## CHAPTER 1

**INTRODUCTION**

### INDEX

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Particulars</th>
<th>Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Introduction</td>
<td>2-3</td>
</tr>
<tr>
<td>1.2</td>
<td>Meaning of Tourism and Tourists</td>
<td>4-9</td>
</tr>
<tr>
<td>1.3</td>
<td>Tourism in India</td>
<td>10-16</td>
</tr>
<tr>
<td>1.4</td>
<td>Development of Tourism in India</td>
<td>17-20</td>
</tr>
<tr>
<td>1.5</td>
<td>Components of Tourism Industry</td>
<td>21-24</td>
</tr>
<tr>
<td>1.6</td>
<td>Impact of Tourism in India</td>
<td>25-33</td>
</tr>
<tr>
<td>1.7</td>
<td>Types of Tourism in India</td>
<td>34-43</td>
</tr>
<tr>
<td>1.8</td>
<td>Role of Tourism during Planning Period (Five year plan of India)</td>
<td>44-52</td>
</tr>
<tr>
<td>1.9</td>
<td>Tourism Policy of India</td>
<td>53-58</td>
</tr>
<tr>
<td>1.10</td>
<td>Organizations involved in Tourism</td>
<td>59-67</td>
</tr>
<tr>
<td>1.11</td>
<td>Tourism Boards in India</td>
<td>68-71</td>
</tr>
<tr>
<td>1.12</td>
<td>Statistics for Tourism in India</td>
<td>72-78</td>
</tr>
<tr>
<td>1.13</td>
<td>References</td>
<td>79-80</td>
</tr>
</tbody>
</table>
1.1 INTRODUCTION

India boasts one of the oldest, most complex and most fascinating civilizations in the world and a history reaching back 4000 years. The philosophies and religions that have evolved in India are attractive and intriguing.\textsuperscript{1} It is a country of all seasons and all reasons.\textsuperscript{2}

India is the seventh largest country in the world with a geographical area of 329 million hectares. Bounded by the Great Himalayas in the north, it stretches southwards, and at the Tropic of Cancer tapers off into the Indian Ocean between the Bay of Bengal on the east and the Arabian Sea on the west. The mainland extends between 8°4′ and 37°6′ north latitude, and 87°6′ and 97°25′ east longitudes. It has a land frontier of about 15200 km. The total length of the coastline of the mainland, Lakshadweep Islands and Andaman and Nicobar Islands is 7516.6 km.\textsuperscript{3}

India being a vast and diverse country has everything to offer to everybody. Visiting India is an enthralling and memorable experience to one and all. India is a country where the past and present blend in a systematic manner in the threshold of an exciting future an emerging international market. India is a tourist paradise and has all unique features of modernity and traditional hospitality. Travel and tourism in India is an integral part of Indian tradition and culture.\textsuperscript{4}

Max Muller expressed his views on India as, “If we were to look over the whole world to find out the country most richly endowed with all the wealth,

\begin{enumerate}
  \item Kailash Hariharan Iyer, “Tourism Development In India”, Vista International Publishing House, Delhi, 1\textsuperscript{st} Edition, 2006, Pg.1.
  \item Bapu P. George and Samapd Kumar Swain, “Advancements in Tourism Theory and Practices From India”, Abhijeet Publication, Delhi, 1\textsuperscript{st} Edition, 2005, Pg. 96.
\end{enumerate}
power and beauty which nature can bestow - in some parts a veritable paradise on Earth – I should point to India”. He again said that “If I were asked under what sky the human mind has most fully developed some of its choicest gifts – I should point to India.”5

According to A.L.Bashyam, “No land on earth has such a long cultural continuity as India. There are four main cradles of culture from where elements of culture have spread to other parts of the world viz., China, India, Greece and Italy of this four areas, India deserves a larger share of credit than she is usually given, because on a minimal assessment, she has deeply affected the religious life of most of Asia and has provided very important elements in the culture of the whole of South East Asia, as well as extending her influence directly or indirectly to other parts of the world.”6

India is the world’s second most populous country and the geography has given the diversity can been seen in language, religion, faith, climate, custom and tradition. Tourism can contribute to positive development, not just negative impacts. It has the potential to promote social development through employment creation, income redistribution and poverty alleviation.7

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5 National Tourism Policy 2002, Department of Tourism, Ministry of Tourism and Culture, Government of India, Pg. 28.
1.2 MEANING OF TOURISM AND TOURISTS

Tourism is a basic desirable human activity deserving the praise, encouragement of all the people and all governments. In the early years of this century, tourism was not looked as industry but with the increasing standard of living, fast technological revolutions, today, it has undoubtedly became an industry to be studied in the totality.\(^8\)

Tourism basically is an infrastructure based service product. It is identified by the products, which are needs to satisfy the demand for travel, accommodation, food and beverages away from home. Tourism is a significant industry in many of the world’s poorest countries. It can have important impact on the livelihood of the world’s poor country, but these impacts are rarely well understood and many often it is negative. For this, strategies for enhancing impacts of tourism on the poor needs to be developed. This requires starting with understanding how different tourism approaches affects local people. How the wide range of costs and benefits are distributed among stakeholders and what benefits affect to the poor.\(^9\)

Tourism industry has grown as an important industry and has gained worldwide importance and significance almost in every economic activity. Many economies of the countries depend largely on this industry and ranks among the top three industries. The industry has become a means of social and economic in the world. Among the top economic benefits which include regional development of trade and transport, increase in standard of living, development of local handicrafts and even builds the image of the nation. It has the highest multiplier effect in creating prosperity in the development of communication, transportation, accommodation and other consumer related services.

CHAPTER 1
INTRODUCTION

Tourism is a regular industry involving a lot of resources and potential. Tourism is the composite of activities, services and industries that delivers travel expenditure, involving transportation, accommodation, entertainment, hospitality related services and integrated infrastructure. Moreover, it is socially relevant and commercially important industry.\(^{10}\) Tourism is recognized as a major global service industry governed by the laws of demand and supply. Tourism has advanced commitment to general development. It touches not only the economic fabrics of the society but also has deep rooted effects on social norms and moral values. The outcome of tourism has reached out to many sectors of the economy.\(^ {11}\) The explosion in global tourism has occurred not only because of its commercial expediency, economic profit, revolution in transport and communication, but also due to the transformation of human community into an increasingly leisure oriented society. That is why more and more companies become involved in the highly skilled business of transporting, accommodating and catering for tourists all over the world.\(^ {12}\)

Tourism is not only an economic activity of importance in as much as it earns foreign exchange for a country. It is an important medium of social and cultural development and also of promoting goodwill and the regional development of the country and acts as a means of social education and better understanding among the people in different regions of the country. In the long run, the most important contribution to tourism is developing understanding among varied cultures and life styles. Tourism has become the world’s largest industry generating wealth and employment, opening the


minds of both visitors and visited to different ways of life, worldwide this industry employs around 200 million people.\textsuperscript{13}

In the Chief Minister’s Conference, held on October 30, 2001 the Prime Minister of India, Shri Atal Bihari Vajpayee has stated, “Tourism is a major engine of economic growth in most parts of the world. Several countries have transformed their economies using the tourism potential the fullest. Tourism has great capacity to create large employment of diverse kin – from the most specialized to the unskilled.”

Late Prime Minster Jawaharlal Nehru said that “We must welcome friendly visitor from abroad not only for economic reasons but even more because this leads to greater understanding and mutual appreciation. The tourists visit India with varied aims. They visit India with the purpose to get into the heart of the country, eat the traditional food, drink the local beverages and live as near the native as possible. Many of them prefer to survey strange lands from familiar surroundings. India has pleasures and facilities for all types of tourists. It is a colorful and picturesque nation. Its monuments, buildings, customs, festivals, religious philosophy and art testify to one of the oldest and richest civilizations. The forests, mountains, valleys and desert walls are of great interest to the naturalist, the botanist and the love of nature.”\textsuperscript{14}

Over the years the definition of both tourism as well as tourists has undergone significant changes in their approach and understanding. It was regarded that word tourism originated from Latin word “Tornos”, which means a tool for describing a circle or Turner’s wheel. It is from this word concept of round or package tour was evolved. It was the late 1643 that this term was first used in

\textsuperscript{13} Bapu P. George and Samapd Kumar Swain, “Advancements in Tourism Theory and Practices from India”, Abhijeet Publication, Delhi, 1\textsuperscript{st} Edition, 2005, Pg. 93.

the sense of travelling from place to place. In simple words tourism consists of all those trade which together satisfy the varied needs of the travelers.

According to Dr. Zivadin Joviac, “Tourism is a social movement with a view to rest, diversion and satisfaction of cultural needs.”  

Mc Intosh and Goldner defines, “Tourism is the sum of the phenomena and relationship arising from the interactions of tourists, businesses, host governments and host communities in the process of attracting and hosting these tourists and other visitors.”

According to L. J. Lickorish, “Tourism embraces all movements of people outside their community for all purposes except migration or regular daily work. The most frequent reasons for this movement are for holidays but it will also include, for example attendance at conferences and movement on sporadic or infrequent business purpose.”

According to W.T.O. recommendations “Tourism comprises the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes.”

Tourism Society of England (1976) defined it as, "Tourism is the temporary, short-term movement of people to destination outside the places where they normally live and work and their activities during the stay at each destination. It includes movements for all purposes."

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15 Joviac Zivadin, “Articles on Tourism and Geography”, in the International Travel and Recreation Journal No. 3, Pg. 23.
The International Association of Scientific Experts in Tourism (AIEST) (1981) defined Tourism in terms of following three elements:

i. Involvement of travel by non-residents;
ii. Stay of temporary nature in the area visited;
iii. Stay not connected with any activity involving earnings.

The United Nations classified three forms of tourism in 1994 in its Recommendations on Tourism Statistics: ‘Domestic tourism’, which involves residents of the given country traveling only within this country; ‘Inbound tourism’, involving non-residents traveling in the given country; and ‘Outbound tourism’, involving residents traveling in another country.

In the words of Jafari (1990), for government, Tourism may mean sources of employment, economic activities, per capita expenditure and multiplier effects to the industry sector, it may suggest promotion arrivals, length of stay, receipts, while to religious groups and it may bring to mind pilgrimage, spiritual search, universal brotherhood, unacceptable forms of tourist’s practices.

The origin of the word “Tourist” can be traced from the Latin word “Tornus” meaning a tool for describing a cycle. This word dates back to the year 1292 AD which speaks of the fascination of man and his urge to discover the unknown, to explore new and strange places and to seek the changes of environment and a strong will to undergo new experiences.

The tourists define by I.U.O.T.O. As “A tourist is a person travelling for a period of 24 hours or more in a country other than that in which he usually resides.”

According to Tourist Statistics, Government of India Department of Tourism, New Delhi, tourist means “A visitor is defined as a person who travels to a country other than that in which he has his usual residence but outside his/her usual environment for a period not exceeding 12 months and whose main
purpose of visits is other than the exercise of an activity remunerated from within the country visited."^{19}

W.T.O. opinions that, “An international tourist is a person who travels to a country than that in which he/she has her/his usual residence but outside her/his usual environment for at least one night but less than one year and the main purpose of whose visit is other than the exercise of an activity remunerated from within the country visited.”^{20}

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1.3 TOURISM IN INDIA

The role of tourism was first perceived in India in the year 1945 when a committee under the chairmanship of Sir John Sargeant, Secretary, Department of Education (Krishna, A.G., 1993), was appointed to advise the government on the development of tourism. The main objective of the committee was survey the potential for development of tourism in India. It was required to examine the scope of both domestic and foreign tourist traffic development and suggest ways and means for motivating such traffic to the various attractions within the country, facilities such as transport and accommodation to be provided by different authorities like the central government and local state governments.\(^\text{21}\)

India has been a late starter of tourism and understandably after independence in 1947, the attention of the government and people was focused on key areas like agriculture, irrigation, industry power and the infrastructure and so called “luxury” activities like tourism were left to their own devises. Tourism thus grows on its own and from 15000 tourists arrivals in 1950, reached a figure of 5.58 million arrivals in the year 2010.

