crore for the central sector and Rs.501.62 crore for the States and Union Territories.

#### Ninth Five Year Plan

With a view on expenditure incurred on tourism projects in the 8th plan and the ever increasing rate of the phenomenon of tourism, the working group on tourism set up by the planning commission asserted a requirement of Rs. 6397 crores during the 9th plan period for tourism. However Department of tourism proposed Rs. 5370 crores for 9th Plan allocations. The planning commission initially approved a sum of Rs. 511.32 crores which was later reduced to Rs. 485.75 crores. A support of Rs. 308 crores was also suggested from IEBR (Five Year Plans, GOI). The policy framework and strategy for development of tourism in the country during

- the 9th plan period was lined on following points of reference (Fazili and Ashraf, 2006):
- (1) Product Development: The objective in the 9th plan was to create a tourism product that has an appeal and is economically viable.
- (2) Coordination: The emphasis was to establish an effective coordination with all the relevant agencies involved so as to achieve synergy in the development of tourism. For this purpose the establishment of National Tourism Advisory council was suggested (NTAC).
- (3) Diversification: The 9<sup>th</sup> plan found it imperative to diversify India's tourism product. In this regard following forms of tourism were identified.
- (a) Indigenous & Natural Health Tourism
- (b) Rural & Village Tourism
- (c) Pilgrimage Tourism
- (d) Heritage Tourism
- (e) Adventure Tourism
- (f) Youth & Senior Citizen's Tourism
- (4) Infrastructural Development: It was emphasized that the funding for the development of tourism infrastructure will continue to flow from the government. In this regard equity schemes will continue except in North Eastern states and selected hill stations.
- (5) Peoples Participation: It was suggested that Peoples participation in tourism development will be encouraged. This was to be achieved through entrepreneurship development and promotion of self-employment opportunities in tourism.
- (6) Promotion & Marketing: Promotion and Marketing schemes were to be continued in the 9th plan period, with the inclusion of diversity as part of the program. Use of Internet as a marketing tool was to be encouraged. In this regard a website of the ministry of tourism was launched in 1999.
- (7) Enhanced Tourist Facilitation & Computerization: It was proposed that tourist facilitation should be improved through involvement of technology in the field of communication. Computerization of different systems facilitating tourists should be taken



on a priority basis. In this regard research may be carried out so as to come out with effective and efficient facilitation mechanisms.

- (8) Environmental Protection & Preservation: It was emphasized that tourism development should take place on a sustainable basis. Due care was supposed to become order of the day so as to avoid exploitative use of scarce local resources. Ecology of the hills was to be preserved at any cost and moreover the development process should involve local people so that the benefits are reaped by the local population to the maximum extent. Location specific code of conduct for tourism was to be evolved so as to maintain a clean and disease free surroundings, protect local ecology, and respect local traditions, culture and heritage.
- (9) Export House Status for Tourism: In order to give boost to foreign exchange earnings, employment and income generation through tourism activities it was suggested that tourism units should be given the export house status. This status will entitle these tourism units to a number of benefits that are available to recognized export houses.
- (10) Strengthening of Organizations: The ninth plan emphasized the need to strengthen the national tourism organizations in all its perspectives and manifestations. In this regard there were no expansion plans for ITDC. It was said that the emphasis will be on consolidation through restructuring of existing properties and improving the quality of service.
- (11) Human Resource Development: In the field of Manpower Development for tourism, during the 9<sup>th</sup> plan, it was said that the government will consider the setting up of new institutes only at places where the demand for trained manpower far exceeds the availability and the private sector is not interested, or cannot be motivated in providing adequate training facilities to fill the gap.
- (12) Tourism Promotion in North East: The 9<sup>th</sup> plan document emphasized the need for

the development of tourism in the North-East. In this regard it was said that the immense tourist potential available in the region will be meticulously exploited with emphasis on eco and adventure forms of tourism. Further it was suggested that the infrastructural needs in the region will be meant in close coordination with the state governments. Involvement of local residents was to be encouraged with special emphasis on tourist broachers and other publicity material for speedy development of tourism in the region.

#### Tenth Five Year Plan

The commencement of 10<sup>th</sup> plan has coincided with the National Tourism Policy 2002. The approach in the 10<sup>th</sup> plan towards tourism signifies a distinct shift from the approach adopted in the earlier plans. The approach takes a good look towards global status and trends in tourism, followed by their comparison in the Indian context. Recognizing India's vast potential for tourism as against a very thin global presence, the plan envisages cutting across all barriers and positioning India among the top achievers. To achieve this, plan articulates to look and develop the new trends in the global tourism. These trends include long haul travel, neighboring country travel, rural and ethnic tourism, wellness and health holidays, Senior Citizen's Tourism, Spiritualism, Eco tourism, Sports and Adventure tourism (Fazili and Ashraf, 2006).