Though tourism has emerged as one of the world’s largest industries and is one of fastest growing sectors of the world economy and tourism receipts account for a little over 8% of world export of goods and more than 34% of the world export of services. However in India this sector has failed to receive due importance on the country’s development agenda employing only 2.4% of the Indian workforce and the vast potential of tourism as an instrument of employment generation and poverty alleviation has tended to remain largely unutilized.

As far as Indian tourism concerned, India has a vast tourist attractions being a rich in its history, culture, art, music, dance, beaches, snow peaks and sand dunes, wildlife and fairs and festivals. Still the share of Indian tourism in world tourism is only 0.41% of the total tourist’s movements in all over the world.

The tourism industry in India is fast growing in terms of employment generation, revenue generation and for its immense national and regional development. Tourism has been defined as a leisure industry and smokeless industry. This industry is considered one of the ancient industries of the world. Primarily, tourism and travel was only confined to Rulers or Kings of the nations and some enterprising men travelled in search of God or for pilgrimage purposes.

The concept of modern tourism is relatively new in its approach. With the growth of science and technology and revolutionary changes that have been taken place in the field of transportation and communication have contributed massively to the development of tourist trade all over the world. Modern tourism is based upon a desire to make around of the places of interest – religious, spiritual, natural monuments, ancient cities, historical sites and places of pilgrimage, beautiful places and all the places of curiosity. Therefore tourism is a triadic composition of social, natural and the cultural phenomenon, which is emerging as the world’s largest employment generating industry.  

The development of tourism in India was taken up in a planned manner in the year 1956 coinciding with the Second Five Year Plan. The approach has evolved from isolated planning of single unit facilities in the Second and Third Five Year Plans. The Sixth Plan marked the beginning of a new era when tourism began to be considered a major instrument for social integration and economic development. However in India, in the year 1966, saw the formation of India Tourism Development Corporation to work out commercial activities and it looked after hotels, motels, transport and entertainment activities by which domestic tourism also started growing. By the end of 70’s and from the Five Year Plan (1971-76), tourism scene in India saw a sea change.

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Many new dimensions were added and tourism was also being given due recognition in the State Tourism Plans and State Governments also started to form Tourism corporations and allocated more fund to tourism sector. New dimension to Indian Tourism was seen along with Beach Leisure tourism in the areas of Adventure Tourism with construction of Forest Lodges at Bharatpur, Kaziranga, Sasangir, Bandipur, Dandeli and Corbett later on three more added one each at Simlipal in Orissa, Palamau in Bihar, and Nagrahole in Kerala (Jawahar National Park). Many Forest Regions with Lake Frontage were given fiber boats and mini bus with focus lights or trained elephants for wild life viewing. Special thrust was also given to boost Youth Tourism with construction of 14 youth Hostels and Tourist Bungalows / Tourist Rest Houses.23

But it was only after the 80’s that tourism activity gained momentum. The Government took several significant steps. A National Policy on tourism was announced in 1982. Later in the year 1988, the National Committee on Tourism formulated a comprehensive plan for achieving a sustainable growth in tourism. In the year 1992, a National Action Plan was prepared and in 1996 the National Strategy for Promotion of Tourism was drafted. The New Tourism Policy 2002 formulated which recognizes the roles of Central and State governments, public sector undertakings and the private sector in the development of tourism where the need for involvement of Panchayati Raj institutions, local bodies, non-governmental organizations and the local youth in the creation of tourism facilities has also been recognized.

Tourism in India has come into its own brand – India Tourism. There have been several innovative approaches in the Ministry’s policy in 2009-10. The creation of niche tourism products like heliport tourism, medical tourism, wellness tourism, adventure tourism, cruise tourism and caravan tourism has

23 Gour Kanjilal “Compendium of Tourism Articles”, Tourism Development in India, Pg. 5 - 7.
served to widen the net of this sector.\textsuperscript{24} Tourism industry in India is on a great boom at the moment. India has tremendous potential to become a major global tourist destination and Indian tourism industry is exploiting this potential to the hilt. The travel and tourism industry is the second highest foreign exchange earner for India and the government has also given a status of travel & tourism organizations export house.

India is a country known for its lavish treatment to all visitors, no matter where they come from. Its visitor-friendly traditions, varied lifestyles and cultural heritage and colourful fairs and festivals held surviving attractions for the tourists. The other attractions include beautiful beaches, forests and landscapes for eco-tourism, snow, river and mountain peaks for adventure tourism, technological parks and science museums for science tourism; centers of pilgrimage for spiritual tourism; heritage trains and hotels for heritage tourism. The Indian handicrafts particularly, jewellery, carpets, leather goods and brass work are the main shopping items of foreign tourists.

To sum up, Indian tourism has vast potential for generating employment and earning large sums of foreign exchange besides giving a fillip to the country’s overall economic and social development. Much has been achieved by way of increasing air seat capacity, increasing trains and railway connectivity to important tourist destinations, four-laning of roads, connecting of important tourist centers and increasing availability of accommodation by adding heritage hotels to the hotel industry and encouraging paying guest accommodation. Since tourism is a multi-dimensional activity, and basically a service industry, it would be necessary that all wings of the Central and State governments, private sector and voluntary organizations become active partners in the endeavor to attain sustainable growth in tourism if India is to become a world player in the tourist industry.

\textsuperscript{24} Ministry of Tourism Government of India, Annual Report 2009 - 10.
[Source: www.mapsofIndia.com]
CHAPTER 1

INTRODUCTION

[Source: www.mapsofindia.com]
[Source: www.mapsofIndia.com]
1.4 DEVELOPMENT OF TOURISM IN INDIA

The systematic development of tourism in India is also linked with the Industrial revolution and the change in the mode of travels with introduction of rail travels, aviation and automobile revolution. The air travel supplemented by Railways brought a sea-change in the global movement and India also became a tourism partner. However, in the 19th century, India did not become a prime destination for the overseas travelers. It had mainly a domestic tourism with focus on pilgrimage tourism. It was on the principle of Chardham initiated by Sankaracharya at four corners of India and that was our main tourism base. Even after independence, it did not get the momentum and it always remained as a low priority sector.

The concept of development was very basic and provision of facilities for tourists at selected tourist centers only. As the cultural tourism was the main thrust most of the developmental activities were around archaeological sites viz. Taj Mahal in Agra, Buddhist sites, (Ajanta-Ellora) or the main tourist itinerary the golden triangle – Delhi – Agra – Jaipur or at the four entry points Viz. Mumbai, Delhi, Kolkata and Chennai. Emphasis was more on attracting foreign tourists with eye on getting increased Foreign Exchange Earnings.

Tourism development in India has passed through many phases. At Government level the development of tourist facilities was taken up in a planned manner in 1956 coinciding with the Second Five Year Plan. The approach has evolved from isolated planning of single unit facilities in the Second and Third Five Year Plans. The Sixth Plan marked the beginning of a new era when tourism began to be considered a major instrument for social integration and economic development. But actual role of tourism come in to existence after 80’s where the government of India has framed various tourism policies and action plan for the development of tourism in India and government takes measures to increase the role of Central and State governments, public and private sector undertakings and non-governmental organizations in the development of tourism.
The other major development that took place was the setting up of the India Tourism Development Corporation in the year 1966 to promote India as a tourist destination, similarly incorporation of the Tourism Finance Corporation in the year 1989 which helps to finance tourism projects. Altogether, 21 Hotel Management and Catering Technology Institutes and 14 Food Craft Institutes were also established by Government for imparting specialized training in hoteliering and catering.

Over the decades, tourism has experienced continued growth and deepening diversification to become one of the fastest growing economic sectors in the India. Tourism has become one of the major sectors of the economy, contributing to a large proportion of the national income and generating huge employment opportunities. It has become the fastest growing service industry in the country with great potentials for its further expansion and diversification.

In recent year tourism in India has shot up at lightening speed. India has succeeded in becoming the most preferred place among domestic and overseas traveler. India witnesses more than 5 million annual foreign tourist arrivals and 562 million domestic tourism visits. The tourism industry in India generated about US$100 billion in 2008 and that is expected to increase to US$275.5 billion by 2018 at a 9.4% annual growth rate. According to World Travel and Tourism Council, India will be a tourism hotspot from 2009-2018, having the highest 10 year growth potential. As per the Travel and Tourism Competitiveness Report 2009 by the World Economic Forum, India is ranked 11th in the Asia Pacific region and 62nd overall, moving up three places on the list of the world's attractive destinations. It is ranked the 14th best tourist destination for its natural resources and 24th for its cultural resources, with many World Heritage Sites, both natural and cultural, rich fauna and strong creative industries in the country. India also bagged 37th rank for its air transport network. The India travel and tourism industry ranked 5th in the long-term (10-year) growth and is expected to be the second largest employer in the world by 2019.

The report "Indian Tourism Industry Analysis" provides an insight into the Indian tourism market. It evaluates the past, present and future scenario of
the Indian tourism market and discusses the key factors which are making India a potential tourism destination. According to the report, India represents one of the most potential tourism markets in the world. It has expanded rapidly over the past few years and underpinned by the government support, rising income level and various international sports events, the Indian tourism industry will continue to grow at the fastest pace in the coming years. This report reveals that Andhra Pradesh, Uttar Pradesh, Tamil Nadu, Karnataka and Rajasthan are the leading tourism destinations in India in terms of total tourist arrivals and India has been promoting its healthcare tourism by providing the visitors with private healthcare facilities. It is expected that the total market for medical tourism will reach US$ 2 Billion by 2012, representing a Compound Annual Growth Rate (CAGR) of 60.69%.

Though India has much more to offer in terms of tourist attractions, there are major constraints on the growth of tourism, particularly international tourist traffic. The greatest constraint is inadequate infrastructure which includes lack of sufficient airport facilities at domestic and International level, lack of accommodation, shopping and recreational capacities, poor transport system and other support facilities. Second serious problem in tourism in India is the scarcity and high cost of hotel accommodation. Lack of priced hotel accommodation in the tourist season is being cited as one of the reasons for not choosing India as the place for a holiday.

Another major hurdle in growth of tourism in India is the difficulty of obtaining visas for India. Visa restrictions need to be liberalized, to ensure larger flow of tourists to the country. An added negative factor is the image of India as a country overrun by poverty, disease, political instability. Similarly lack of promotional expenditure by India compare to other countries is also affects growth of tourism in India. Although the Government of India has set up a group of Ministers under the Ministry of Tourism to coordinate activities of various government departments and agencies. A committee under the
Cabinet Secretary assists in formulation and implementation of various programs relating to tourism activities with other state governments.\footnote{Kailash Hariharan Iyer, “Tourism Development In India”, Vista International Publishing House, Delhi, 1\textsuperscript{st} Edition, 2006, Pg. 48 - 52.}

In order to speed up the development of tourism in the country several thrust areas have been identified for accomplishment during the Ninth Five Year Plan (1997-2002). The important ones are development of infrastructure products such as trekking, winter sports, wildlife and beach resorts and streamlining of facilitation procedures at airports, ensuring human resource development and facilitating private sector participation in the growth of infrastructure.

During the Golden Jubilee celebrations of India as a Republic, the Ministry of Tourism made special efforts to publicise the tourism potential of India. The first-ever Indian Tourism Day was celebrated on January 25, 1998. Some of the recent initiatives taken by the Government to boost tourism include grant of export house status to the tourism sector and incentives for promoting private investment in the form of Income Tax exemptions, interest subsidy and reduced import duty. The hotel and tourism-related industry has been declared a high priority industry for foreign investment which entails automatic approval of direct investment up to 51 per cent of foreign equity and allowing 100 per cent non-resident Indian investment and simplifying rules regarding the grant of approval to travel agents, tour operators and tourist transport operators.

At present Ministry of Tourism handles major tourist activities in India and it immensely activate to increase tourism in the country and enhancing employment and earning more foreign exchange. Hence tourism development in India is quite significant but still it requires adoption of modern concept and techniques to become first preference for domestic and international tourists to spend their valuable time and money and to take advantage of various tourist destinations in India.
1.5 COMPONENTS OF TOURISM INDUSTRY

The constituents of tourism industry are varied ranging from small scale business operating at local levels to multinationals. Tourism industry is interconnected with various components which are interrelated and modern tourism is a result of intermixing and combined efforts of various components.

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**Figure 1.1**

Components of Tourism Industry

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Primary Travel Trades    Secondary Travel Trades

Hotel       Catering       Transport       Travel
Industry    Industry       Industry       Industry

Road        Rail          Sea          Air          River

Retail Shops   Banks &   Hair Dresser   Laundries   Suppliers of goods
Financial Institution & services for hoteliers

Souvenirs — Antiques — Gifts

Entertainments   Public utility   Building Firms   Insurance Cos.   Others

Theatre   Cinemas   Special Festivals   Organized Sports
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Primary/Major Constituents:

- **Accommodation:**

This is one of the most important segments of the tourism service needed at the destinations. The various types of accommodation facilities used by the tourists are hotels, motels, cottage, tourist lodges, Houseboat caravans, tent and other private accommodations. For the purpose of staying at some place these accommodation facilities serve various facilities to the tourists and therefore these services for accommodations are available at reasonable rates. In India various heritage places provides a good accommodation to various tourists in the form of hotels, palaces and motels which are develop as tourist accommodation. In India heritage places in Rajasthan, Kerala and other states are famous for attracting many domestic and international tourists in India.

- **Catering:**

This is also an important segment of tourism service needed by the various tourists. Catering service includes restaurants, cafes, motorways services, fast food outlets and public house which are easily available nearest to the accommodation and tourist places at reasonable rates. The Ministry of Tourism had set up National Council for Hotel Management and Catering Technology (NCHMCT) in the year 1982, for steering and regulating the academic efforts of the IHMs and FCIs. This catering service provides various types of foods and cuisine from different regions of a country by which tourists are become aware from tradition and culture of that country. In India North Indian cuisine, Mughals varieties of kababs, rich pulao and biryanis and coastal states such as Goa, Kerala and West Bengal are famous for their sea food.

- **Transport:**

Tourist requires transport to reach at various tourist destinations therefore adequate number of vehicles should be provided. Roads and rail tracks should be properly maintained and restrictive movement such as toll tax and
octroi should be abolished. The air, sea and land transport facilities should be expanded and renewed. In India special luxury trains such as Palace on Wheel & Royal Rajasthan on Wheels run by Indian Railway with joint effort of RTDC attracts many domestic and foreign tourists to visit India and become aware from culture and tradition of India. The major measures requires to increase facilities of air transport by way of establishing various domestic and international airports at major cities in India and also increasing road connectivity by providing state transport to each state in India.

- **Entertainment:**

Various entertainment forms such as provision of restaurants, music and dance theaters arts and crafts festivals, shopping centers are the integral part of tourism industry. For the purpose of entertainment various types of tourism like heritage, tourism, adventure tourism, cultural tourism and wildlife tourism are developed to attract many tourists to come to India and become aware from various sanctuaries parks, heritage places, celebration of festivals like Puskar Mela, Desert Festival, Pongal, Suraj Kund mela, etc. In India tourists come to visit various monuments like Taj Mahal, Agra Fort, Fatehpur in Agra, Konark Sun Temple, Khahuraho temple, Ajanta Ellora, music and dance like Kuchipudi, Odissi, Kathakali, Garba and various other entertainment programmes during their visits in India. Tourists also come to take advantage of various entertainments like camel safari in Rajasthan, trekking in Himalayan range, hand gliding in Himachal Pradesh and mountain biking in Uttar Pradesh and Himachal Pradesh.

- **Intermediaries:**

The intermediaries constitute travel agency, tour operator and guide services. The constitutes which correlates all the components of tourism is the travel agent/tour operator who accumulated knowledge, expertise and contacts with service providers. They provide useful and valuable intermediaries between the traveler and suppliers of tourist services like airlines, transport companies, hotels and auto rental companies. In case of package tour the role of these
intermediaries is quite significant. There are various tourism development corporations in India which work under central and state government operates various tours and packages at reasonable rates.

- **Government Departments & Tourists Information Centers:**

Many national and international organizations related to tourism which forms part of the tourism industry such as WTO, ITDC, NCHMCT, IITTM, TFCI, TAAI and IATO. This all organization plays an important role in enhancing tourism in all over the world and playing an active role to solve various problems relating to tourism industry.

- **Secondary Constituents:**

Today there are a variety of services – formal and informal which constitutes the tourism mix which is directly and indirectly related to tourism eg. Bank does not come under the tourism industry but they cater to tourists through traveler cheque or credit cards. Some of the secondary constituents are shops, emporiums, handicrafts and souvenirs, local taxi, transportation, hawkers and coolies, communication services, advertisement agencies, artists, publishing house, musicians, etc.

The tourist demands these services and the tourist services represent the supply in the market. Tourist service includes that part of the economy which has a common function of supplying tourist needs. In view of the special nature and complexity of their respective continuation to the tourist product they may be described as tourist industry. 

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27 “Tourism As An Industry 2”, TSI Foundation Course in Tourism, IGNOU, Sona Printers, New Delhi, Pg. 20.
1.6 IMPACT OF TOURISM IN INDIA

Tourism is a regular industry involving a lot of resources and potential. Tourism is the composite of activities, services and industries that delivers travel expenditure, involving transportation, entertainment, accommodation and hospitality related services and integrated infrastructure.

Tourism is an industry which helps the country to earn maximum amount of foreign exchange money after the oil industry. Ashwini Kakkar, Managing Director, Thomas Cook (India), observes that India has realized the potential of the software industry whose annual export earning is total Rs.4500 crores. On the other hand tourism generates annual foreign income of Rs.12000 crores. It is a phenomenon which entails the transfer of capital from one country to another country.° The influence of tourism industry creates overall prosperity to the country. So the importance of tourism is accepted world widely for socio-economic growth world widely year by year.

Tourism industry in India is growing and it has vast potential for generating employment and earning large amount of foreign exchange besides giving an impulse to the country’s overall economic and social development. In recent years tourism in India has shot up at lightning speed. India has succeeded in becoming the most preferred place amongst domestic and overseas traveler. Tourism industry in India has several positive and negative impacts on the economy and society. These impacts are highlighted below:

➢ Positive Impact of Tourism In India:

The tourism industry has become a means of social and economic source in the world. The tourism industry in India give many economic benefits such as regional development, foreign exchange earnings, increase in standard of living, development of infrastructure and development of local handicraft and

also creates the image of nation. It has the highest effect in creating prosperity in the development of communication, transportation, accommodation and other consumer related services.

- **Generation of Income by Tourism:**

One of the important economic benefits of tourism is that an income earned in places of residence is spent in places visited. Tourism is an instrument in transferring a vast sum of money from “income generating” countries to “income receiving” countries. The money spent by tourist move through many levels. A tourist makes an initial expenditure into the society, which is received as income by local tour operators, shopkeepers, hotels and taxi drivers. In the first round of transactions tourist may use some of the money received in buying supplies, pay some wages and retain some profits. This profit is utilized on rent, food and clothing. Thus, money spent by tourist generates income in multiple times than the original spending. This is called “multiplier effect”. In simple terms the multiplier concept means that every unit of tourist expenditure goes through several rounds of income creation and expenditure before its effects is exhausted.

The expenditure by tourists can have beneficial effect on all economic sectors and lead to considerable diversification of industries and their economic activities since the money circulates through the economy and as it changes hands and spent and is received number of times. In India generation of income by tourism is very high because of increase in domestic and foreign tourists arrival. The number of domestic tourist’s visits in India in the year 2001 is 236.47 million which reach to 740 million in the year 2010. Similarly foreign tourist visits India in the year 2001 is 2.54 million which reach to 5.58 million in the year 2010\(^\text{30}\), which shows that by increasing number of tourists source of generation of income is also increasing.

\(^{30}\) Annual Report 2010-11, Ministry of Tourism Government of India.
CHAPTER 1

INTRODUCTION

- **Source of Foreign Exchange Earnings:**

  The tourism in India is of crucial importance in relation to its critical position of balance of payment problem and as an important source of Foreign Exchange Earnings. It is the most convenient way of earnings for foreign exchange, when compared with the export of manufactured goods. The DOT, Government of India works out quick estimates every year by multiplying the number of tourist arrival by the estimated per capital expenditure of a foreign tourists. The tourist has to spend in India for travelling by air, roads, railway, etc. while making his tour in any part of tourist place in India. The tourism experts have universally accepted that as soon as a country is able to earn foreign exchange from the tourism, which is minimum of 10% of the merchandise exports, that country can be called a “Tourism Country”. It is an achievement for India that tourism industry in India generated about US$100 billion in the year 2008 and that is expected to increase to US$275.5 billion up to the year 2018 at a 9.4% annual growth rate.\(^\text{31}\)

- **Employment Generation:**

  Another major direct economic effect of tourism relates to employment. The problems of unemployment and under employment are more crucial in India than any other developing countries. The tourism industry is highly labour intensive service industry and hence, it is a valuable source of employment. It provides employment more than manufacturing industries. Several types of business firms such as hotels, transport agencies, travel agents, tour operators, guides, and car and rickshaw drivers engaged with tourism activities directly or indirectly. It employs large number of people and provides a wide range of jobs which are intended from unskilled to highly specialized one.

  The impact of tourism on employment is largely shaped by the income and employment generation at various stages subsequent to the initial spending stages and in various sectors of the economy. Tourism industry is a gold mine

which generates direct and indirect employment. The tourism industry in India generates 8.78% of the total employment in India. Almost 20 million people in India are working in the tourism industry directly or indirectly in the India.

- **Impact on Balance of Payments:**

Tourism is one of the most important export industries of Europe and America. It can make a virtual contribution to narrow and trade deficits of any country. The developing countries having a deficit balance of payments find it to their advantage to receive foreign tourists to compensate for negative trade balance. So tourism industry plays an apex role in economic development for a developing nation like India. It helps nation in improving the countries adverse balance of payment position because tourism industry is the second largest export earner industry in the world. Tourism earnings in the foreign exchange can be used to finance imports and can hence ease the country’s adverse balance of payment position.

- **Development of Infrastructure:**

Tourism tends to encourage the development of multiple-use infrastructure that benefits the host community, including various means of transports, health care facilities and sports centers, in addition to the hotels and high-end restaurants that cater to foreign visitors. The development of infrastructure has in turn induced the development of other directly productive activities. The economic importance of tourism in national economy can be appreciated with reference to its contribution in infrastructure development. The high rate of tourist arrivals in a country increase effective demand for the infrastructure facilities.

The development of infrastructure is a joint duty of Central and State governments. As far as tourism in the states is concerned, the state governments have given attention towards the infrastructural development for the last two decades and the scope is growing year by year. Tourism flow to Rajasthan, Kerala, Goa and Gujarat has made possible the construction of new roads and beautification of cities in these states. Also establishment of various modern communication centers, departmental stores, and shopping
centers, opening of various travelling agencies, modernization of railway stations and conversion of meter gauge to broad gauge has come up in the country.