While identifying all the barriers that hinder the growth and development of tourism in the country, the 10<sup>th</sup> plan attempts to

- Position tourism as a major engine of economic growth.
- Harness the direct and multiplier effects of tourism for employment generation, economic and rural development.
- Provide a major thrust to domestic tourism which will act as a spring board for growth and expansion of international tourism.
- Position India as a global brand to take advantage of the burgeoning travel trade with



emphasis on the vast untapped potential of India as a destination.

- Acknowledge the critical role of private sector with government working as an active facilitator and catalyst.
- Create and develop integrated tourism circuits based on India's unique civilization, heritage and culture in partnership with states, private sector and other agencies.
- Ensure that the tourist to India feels "India within him" by making him physically invigorated, mentally rejuvenated, culturally enriched and spiritually elevated.

To achieve all these objectives the 10th plan has suggested a five point strategy. These strategic objectives are

- (1) Positioning tourism as a National priority.
- (2) Enhancing India's competitiveness as a tourist destination.
- (3) Improving and expanding product development.
- (4) Creation of world class infrastructure.
- (5) Effective marketing plans and programs. The working group setup by the planning commission had asserted a requirement of Rs.5586 crores during the 10<sup>th</sup> plan for development and promotion of tourism in the country. However Department of Tourism requested for an allocation of Rs.5500 crore from the planning commission and in turn got an outlay of Rs.2900 crore for the sector (Five Year Plans, GOI).

#### Eleventh Five Year Plan

During the 11th Five Year Plan, (as on 31.12.2010) Ministry of Tourism has sanctioned an amount of Rs.3112.71 crore for 991 tourism infrastructure projects, including rural tourism and human Resource development projects.

Ministry of Tourism holds Prioritization Meetings with the States/UTs to identify, for funding the tourism projects. While prioritizing, projects involving construction and upkeep of wayside amenities along Highways/Roads leading to tourist destinations, cleanliness at the tourism sites, projects in backward areas, etc. are given due emphasis.

To ensure the contribution of tourism in the development of remote and backward areas in the country, 2.5% of total plan outlay of Ministry of Tourism will be earmarked for tourism development in tribal areas from 2011-12 (Annual Report, 2010-2011).

During 11th Plan, Ministry of Tourism was sanctioned a Plan outlay of Rs 5156 cr. Against this outlay, allocation during the first four years of the Plan period was Rs 4003 cr. Ministry has been able to utilize 99.23 % of the allocation during the first four years of the Plan (Report of the Working Group on Tourism, 12<sup>th</sup> Five Year Plan (2012-2017), MOT, GOI).

Though the Working Group on Tourism for Eleventh Five Year Plan has recommended a target of 10 million international tourist arrivals by 2011, the Vision Document presently being drafted by MoT envisages achievement of this target by 2010. As per this strategy, target for the year 2011 will be 10.25 million. This target is proposed to be achieved through diversification of principal source markets, improving the infrastructural facilities such as airports, roads, civic amenities at the tourist destinations, increasing the air seat capacity and connectivity, vigorous publicity, etc. For domestic tourism, the target to be achieved in 2010 and 2011 will be 725 million and 812 million respectively assuming an annual growth rate of about 12% over the level of 461 million domestic tourist visits in 2006. New forms of tourism like rural tourism, cultural tourism, adventure tourism, cruise tourism, MICE tourism, and medical tourism need to be taken up with renewed zeal and efforts (Five Year Plans, GOI).

To achieve the above goals, suitable measures would be taken for:

• Positioning and maintaining tourism development as a national priority activity.



- Enhancing and maintaining the competitiveness of India as a tourist destination.
- Improving India's existing tourism products further and expanding these to meet new market requirements.
- Creation of world-class infrastructure.
- Developing strategies for sustained and effective marketing plans and programmes.
- Developing human resources and capacity building of service providers.

#### **Conclusion**

Tourism development in India has passed through many phases. After reviewing the tourism development of India under the government economic plans and we can conclude that India is taking interest in tourism development and made plans and policies in favour of tourism development and give important place to tourism in the overall development of the country. Government of India takes several steps time to time for the development of tourism industry. Many national tourism policies are drafted, committees are formed and actions plans are adopted in this regard. A number of travel and tourism organizations (Government and

private both) are formed and approved, which cooperate and helped the tourism industry in growing and development. Indian government is not playing a great role in promoting India as a brand and also no appropriate marketing strategies of India's tourism is available in India as well as abroad.

### **Suggestions**

There is a need to increase the government's role in promoting India as a brand. Just like exports and other sectors, tourism will grow only if the India brand is established in the global market. Hence, we must have an open mind on alliances with other countries, which might help in adopting better promotion strategies, marketing, services and packaging. Only overall growth can help in improving revenue generation, which needs to grow in line with the additional capacity being set up by the hospitality industry. Enhancing security, stepping up investment and boosting (world class) infrastructural activities should be on the top of the agenda. Service quality – in hotels, Airports, railway stations, etc. – needs to be upgraded.

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