- **Contribution to National Income:**

There is a significant contribution of tourism on the national income of a country. As tourism gives employment, it earns foreign exchange which directly affects national income of the country. Domestic and international tourism both have a same effect on the national income. Tourists pay for various goods and services in the host country. So tourism constitutes a demand for services and that of consumer goods. The construction of accommodation, infrastructure development, increased tourists transport and equipments are the examples that how tourists demand encourage investment opportunities within state. On global level tourism receipts have been estimated to the more than 1% of GNP. In the case of India, it has been estimated that tourism earnings account for 2.2% of the national income.

- **Increase in Investment Opportunities:**

As per the studies of WTO and other related studies, tourism is the fast growing industry in the world with various multiple facilities. These inputs are the basic incentives to the traders for the expansion of their business or launching new product in this tourism segment. The research shows that by the year 2020 maximum investment by the traders, businessman, joint ventures and multinational corporations will be in the tourism sector, because of high growth rate of this sector in India at 12% in comparison to growth rate of other industrial product which is around 5.7% at present.

- **Helpful for Balanced Regional Development:**

Balanced regional development is an important factor for optimum, smooth and overall development of a country. If a particular region lags behind in its development, then separatist tendencies increase. Tourism industry can develop some particular tourist areas in each district. Every region has some attractions regarding religion, garden, picnic spots and many more. Tourism can develop all these regions of the country. In fact tourism in India helped in
the regional development of various districts including surrounding towns and markets.

- **Expansion of Literacy and Education:**

Tourism also helps in expansion of education and literacy in a big way. It helps us to broaden our mental attitude by interacting with various people in their language and cultures. In India Hotel Management Institutes, Food Craft Institutes, Fashion Design Schools, Colleges and Universities departments run these tourism related courses. These courses are also useful to build human resources for the expansion of tourism in the country.

- **Increase Standard of living:**

Due to number of economic and social benefits of tourism and its potential growth it helps to increase of standard of living of the people by offering new and better jobs which in terms helps them to improve the quality of life and their families.

- **Promoting Peace and Stability:**

Honey and Gilpin (2009) suggests that the tourism industry can also help promote peace and stability in developing country like India by providing jobs, generating income, diversifying the economy, protecting the environment and promoting cross-cultural awareness. However, key challenges like adoption of regulatory frameworks, mechanisms to reduce crime and corruption and many more measures gives peace-enhancing benefits from this industry are to be realized.\(^{32}\)

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Negative Impact of Tourism In India:

Apart from all various economic and social benefits of tourism, it is also true that there are some weak points for tourism also which must be considered at the time of enhancing the role of tourism. Tourism gives some negative impact like burden of infrastructure cost, disproportional use of land, dependence on foreign capital, increase inflation and many more.

Adverse Effects on Environment and Ecology:

One of the most important adverse effects of tourism on the environment is increased pressure on the carrying capacity of the ecosystem in each tourist locality. Increased transport and construction activities led to large scale deforestation and destabilization of natural landforms, while increased tourist flow led to increase in solid waste dumping as well as depletion of water and fuel resources. Noise pollution from vehicles and public address systems, water pollution, vehicular emissions and untreated sewage have direct effects on bio-diversity and general profile of tourist spots.

In the absence of due care, control supervision, maintenance of tourist attraction and the installation of modern tourism related facilities and infrastructure visual degradation of the landscape has started. Unplanned and unregulated management of tourism programmes leads to structural or visible modification of the natural and social environment which is often destructive and difficult to remedy. One main problem is that the benefits of tourism have been measured in economic terms but the ecological factors cannot be calculated on monetary terms and therefore ignored. Natural beauty is often destroyed, cultures are traded and conventional hospitality is replaced with commercialization these are the results of uncontrolled promotion of tourism backfiring causing damages to the local environment.  

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Creating a Sense of Antipathy:

Tourism brought little benefit to the local community. In most all-inclusive package tours more than 80% of travelers’ fees go to the airlines, hotels and other international companies, not to local businessmen and workers. Moreover, large hotel chain restaurants often import food to satisfy foreign visitors and rarely employ local staff for senior management positions, preventing local farmers and workers from reaping the benefit of their presence. This has often created a sense of antipathy towards the tourists and the government.

Increase Tension and Hostility:

Tourism can increase tension, hostility and suspicion between the tourists and the local communities when there is no respect and understanding for each other’s culture and way of life. This may further lead to violence and other crimes committed against the tourists.

Increase Inflation:

This is also one of the major drawbacks of tourism because many of domestic and international tourists come to visit various tourists destination they purchase many tourist facilities like accommodation, transportation, catering, tour packages and many more. These tourists also make shopping like purchase of marble inlay work of Agra, blue pottery of Rajasthan, mirror work and bandhani of Gujarat, gold, silver and various precious stones which makes a huge effect on purchasing power of people and effects of inflation of the nation.

Burden of Infrastructure Cost:

As mention earlier tourism is interconnected with various services form that one of the basic services is infrastructure based which include accommodation, transport, communication and many more. As tourism increasing day by day affect to the infrastructure cost because to develop and maintain this infrastructure is a basic need for increasing tourism. Therefore the government needs huge fund for infrastructure facilities which result in
increase in infrastructure cost. Our restricted aviation and transportation policy, restricted visas, unhealthy competition among domestic carriers has made tourists feel uncomfortable because of lack of quick mobility, lack of parking space, way side facilities and quick local transport. The public sector still face problem of bureaucratic regulation while the private sector suffers from the burden of whims, fancies of controlling authorities. Similarly imposition of taxes on various tourism services like hotels, transport, catering increase cost which also gives adverse effect on tourism sector.

- **Shopping Malpractices:**

Tourists generally complains about malpractice at shopping times that of charging of heavy prices, lack of authenticity on shopping centers and prices charged, no assurance regarding quality of the goods, no-fulfillment of order placed against advance, bargaining, etc. in lack of any regulation unauthorized persons posing as guide is the common problems faced by tourists. Growing threat of misbehaving, cheating, kidnapping, harassing and even killing of tourists is day by day increasing. Another major problem faced by the tourists is the beggars their harassment forces the tourist to cancel their stop over the sits without completing their pleasure visit.  

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1.7 TYPES OF TOURISM IN INDIA

In India all types of tourism have registered phenomenal growth in the last decade ever since the Indian government decided to boost revenues from the tourism sector by projecting India as the ultimate tourist spot. The reason that why all types of tourism in India has been doing well is that India has been always known for its hospitality, uniqueness and charm attributes that have been attracting foreign travelers to India. The Indian government, in order to boost various kinds of tourism it has set up the Ministry of Tourism and Culture. This ministry recently launched a campaign called ‘Incredible India!’ in order to encourage different types of tourism in India. The major types of tourism in India which attract tourist are as follows:

![Diagram of Types of Tourism in India]
Heritage tourism in India has been always famous for its ancient cultural diversity which attracts millions of tourists each year. Heritage tourism India has registered an immense growth in the last few years, ever since additional initiatives were taken by the government of India to boost India’s image as a destination for heritage tourism. India’s glorious past and cultural diversity make a powerful blend which attracts millions of tourists each year to visit India for its heritage tourist attractions. The government of India and the Ministry of Tourism and Culture encourage heritage tourism in India by offering several benefits to the Indian states that are particularly famous for attracting tourists.  

India’s rich heritage is amply reflected in the various temples, palaces, monuments and forts that can be found everywhere in the country. This has leads to the increase heritage tourism in the country. The most popular heritage tourism destinations in India are - Taj Mahal in Agra, Mandawa castle in Rajasthan, Mahabalipuram in Tamil Nadu, Madurai in Tamil Nadu, Lucknow in Uttar Pradesh and Delhi, the Indian capital.

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CHAPTER 1

Adventure Tourism:

As a kind of tourism, adventure tourism in India is endless because the country has a rich diversity in terms of climate and topography. The various kinds of adventure tourism in India are rock climbing, skiing, camel safari, paragliding, mountaineering, rafting in white water and trekking.\textsuperscript{36}

Adventure tourism India has increased in recent years due to the efforts taken by the Indian government and the Ministry of Tourism. This involves exploration of remote areas and exotic locales and engaging in various activities. For adventure tourism in India, tourists prefer to go for trekking to places like Ladakh, Sikkim and Himalaya. The states like Himachal Pradesh and Jammu and Kashmir are popular for the skiing facilities which they offer. Whitewater rafting is also catching on in India and tourists gather to places such as Uttrakhand, Assam and Arunachal Pradesh for this adrenalin-packed activity. Adventure tourism India has registered a formidable growth in recent years. For this growth continue efforts must be taken by the government of India so that India ranks alongside international destinations for adventure tourism.

\textsuperscript{36} Devashish Dasgupta, “Tourism Marketing”, Dorling Kindersley (India) Pvt. Ltd. Licensee of Pearson Education in South Asia, Copyright in 2011, Pg. 78.
CHAPTER 1

INTRODUCTION

➢ Cultural Tourism:

India is known for its rich cultural heritage and an element of mysticism, which is the cause behind that why tourists come to India to experience it themselves. One can see the influence of various cultures in the form of dance, music, festivals, architecture, traditional customs, food and languages. The richness in culture goes a long way in projecting India as the ultimate cultural tourism destination. Cultural tourism India is the predominant factor behind India’s dramatic rise in the tourism segment in recent years, because from time immemorial, India has been considered the land of ancient history, heritage and culture. The most popular states in India for its cultural tourism are – Rajasthan, Tamil Nadu, Uttar Pradesh and Uttarakhand. The various fairs and festivals that tourists can visit in India for cultural tourism are the Pushkar Mela, Desert Festival, Pongal, Suraj Kund Mela, Kite Festival in Gujarat, The Rath Yatra at Jagannath Puri, etc. and tourist also come to get knowledge of Indian dance and festivals like Kuchipudi, Odissi, Kathakali, Garba, Fire Dance, Gair Ghoomer and many more.

➢ Ayurveda and Meditation Tourism:
Ayurveda and Meditation originated in India some 6000 years ago is the natural way of cure for body, mind and soul. Tourists can visit both North and South India for meditation and ayurvedic treatment. Most of tourists have very keen interest in Indian health tourism which includes Ayurveda, Yoga, Meditation which are beneficial for health and rejuvenation.

Today, Ayurveda and Meditation has become the first preference of every person all over the world for not only for its curing capacity but also for its positive effects, if it taken under proper guidance. North India's prestigious institutes of Ayurveda and Meditation are set amidst the natural surroundings, giving its visitors enough space to breath in the natural atmosphere. Kerala in South India has innumerable place for Ayurveda and Meditation treatment centers. Many Ayurvedic Health Resorts in the country which are owned and run by traditional Ayurvedic Institutes have come-up. Ayurgram not only offers heritage accommodation but also offers whole range of Ayurvedic treatments and rejuvenating packages. Similarly, many leading hotels in India have included rejuvenation packages in their holiday deals.

➤ **Wildlife Tourism:**

Viewing wildlife in its natural environment is very popular and special interest tourism. These tourists are driven to forests and Wildlife Park by their desire

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to be with nature and to have glimpse of their favorite animals in their natural habitat. There is a special emphasis to promote wildlife tour packages as India has unique wildlife heritage for Tigers, Single horned Rhinos, Asiatic Lions, varied reptiles and good number of wildlife resorts have been developed.

India has a rich forest cover which has some beautiful and exotic species of wildlife – some of which that are even endangered and very rare which has boosted wildlife tourism in India. The major places where a foreign tourist can go for wildlife tourism in India are the Sariska Wildlife Sanctuary, Keoladeo Ghana National Park and Corbett National Park, Bandhavgarh National Park, Pench National Park, Ranthambore National Park, Kanha National Park, Bandipur Wildlife Park, Gir Wildlife Park, Dudhwa Wildlife Park, Keoladeo Ghana National Park, Panna Wildlife Park, Sunderbans Wildlife Park, Bharatpur Bird Sanctuary, and many more.  

➢ Medical Tourism:

Health and medical tourism is perceived as one of the fastest growing segment in marketing “Destination India” today. However this area has been relatively unexplored. Now government of India, ministry of tourism, various state tourism boards and even private sector consisting of travel agents, tour

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operators all are giving credit to health and medical tourism as a segment with tremendous potential for future growth.

India is promoting the “high-tech healing” of its private health care sector as a tourist attraction. This budding trade in Medical Tourism selling foreigners the idea of travelling to India for low-cost world class medical treatment has really got attention in the overseas market like West Asia and the Middle East. The medical expertise in tourism became our new focus segment to boost India as ‘Global Healing Destination’. The response is quite positive and it could be generating revenues approx around Rs.100 billion by the year 2012 as per a report by Mckinsay Consultants and Confederation of Indian Industries.

In India the state Karnataka emerge as a top health tourism destination not only India but receives a great support from all over the world. The government of India is setting up a Bangalore International Health City Corporation in Bangalore which will cater a wide variety of health care products and treatments. India has superior medical care at relatively low prices. The city of Chennai is one of the major hubs for medical tourism, attracting more than 45 percent of the foreigners that come to India for medical attention. Many foreigner travels to Indian medical institutes for exceptional treatment at a fraction of what it would cost in Western Europe or the United States. India is leading country promoting medical tourism in the world. The reality is that Indian private facilities offer advanced technology and high quality procedures on par with hospitals in developed nations. It is even moving into a new area of “medical outsourcing” where subcontractors aim to provide services to the overburdened medical care systems in western countries.\(^{39}\)

**Eco-Tourism:**

Eco-tourism in India has developed recently, for the concept itself is a relatively new one. Eco-tourism entails traveling to places that are renowned for their natural beauty and social culture, while making sure not to damage the ecological balance. Eco-tourism entails the sustainable preservation of a naturally endowed area or region while ensuring not to damage the ecological balance. In India places such as Kerala, Lakshadweep and the Himalayan region, north east India and Andaman and Nicobar Islands are the destinations where tourists can participate in eco-tourism related activities.\(^{40}\)

India needs to keep the ecological considerations in mind for various tourist attractions ranging from forts, caves, beaches, pilgrimages, forest reserves, hill stations and wildlife sanctuaries. The conservation and development around the world heritage sites, Ajanta, Ellora, certain sites in Kerala, Goa, Rajasthan, Himachal Pradesh, West Bengal and Uttranchal has started following the basic principles and practices of Ecotourism. The central and state government and various NGOs in India has develop a special ecotourism ventures to develop and promote the eco-potential base for the states to the domestic and international level. The major national parks in India for eco-tourism are - Corbett National Park in Uttar Pradesh, Bandhavgarh National Park in Madhya Pradesh, Kanha National Park in

\(^{40}\) Devashish Dasgupta, “Tourism Marketing”, Dorling Kindersley (India) Pvt. Ltd. Licensee of Pearson Education in South Asia, copyright in 2011, Pg. 79.
Rural Tourism:

Rural India has much to offer to the world. Rich in traditions of arts, crafts and culture, rural India can emerge as important tourist spots. In the developed world that has a craze for knowledge about traditional ways of life; arts and crafts will be attracted to visit rural India if this concept is workable properly. In absence of any promotional activity for rural tourism, thousands of foreign tourists visit rural areas in the India such as Rajasthan, Gujarat and South India.

The government of India has late realized that what rural India can offer to the world. The 10th plan has identified tourism as one of the major sources for generating employment and promoting sustainable livelihoods. So far the Indian government has identified 31 villages across the country for rural tourist’s spots. The major villages for rural tourism are Nepura in Bihar, Hodka in Guajarat, Banavasi in Karnataka, Rajasansi in Punjab, Durgapur in Assam, Jyotisar in Haryana, Kamalsagar in Tripura and Ballabhpur in West Bengal. This does not mean that India has only 31 potential spots in rural areas. There are many spots which are selected due to their infrastructure facilities. Tourism is one of the major earners of foreign exchange for the country. Rural tourism will definitely add more to what we earn in foreign exchange. It also boosts employment opportunities in rural areas and the products of rural artisan will find a ready market for survive in the world market.
In India the Federation of Indian Chambers of Commerce and Industry (FICCI) is actively promoting the concept of rural tourism in the country and abroad. This organization is acting as catalyst to generate synergy between tourism, related industries, the government and international agencies. They are also working towards involving local panchayats in the villages in the process of synergizing tourism and activities related with tourism. All these efforts are aimed at establishment of infrastructure with smooth exchange of information among all the stake holders resulting in a developed Rural Tourism in India.  

As in above all types of tourism, India occupies a unique place as compare to other countries. But other than above types of tourism as mentioned above, there are also other types of tourism in India like Sports tourism, MICE tourism, etc.

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1.8 ROLE OF TOURISM DURING PLANNING PERIOD (FIVE YEAR PLAN OF INDIA)

In India there is a strong base for the development of tourism because of its large geographical area and divisions, heritage, cultural and biodiversity. Since independence, India has placed greater emphasis on the development of tourism and travel related activities. In India, Ministry of Tourism has been set up at the center and in the states to undertake promotion and development of tourism at various stages. Tourism has been given a distinct identification and regular allocation of resources under plans. Tourism has been given a status in national planning and many centers of tourist attraction have been identified for their development and various strategic programmes have been designed for the development of tourism since independence. The public and private sector enterprise has taken various measures for the development of various hotels, restaurants, tourist bungalows, recreation centers and guesthouses so that the tourist inflow with in the country should increase.

It has been a unique feature of India’s development planning that apart from the private sector a prominent role was assigned to public sector in development of tourism. Although tourism activity had started in a modest way in the early fifties, when the first five year plan (1951-56) did not include any fund allocation for the development of tourism. The tourism division, formed in 1949, functioned under the Ministry of Transport and its outlay included some provision for tourism activities. In the fifties, there was a little awareness in the country about the economic and social importance of tourism development which began from infrastructure facilities and from the 2nd plan tourism get active role.\(^\text{42}\) Though more role of tourism has been recognized in future five year plans where government give more emphasis on tourism and activities related with tourism and increase its total outlay for tourism and incorporated various organizations related with tourism activities.

The First Five Year Plan (1951 - 1956):

During the first five year plan there was no fund allocation for the development of tourism specifically because tourism had not established as separate entity. During this period the Tourism Cell was looked after by the Ministry of Transport which included the allocation for tourism. The Tourism Cell formed in the year 1949 and opened the Ministry of Transport which made some provisions for expenditure by various means for attracting overseas tourists. The measures adopted during the First Plan period is to attract foreign tourists included bringing out a large variety of tourist publicity material, participation in exhibitions, screening of films, opening of tourist offices at both country and overseas level and also involving travel agencies to organize tourist promotional agencies. Hence during this plan the role of tourism was very less and government gives more emphasis to priority sector such as agriculture, health and industry.

The Second Five Year Plan (1956 - 1961):

Under this plan separate funds were set aside for the development of tourism. The main objective of development of tourism during this plan was provisioning for accommodation, transport and recreational facilities at important tourist places such as Agra, Varanasi, Aurangabad and Jammu and Kashmir. Broadly the tourism development schemes in this plan were categorized in three main parts such as Part I, Part II and Part III schemes.

Part I scheme was to create facilities for foreign tourist and was financed fully by the central government.

Part II scheme was intended to provide facilities for home tourists at place which were important from the point of view of foreign tourists. These schemes were jointly financed by the central and state governments.

Part III scheme was included in state plans and were wholly financed and executed by the state governments. The total budget allocation in the Second Plan was Rs. 336.38 Lacs and total expenditure incurred was Rs. 221.29 Lacs.
The Third Five Year Plan (1961 - 1966):

During this plan tourism was recognized as an industry. The main objective of tourism development in this plan was provisions of facilities for transport and accommodation and taking initiatives for winter sports at Gulmarg in Jammu and Kashmir. During the Third Plan, measures were under considerations to assist the industry with loans for construction of new hotels and for expansion of existing ones. The total outlay for tourism during this plan was Rs. 800 Lacs and actual expenditure incurred was Rs. 510.45 Lacs.  

This plan reveals the result that the number of foreign tourists visiting India is estimated to have increased about six times over the last decade from about 20,000 in 1951 to 123,000 in 1960; similarly the earnings of foreign exchange from tourism are also increased from Rs. 4 Crores in 1950 to Rs. 20 Crores in 1960.

The Fourth Five Year Plan (1969 - 1974):

The broad approach in the Fourth Plan is to expand and improve tourist facilities with a view to promoting 'destinational' traffic as distinct from 'transit' traffic. It is proposed to take up integrated development of selected areas and encourage charter traffic. The major emphasis is being made on provision of accommodation, transport and recreational facilities and efforts will be concentrated in areas where there is an identified large flow of foreign tourist traffic.

The total outlay for tourism during this plan was Rs. 36 Crores which includes Rs. 25 Crores for the Central programmes and Rs. 11 Crores for the States and Unions Territories. The provision in the Central Plan includes Rs. 14 Crores for programmes of the Central Department of Tourism and Rs. 11 Crores for programmes of the India Tourism Development Corporation. The programme of the Central Department of Tourism mainly provides loans to the

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hotel industry in the private sector, loans for the purchase of tourist vehicles by private operators and integrated development of selected centers. In the State Plans, provision has been made largely for creating facilities for home tourists. The programme also provides funds for construction of low-income rest houses, development of important tourist centers and publicity.

- **The Fifth Five Year plan (1974 - 1979):**

During this plan a provision of Rs. 65.50 Crores has been made for the programme of Department of Tourism and that of Rs.17.12 Crores used for the India Tourism Development Corporation (ITDC). The programmes under the Department of Tourism include loans to hotel industry in the private sector, integrated development of tourist resorts at Kovalam, Gulmarg, Goa and Kulu Manali and construction of a number of youth hostels, tourists’ bungalows and forest lodges. The programmes under ITDC include expansion of hotels and construction of travelers’ lodges, motels and cottages. In the State Sector also a provision of Rs. 33.21 Crores has been made for the development of tourism.

- **The Sixth Five Year Plan (1980 - 1985):**

During the Sixth Plan, the main objective is to make investment in the tourism sector which would optimize the use of existing capacity and to increase substantially tourist accommodation in the public and the private sectors. It will be ensured that development of tourism does not adversely affect the environmental surroundings, local culture and ethos of the tourist areas and locations. While taking up schemes for development of tourism, a selective approach will be followed with a view to maximizing the return to investments. In the development of tourism, the selected travel-circuit approach would be followed and matching facilities will also be provided accordingly.

In this plan total outlay of Rs. 187.46 Crores has been provided which includes a sum of Rs. 115.46 Crores under the State Sector and a sum of Rs. 72 Crores under the programme of the Central Sector. Of the total outlay included in the Central Sector, a sum of Rs. 30 Crores is provided for Department of Tourism and Rs. 42 Crores for the programmes of India.
Tourism Development Corporation (ITDC). In the programme of Department of Tourism, the emphasis will be made on the development of selected beaches and mountain resorts, wildlife and cultural tourism, training facilities and overseas promotion. This plan reports that international tourism in India has grown substantially during the last 15 to 20 years. The number of foreign tourist arrivals increased from about 17,000 in 1951 to 7,65,000 in 1979. The average stay per tourist has also registered an increase over the years.

- **The Seventh Five Year Plan (1985 - 1990):**

During this plan tourism is recognised as an activity generating a number of social and economic benefits. It promotes national integration and international understanding which creates employment opportunities and augments foreign exchange earnings. Tourism also gives support to local handicrafts and cultural activities. Expenditure by tourists has a multiplier effect and also generates considerable tax revenue. All these benefits are achieved with a relatively low level of investment.

Over the years tourism has emerged as an important element of current foreign exchange earnings comparable to some of the major merchandise exports. Foreign exchange earnings from tourism which amounted to about Rs. 32 Crores in 1971-72 has been increasing from year to year and in 1982-83 these amounted about Rs. 1031 Crores. Since import of goods needed for tourism is quite limited, the tourist earnings have a relatively large value added component. Tourism is an expanding industry all over the world and the potential for tourist earnings in India is very high. During this plan efforts were made to increase facilities like transportation, hotels and healthcare and safety facilities for tourists.

- **The Eighth Five Year Plan (1992 - 1997):**

In the Eighth Plan, the "Special Tourism Areas" concept is being adopted, wherein a few tourist areas with high tourism potential will be identified and provided with full fledged infrastructural facilities. A package of financial and monetary assistance has been conceived to provide impetus for tourism investment. These include "Tourism Development Fund" to provide financial
assistance for tourism activities in Special Tourism Areas and the "Equity Scheme" under which the Central Department of Tourism and the State Government would contribute the equity capital in tourism ventures. The main emphasis in the Eighth Plan was for the ITDC consolidation rather than on expansion of accommodation. The ITDC, which earned a net profit of Rs.3.11 Crores in 1991-92 improved the financial performance during the Eighth Plan period and earned a net profit of Rs. 55.8 Crores in 1996-97.

There has been a gradual increase in the Central Plan outlay for tourism over this plan periods from Rs.1.58 Crores in the Second Plan to Rs.272.00 Crores in the Eighth Plan. As against the Eighth Plan outlay of Rs.272 Crores (1991-92 prices), the expenditure during the period has been Rs.490.42 Crores (current prices). The entire plan expenditure of ITDC from the year 1994-95 onwards has been met from internal and extra budgetary resources. The Eighth Plan envisaged a growth of 9% to 10% per annum in international tourist arrivals and about 2.75 million tourist arrivals were anticipated by the end of the Eighth Plan. However, the target could not be achieved due to various reasons such as armed conflict in the Gulf region, reduction in international outbound traffic during the period, law and order problems and health hazards in some parts of the country. The number of tourists who visited India during the Eighth Plan period increased from 1.78 million in 1991-92 to 2.33 million in 1996-97.

- The Ninth Five Year Plan (1997-2002):

The approach in the Ninth Plan will be to concentrate on the development of selected centers and circuits through effective coordination of public and private efforts so as to achieve synergy in the development of this sector. The government will focus on the development of basic infrastructure such as transport facilities and civic amenities and play a facilitating role in the provision of accommodation and other facilities for all classes of tourists, both domestic and international. In developing tourism, it will be ensured that the sites are conserved and the environment is not degraded. The major thrust areas in the Ninth Plan will be on Indigenous and Natural Health Tourism,
Rural and Village Tourism, Pilgrim Tourism, Adventure Tourism, Heritage Tourism and Youth and Senior Citizens Packagers.

The policy objective in the Ninth Plan will be to work towards creating a tourism product that provides the persons travelling to various places a pleasant experience on their trips, through an environment of peace, stability, security and an integrated system of physical infrastructure that does not fail. Over the years, tourism has emerged as a major segment of Indian economy contributing substantially to the foreign exchange earnings which have increased from Rs.4892 Crores in 1991-92 to Rs. 10417 Crores in 1996-97. The direct employment in this sector during 1995-96 was about 8.5 million persons, accounting for about 2.4 per cent of the total labour force.\(^{44}\)

**The Tenth Five Year Plan (2002 - 2007):**

Tourism get active role during the 10\(^{th}\) Five Year Plan (2002-2007) where there has been a remarkable growth in the last three years, in foreign tourist arrival to India due to the various efforts made, including promoting India through the ‘Incredible India’ campaign in overseas markets. It has increased about 65% from a level of 2.38 million in 2002 to 3.92 million in 2005, while the foreign exchange earnings have grown about 96% during the same period. The tourism satellite accounting for India has brought out that tourism’s contribution to GDP of the country has been 5.9% in 2003-04, while employments in tourism sector both direct and indirect has been 41.8 million in the same year which accounts for 8.78% of total employment in the country. Though the growth in tourism in India has been impressive and India’s share in global tourist arrivals and earnings is quite insignificant.

During the 10\(^{th}\) Five Year Plan 2002-07, an attempt was made to position tourism as a major contributor of economic growth and harness it’s direct and multiplier effects for employment and poverty eradication in an environmentally sustainable manner. Various schemes and activities has been taken during the 10\(^{th}\) Plan period aimed at enhancing the employment potential within the tourism sector as well as at fostering economic integration

\(^{44}\) [http://planningcommission.nic.in/plans/planrel/fiveyr/welcome.html](http://planningcommission.nic.in/plans/planrel/fiveyr/welcome.html).
through developing linkages with other sectors. The 10th Five Year Plan had a distinct shift from the approach adopted in the earlier plans. During the plan period, emphasis was laid on:

- 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 and expanding these to meet new market requirements.
- Creation of world class infrastructure.
- Developing sustained and effective market plans and programmes.
- Special thrust to rural and small segment tourism.
- Attention to civilization issues and issues pertaining to civic administration, good governance and also to social and cultural values.

➢ The Eleventh Five Year Plan (2007 - 2012):

The Working Group on Tourism for the 11th Five Year Plan (2007-12), set up by the Planning Commission (constitution at Appendix-V), felt that keeping in view all variables in the environment, the product opportunities, the market scenario, the Indian planning and national objectives, following quantifiable goals may be set for the 11th Plan for India tourism:

- International Tourism - achieve international visitor levels of 10 million in 2011, at the end of 11th Plan.
- Domestic Tourism - achieve a level of 760 million for domestic tourist visits by the year 2011 at the end of 11th Plan at an annual average growth of 12%.
- Other Goals:
  - Increase approved quality accommodation units from the current level of about 100,000 rooms to at least 200,000 rooms by 2011 so that increased requirement of tourism should meet.
  - Set up hotels on the surplus land with Airport Authority of India near International airports as per the international practices.
- Promote development of budget hotels at the surplus Railway Land at specified Railway Stations.
- Create land banks in the States and encourage Single Window facility for the investors in tourism projects.\(^{45}\)

During 11\(^{th}\) Five Year Plan, Ministry of Tourism propose to continue supporting creation of world class infrastructure in the country so that existing tourism products can be further improved and expanded to meet new market requirements and enhance the competitiveness of India as a tourist destination. During the current financial year the Ministry has sanctioned Rs.323.00 Crores for various projects throughout the country. This is an all time record and will facilitate timely execution of projects during the working season. Some of the important infrastructure projects which have been sanctioned in the current financial year are Beach and Sea Tourism, Eco Tourism, projects for North East region, projects for Jammu & Kashmir and projects for Heritage destinations and Circuits.

1.9 TOURISM POLICY OF INDIA

Tourism Policy is a statement of intent which is formulated by the Government, for the reference point for action and criticism. Any initiative taken by Government for Tourism by way of legislation or direct investment is envisaged within the framework of Tourism Policy. The first ever Tourism Policy was announced by the Government of India in November, 1982. Later in 1988, the National Committee on tourism formulated a comprehensive plan for achieving a sustainable growth in tourism. In 1992, a National Action Plan was prepared and in 1996 the National Strategy for Promotion of Tourism was drafted. In 1997, a draft for new tourism policy in tune with the economic policies of the Government and the trends on tourism development was published for public debate. The proposed policy recognizes the roles of Central and State governments, public sector undertakings and the private sector in the development of tourism. The need for involvement of Panchayati Raj institutions, local bodies, non-governmental organizations and the local youth in the creation of tourism facilities has also been recognized.

Tourism is emerged as the largest global industry of the 20th century and is projected to grow even faster in the 21st century. India has immense possibilities of growth in the tourism sector with vast cultural and religious heritage, varied natural attractions but a comparatively small role in the world tourism scene. A New Tourism Policy, which builds to give strength to the national Tourism Policy of 1982, but it, envisages new initiatives towards tourism in the form of employment generation, environmental re-generation and development of remote areas in the country, besides promoting social integration to our economy. It would also help to earn larger foreign exchange earnings and create conditions for more Foreign Direct Investment.

➢ Tourism Policy, 1982

A comprehensive tourism policy highlighting the importance of tourism and the objectives of tourism development for the country was adopted by the Government in the year 1982. The policy envisaged developing many
attractions in India for tourism through well-planned, well defined and fully integrated national programmes.\textsuperscript{46} The Tourism Policy, 1982 was more an aggressive statement in marketing than a perspective plan for development. Its main thrust was aimed at presenting India to the foreigners as the ultimate holiday resort. With a view to reach this destination, the following measures were suggested by the policy:

- To take full advantage of the national heritage in arriving at a popular campaign for attracting tourists;
- To promote tourist resorts and make India a destination of holiday resorts;
- To grant the status of an export industry to tourism;
- To adopt a selective approach for development of tourist circuits; and
- To invite private sector participation in the tourism sector.

The Planning Commission recognized tourism as an industry in June, 1982. However, it took ten years to make most of the states to fall in line and accord the same status within their legislative framework. The Planning Commission has also set up the National Committee on Tourism in July, 1986 who prepares a perspective plan for the tourism sector.

\begin{itemize}
  \item **The Mission of Tourism Policy of India**
\end{itemize}

The main mission of this policy is to promote sustainable tourism as a means of economic growth and social integration and to promote the image of India abroad as a country with a glorious past, a vibrant present and a bright future. The Policy achieve above mission by employing six broad areas such as Welcome (Swagat), Information (Suchana), Facilitation (Suvidha), Safety (Suraksha), Cooperation (Sahyog) and Infrastructure Development (Samrachana).

\textsuperscript{46} Kailash Hariharan Iyer, “Tourism Development In India”, Vista International Publishing House, Delhi, 1\textsuperscript{st} Edition, 2006, Pg. 3 - 4.
The main focus of Tourism policy are on safety and security of tourists, creation of tourism development funds and resource for development, increasing foreign investments and incentives and rationalization of taxes, adoption of new technologies for tourism, development of Tourism Economic Zone, Tourist Circuits, Special Tourism Area and areas of Special Interests and enhancing revenue for the nation and generating more employment opportunities for the nation. The tourism policy also develop an action point relating to cooperation, conservation, product development and promotion, international cooperation, on selected areas of tourism where it provides economic and social benefits and professional excellence.

➢ The National Action Plan For Tourism, 1992

The National Action Plan for Tourism published in May, 1992 and tabled in the Lok Sabha on 5th May 1992, gives major 7 objectives as central concerns of the Ministry such as:

- Socio-economic development of areas.
- Increasing employment opportunities.
- Developing domestic tourism for the budget category.
- Preserving national heritage and environment.
- Development of international tourism.
- Diversification of the tourism product.
- Increase India's share in world tourism (from present 0.4% to 1 % during next 5 years).

The main strategy for the achievement of above objectives in the National Plan is outlined as below:

- Improvement of tourism infrastructure.
- Developing areas on a selective basis for integrated growth along with marketing of destinations to ensure optimal use of existing infrastructure.

47 M. P. Bezbaruah, “Indian Tourism – Beyond the Millennium”, Gyan Publishing House, New Delhi, Pg. 44 - 46.
Restructuring and strengthening the institutions for development of human resources.

Evolving a suitable policy for increasing foreign tourist arrivals and foreign exchange earnings.

As per this action plan, foreign exchange earnings are estimated to increase from Rs. 10,000 Crores in 1992 to Rs. 24,000 Crores by 2000 AD. Simultaneously, the plan also aims to increase employment in tourism sector to 28 million from the present 14 million. Other provisions in the action plan include a discontinuance of subsidies to star hotels, encouraging foreign investment in tourism and the setting up of a convention city for developing convention tourism. The action plan envisages the development of Special Tourism Areas on lines of export processing zones. The plan also offers special central assistance to the states so that they improve their infrastructural facilities at pilgrimage places.48

A National Action Plan for Tourism was drawn up in 1992 and it envisaged increase in the percentage share of tourist arrivals in India from 0.4% to 1% of world arrivals with in a period of five years. Employment in the tourism sector was also expected to double by the turn of the century. The basic strategy for increasing the tourist flow includes improvement of infrastructure facilities in identified circuits and destinations, development of special tourism areas, development of pilgrim tourism and package for attracting private investment to the tourism sector.

New Tourism Policy of India, 2002

The Government of India announced a New Tourism Policy in May, 2002, which gives more emphasis to increase the role of private sector in the tourism development. Since then this policy gave direction to position India as

48 Tourism Policy of India - An Exploratory Study, Published by - Equitable Tourism Options (EQUATIONS) Bangalore, Pg. 40 - 44.
a global brand and to take advantage of the global travel and trade. It envisaged improvement and expansion of product development like Cultural Tourism, Rural/Village Tourism, Eco-Tourism, MICE Tourism, Health Tourism, Adventure Tourism and Cuisine Tourism. It also envisaged creation and development of integrated tourism circuits based on India’s unique civilization, heritage and cultural in partnership with states, private sectors and other agencies. In order to develop tourism in a systematic manner in India, a major engine of economic growth and to harness its direct and multiplier effects for employment and poverty eradication in an environmentally sustainable manner, the New National Tourism Policy was formulated in the year 2002. Broadly, the “Policy” attempts to:-

✓ Position tourism as a major engine of economic growth.
✓ Harness the direct and multiplier effects of tourism for employment generation, economic development and providing impetus to rural tourism.
✓ Focus on domestic tourism as a major driver of tourism growth.
✓ Position India as a global brand to take advantage of the growing global travel trade and the vast untapped potential of India as a destination.
✓ Acknowledges the critical role of private sector with government working as a pro-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 gets physically invigorated, mentally rejuvenated, culturally enriched, spiritually elevated and “feel India from within”.\(^{50}\)

- **Highlights of New Tourism Policy of India**

The Ministry of Tourism announces New Tourism Policy to enhance tourism in India and increasing revenue for the nation and generating more employment opportunities. The major highlights of new tourism policy are as under:

- Scheme for Product/Infrastructure and Destination Development,
- Scheme for Integrated Development of Tourist Circuits,
- Scheme of Assistance for Large Revenue Generating Projects,
- Scheme for Support to Public Private Partnerships in Infrastructure (Viability Gap Funding) and
- Scheme for Market Development Assistance (MDA).

1.10 ORGANIZATIONS INVOLVED IN TOURISM

The organizations involved in the development of tourism in India are the Ministry of Tourism with its 21 field offices within the country and 18 in abroad. The other organizations related to tourism in India are the India Tourism Development Corporation Limited, the Indian Institute of Tourism and Travel Management, the National Council for Hotel Management and Catering Technology, the Indian Institute of Skiing and Mountaineering and the National Institute of Water Sports.

- **Department Of Tourism**

The Department of Tourism is responsible for formulation and implementation of policies and programmes for the development of tourism within the country and for attracting foreign tourists to India by way of developing tourism infrastructure, publicity and promotion, dissemination of information, co-ordination and supervision of various activities of industry such as hotels, travel agencies and tour operators. It has four regional offices at Delhi, Mumbai, Kolkata and Chennai and a sub-regional office at Guwahati. The regional offices of Department of Tourism supervise the working of other tourist offices situated at different places throughout the country and abroad.

There are 21 field offices of the Department of Tourism in India and 18 in other countries to undertake both developmental and promotional activities. The overseas offices are in constant contact with tourists, travel intermediaries and media to promote tourism in India. The field offices in India provide facilitation services to tourists and co-ordinate with the state governments on tourism infrastructural development. The main objectives of the overseas tourist offices are to position India in the tourism generating markets as a preferred tourism destination, to promote various Indian tourism products vis-a-vis competition faced from various destinations and to increase India's share in the global tourism market. These objectives are met through
an integrated marketing strategy and synergized promotional activities undertaken in association with the Travel Trade and State Governments.\footnote{Kailash Hariharan Iyer, “Tourism Development In India”, Vista International Publishing House, Delhi, 1\textsuperscript{st} Edition, 2006, Pg. 40.}

It has been the endeavor of the Ministry of Tourism to put in place a system of training and professional education with necessary infrastructural support capable of generating manpower sufficient to meet the needs of the tourism and hospitality industry, both quantitatively and qualitatively. As of now, there are 29 Institutes of Hotel Management (IHM\textsc{s}), comprising 21 Central IHMs and 8 State IHMs and 10 Food Craft Institutes (FCIs), which have come up with the support of the Ministry. These institutes were set up as autonomous societies with specific mandate to impart / conduct hospitality education / training in hospitality skills.

- **India Tourism Development Corporation (ITDC)**

ITDC is an apex body in India for development of tourism and various activities related to it. ITDC came into existence in October 1966 and has been the prime mover in the progressive development, promotion and expansion of tourism in the country. The India Tourism Development Corporation (ITDC), a public sector body established in 1966, undertakes:

- Construction, management and marketing of hotels, restaurants and travelers lodges,
- Provision of tourist transport facilities,
- Production, distribution and sale of tourist publicity materials,
- Provision of entertainment facilities such as light and sound shows and music concerts,
- Provision of shopping facilities including duty free shops and
- Provision of consultancy – cum – managerial services in India and abroad.\footnote{Kailash Hariharan Iyer, “Tourism Development In India”, Vista International Publishing House, Delhi, 1\textsuperscript{st} Edition, 2006, Pg. 40.}
The Corporation is running hotels and restaurants at various places for tourists, besides providing transport facilities. In addition, the Corporation is engaged in production, distribution and sale of tourist publicity literature and providing entertainment and duty free shopping facilities to the tourists. The Corporation has diversified into new avenues and innovative services like Full-Fledged Money Changer (FFMC) services, engineering related consultancy services etc. The Ashok Institute of Hospitality & Tourism Management of the Corporation imparts training and education in the field of tourism and hospitality.

The Ashok International Trade Division of ITDC offers world class duty free shopping facilities to international travelers at its 38 outlets, earning crucial foreign exchange for the country and showcasing Indian products to the world. The Ashok Institute of Hospitality & Tourism Management (AIH&TM) of ITDC has been associated with the pioneering efforts in human resource development for more than three decades. This institute has been awarded by the ISO-9001-2000 Certification and the institute conducts 18 months Craft/Certificate courses in the field of Culinary Skill Development, besides providing training to management trainees/apprentices and organizing Executive Development programmes for the officials of ITDC.

**Indian Institute of Tourism and Travel Management (IITTM)**

Indian Institute of Tourism and Travel Management (IITTM) is an autonomous organization of the Ministry of Tourism, Government of India which is one of the premier institutes in the country offering education, training, research and consultancy in sustainable management of tourism, travel and other allied sectors. It was set up in January 1983 with registered office at New Delhi. It offers different level academic courses in tourism and travel management and related areas. Indian Institute of Tourism and Travel Management (IITTM) is a

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registered society for teaching and research in travel and tourism management. Its mandate includes:

- Development of human resources for the travel and tourism industry,
- Infuse greater professionalism in tourism services and
- Deal with future challenges.\(^{53}\)

Indian Institute of Tourism and Travel Management is an autonomous body set up to provide education in tourism and travel management and to meet the demands for professionally trained personnel in the tourism industry. The Institute organizes executive development programs, seminars and workshops relating to these subjects. The Institute has assisted several universities in organizing courses at the postgraduate level. In order to meet the growing demand for the labor force of the tourism industries, 19 institutes of the hotel management and catering technology and 14 food crafts institutes have been set up in the country. The IITTM came into being on 18\(^{th}\) January 1983 with its registration at New Delhi. The IITTM has its headquarters at Gwalior (set up in 1992) with centers at Bhubaneswar (set up in 1996) and Noida. The Noida centre is functioning from Pusa (January, 2007) pending the setting up of its campus. In the year 2004, the National Institute of Water Sports (NIWS), Goa was also incorporated in the IITTM. It has been decided to set up another centre of the IITTM at Nellore in Andhra Pradesh. The management of the IITTM vests in its Board of Governors having the Union Minister for Tourism as Chairperson.

IITTM is committed to developing quality human resources for tourism and allied services. It is devoted to the pursuit of higher knowledge in tourism and its dissemination to a diverse audience. The efforts of the Institute have been instrumental in evolving the fundamental framework for tourism education and training in the country as it exists today. Over the years, Institute has

established a distinguished identity of its own and reached at a commanding position among sectoral B-Schools in the country.

The Institute develops various programmes like Introduction of tourism Marketing, Language Courses and Wildlife Tourism Management, a Basic Course on Tour Operation Services Management and many more in different region of nations like Madhya Pradesh, Goa, Himachal Pradesh, Ladakh, Delhi and many more regions in India. The courses currently offered by IITTM and its chapters include, Part-time management development programmes, Diplomas in the travel and tourism industry, In-service training to government officials and industry personnel, Language training in French, German, Japanese, Spanish, etc. and Training to gross-roots workers.

- **National Council for Hotel Management and Catering Technology (NCHMCT)**

Some of the services required in the tourism and hotel industries are highly personalized and no amount of automation can substitute for personal service providers. Human resource development in the tourism industry normally includes manpower training in two main areas:

- The hospitality and catering sector and
- The travel trade and tourism sector.

The hotel and catering sector is now highly personalized. The central and state government has collaborated to provide resources in order to train people in hospitality sector as part of overall development efforts. For steering and regulating the academic efforts of the IHMs and FCIs, the Ministry had set up, in 1982, the National Council for Hotel Management and Catering Technology (NCHMCT). National Council for Hotel Management & Catering Technology is an autonomous body under Ministry of Tourism, Government of India. Its head office is at New Delhi. The Council centrally regulates academics for hospitality and hotel administration and other eleven structured courses of studies that are imparted at the existing 29 Institutes of Hotel Management and 7 Food Craft Institutes located in different parts of the country. It ensures uniformity in academic standards and procedure for
selection and admission of candidates for various courses conducted by these institutes.

Main objectives for setting up the Council at the apex level were:

- To advise the Government on coordinated development of hotel management and catering education.
- To collect and implement international development in the area of human resource development for the hospitality sector.
- To affiliate institutes and prescribe courses of study and instructions leading to examinations conducted by it.
- To standardize courses and infrastructure requirements for institutes imparting education and training in hospitality management.
- To prescribe educational and other qualifications. For members of staff in the affiliated institutes an organize faculty development programs.
- To award Certificates and Diplomas in Hospitality and Hotel Administration.

There are now 20 institutes of hotel management throughout the country which are sponsored by the government and directly affiliated with the National Council for Hotel Management and Catering Technology (NCHMCT). These institutes located at Ahmadabad, Bangalore, Lucknow, Mumbai, Hyderabad and many other cities in India.

In addition to these 20 institutes, there are also 15 Food Crafts Institutes around the country. The food craft institute located at Ajmer, Faridabad, New Delhi, Patna, Pune and other cities in India. All of the institutes in hotel management and food crafts are managed by autonomous societies registered under the Societies Registration Act, 1860 and have a Board of Governors consisting representative from the central and state governments.\(^5\) As a result of vast expansion and modernization of the country’s hospitality industry, hotel management and catering education programmes gained tremendous popularity and the profile of students seeking

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admission to these courses also underwent a transformation. As a result, courses offered by the National Council are of international standard which have been recognized by the hospitality industry.

➢ Tourism Finance Corporation of India Ltd. (TFCI)

This Corporation is sponsored by the Industrial Finance Corporation of India, was set up In April 1988 with Initial seed capital of Rs. 50 Crores to provide institutional assistance to tourism projects other than those in the accommodation sector. It started its operations from 1\textsuperscript{st} February, 1989. TFCI provides financial assistance to enterprises for setting up and/or development of tourism related projects, facilities and services, such as Hotels, Restaurants, Holiday Resorts, Amusement Parks, Multiplexes and Entertainment Centers, Safari Parks, Rope-ways, Cultural Centers, Convention Halls, Transport and Air Service.

Since its inception, TFCI provides high-quality research and consultancy services to the tourism industry in general and to the investors in tourism industry in particular. In line with this, TFCI has been providing consultancy services to different central and state agencies by undertaking broad-based assignments to cover micro & macro level tourism-related studies/exercises to facilitate identification, conceptualization, promotion and implementation of specific tourism-related projects & for taking policy level decisions with respect to investment and infrastructure.

During the Ninth Five Year Plan, two new institutes have been proposed related to tourism activities, one in North-Eastern India and one in the Southern Region. Both are being cleared by the Planning Commission and the Ministry of Finance.

➢ National Institute of Water Sport (NIWS)

In 1990, the Department of Tourism set up a National Institute of Water Sports (NIWS) at Goa to promote water sports throughout the country. An expert from the India Navy has been appointed to head NIWS. The institute provides training in sailing, wind surfing, water skilling, rescue trainings, outboard motor
maintenance and water sport management. The administrative control of the NIWS has been transferred to IITTM in order to more closely supervise the training programmes.

The NIWS is primarily a training Institute and it conducts short duration training programmes specific to water sports. The NIWS had managed its efforts by staff on contract basis. However, given the importance of this Institute and its mandate, it was felt that it must have a regular establishment of its own. Accordingly, its work measurement was entrusted to the Staff Inspection Unit (SIU) of the Ministry of Finance. Based on the report of the SIU, the Ministry has sanctioned 15 posts (including 8 posts to be outsourced) both for short duration training course and one year regular PG Diploma courses in adventure and water sports management.

Thus NIWS has trained 831 water sports professional from 20 states. Courses in 1997 included outboard motor maintenance, power boat handling, life saving techniques, water sport orientation courses, water sport centre management, etc. NIWS also conducted training programmes at locations outside Goa such as Darjeeling, Pune, Sikkim Bhopal and many more. The Ministry of Tourism has formulated safety and security guidelines for various water sport activities and standardized water sports equipment, maintenance and operation, all of which are included in NIWS training.

- **India Institute of Skiing and Mountaineering (IISM)**

India Institute of Skiing and Mountaineering (IISM) and Gulmarg Winter Sports Project were set up in 1968 as pioneering institutes of the Department of Tourism for developing adventures sports activities like mountaineering, skiing and trekking. The IISM was started with help of 24 officers of the defense forces. Later on regular instructors and staff were appointed from the trainees. Up to 1991 there were about 60 employees at IISM.

In addition to the above mentioned organizations at the Central level, the State governments and Union territories have their own Departments of Tourism, Tourism Development Corporations and other Institutions and organizations formed for the purpose of helping the development of tourism
industry in their areas. Besides this institutional support, a large number of other agencies, such as the Department of Archaeology, International Airport Authority of India, Indian Airlines, Indian Railways, Customs Department, Forest Departments, Handloom and Handicrafts Boards and Corporations and Individual travel agents, hotels and tour operators are engaged in the promotion of tourism in India. Many universities also offer various courses related to travel and tourism activities, including 13 universities and 45 colleges which have started tourism courses at the postgraduate level. \(^{55}\)

1.11 TOURISM BOARDS IN INDIA

One of world's most visited countries, India draws thousands of tourists all the year round. A historical land, India offers multiple hues that have always been a matter of discourse for global travelers. From modern and old religious sites to historic forts and monuments, snow clad mountain ranges to verdant valleys, shimmering rivers and lakes to white sandy beaches, rich and varied flora and fauna to unending expanses of desert, the vast land of India has everything to quench the desire of discerning travelers. India comprises of 28 states and 7 Union Territories, each known for its distinct charm. Every state and union territory is worth visiting and each have a Tourism Development Board which is responsible for providing information and infrastructure to the tourist visiting them.

India is a beautiful country with a varied topography and a rich cultural heritage. It consists of 28 States and 7 Union Territories. Most states of India have a Tourism Development Board which provides information and infrastructure to the tourists visiting the state. The main Tourism Development Corporation in India is ITDC (Indian Tourism Development Corporation) came into existence in October 1966 and has been the prime mover in the progressive development, promotion and expansion of tourism in the country.

➢ Objectives of State Tourism Development Corporation

The main objectives of Tourism Development Corporation are:

- To promote, takeover, develop, start, purchase, maintain, manage and operate hotel, restaurants, motels, guest houses and other places for the purpose of boarding, lodging and stay of the tourists, canteens, cafeteria, places of tourist interest like wildlife sanctuaries, beauty and recreational places like parks, avenues and galleries, establishment, undertaking enterprises and such other activities of any description with a view to develop, facilitate and promote tourism in the state.
• To establish and manage transport units, travel and transport counters, import, purchase, lease and run buses, coaches ropeways, aircraft, waterways and other modes of transport and to act as travel agents for airlines, railways and shipping companies.

• To enter into any arrangement for taking over any or all of the assets and liabilities of any department of the state government or of the Government of India connected with the development of tourism and in particular as going concern all or any of the Tourists Homes, State Government Guest Houses, catering establishments already established and maintained by the Central and State Government in various places and to run the same with the object of promoting tourism.

• To carry on the business of restaurants keepers, wine and spirit merchants, concert room proprietors, hotel keepers, dramatic and musical publishers and printers and any other business, which can be carried on connection with any of those object as may seem calculated to render profitable any of the company’s property and rights for the time being.

• To establish art galleries for the exhibition of paintings, sculptures, jewelry and other works of art and to buy, sell and deal in all kinds works of art.

• To provide or arrange shopping facilities for tourists, establish or manage shops including duty free shops, emporia and other places for selling travel requisites and other articles of tourist interest.

• To provide, arrange or conduct entertainment for tourists by way of cultural shows, dances, music concerts, film shows, sports and games.

• To produce, distribute and sell tourist publicity materials, edit, design, print, publish, sell or otherwise deal with books, magazines, periodicals, folders, guide books, bills, posters, diaries, calendars, slides and other materials for the purpose of giving publicity to and developing tourism.  

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Besides ITDC most states of India have a Tourism Development Board which provides information and infrastructure to the tourists visiting the state. These Tourism Development Boards were established during different periods under Companies Act 1956; the main Tourism Development Corporation in different states of India with their incorporation period is as follows:

**Table 1.1**

**Tourism Development Corporation in India**

<table>
<thead>
<tr>
<th>Name of State</th>
<th>Name of Tourism Development Corporation</th>
<th>Year of Incorporation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gujarat</td>
<td>Tourism Corporation of Gujarat Limited</td>
<td>1975</td>
</tr>
<tr>
<td>Karnataka</td>
<td>Karnataka State Tourism Development Corporation Limited</td>
<td>1971</td>
</tr>
<tr>
<td>Tamil Nadu</td>
<td>Tamil Nadu Tourism Development Corporation</td>
<td>1971</td>
</tr>
<tr>
<td>Punjab</td>
<td>Tourism Development Corporation of Punjab Ltd.</td>
<td>1979</td>
</tr>
<tr>
<td>Goa</td>
<td>Goa Tourism Development Corporation Limited</td>
<td>1982</td>
</tr>
<tr>
<td>Bihar</td>
<td>Bihar State Tourism Development Corporation</td>
<td>1981</td>
</tr>
<tr>
<td>Andhra Pradesh</td>
<td>Andhra Pradesh Tourism Development Corporation</td>
<td>1976</td>
</tr>
<tr>
<td>Chandigarh</td>
<td>Chandigarh Industrial and Tourism Development Corporation</td>
<td>1974</td>
</tr>
<tr>
<td>Rajasthan</td>
<td>Rajasthan Tourism Development Corporation Limited</td>
<td>1978</td>
</tr>
<tr>
<td>Kerala</td>
<td>Kerala Tourism Development Corporation Limited</td>
<td>1965</td>
</tr>
<tr>
<td>Delhi</td>
<td>Delhi Tourism and Transportation Development Corporation</td>
<td>1975</td>
</tr>
<tr>
<td>Uttar Pradesh</td>
<td>Uttar Pradesh State Tourism</td>
<td>1972</td>
</tr>
<tr>
<td>State</td>
<td>Name of the Corporation</td>
<td>Year</td>
</tr>
<tr>
<td>---------------</td>
<td>----------------------------------------------------------------</td>
<td>-------</td>
</tr>
<tr>
<td>West Bengal</td>
<td>West Bengal Tourism Development Corporation Pvt. Ltd.</td>
<td>1974</td>
</tr>
<tr>
<td>Maharashtra</td>
<td>Maharashtra Tourism Development Corporation</td>
<td>1978</td>
</tr>
<tr>
<td>Madhya Pradesh</td>
<td>Madhya Pradesh Tourism Development Corporation Limited</td>
<td>1974</td>
</tr>
<tr>
<td>Assam</td>
<td>Assam Tourism Development Corporation Ltd</td>
<td>1988</td>
</tr>
<tr>
<td>Haryana</td>
<td>Haryana Tourism Corporation Ltd</td>
<td>1974</td>
</tr>
<tr>
<td>Meghalaya</td>
<td>Meghalaya Tourism Development Corporation Ltd.</td>
<td>1977</td>
</tr>
<tr>
<td>Orissa</td>
<td>Orissa Tourism Development Corporation</td>
<td>1979</td>
</tr>
<tr>
<td>Jammu &amp; Kashmir</td>
<td>Jammu &amp; Kashmir Tourism Development Corporation</td>
<td>1970</td>
</tr>
<tr>
<td>Chhattisgarh</td>
<td>Chhattisgarh Tourism Board</td>
<td>2002</td>
</tr>
<tr>
<td>West Bengal</td>
<td>West Bengal Tourism Development Corporation Pvt. Ltd.</td>
<td>1974</td>
</tr>
<tr>
<td>Jharkhand</td>
<td>Jharkhand Tourism Development Corporation Ltd.</td>
<td>2002</td>
</tr>
<tr>
<td>Himachal Pradesh</td>
<td>Himachal Pradesh Tourism Development Corporation Ltd.</td>
<td>1972</td>
</tr>
<tr>
<td>Tripura</td>
<td>Tripura Tourism Development Corporation Ltd.</td>
<td>1974</td>
</tr>
<tr>
<td>Uttarakhand</td>
<td>Uttarakhand Tourism Development Corporation</td>
<td>1982</td>
</tr>
</tbody>
</table>
1.12 STATISTICS FOR TOURISM IN INDIA

Table 1.2

Number of Domestic Tourists Visits to All States/UTs in India from 2001 to 2010

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Domestic Tourists Visits (in Millions)</th>
<th>Percentage (%)</th>
<th>Change Over the Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>236.47</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>2002</td>
<td>269.60</td>
<td>14.0</td>
<td></td>
</tr>
<tr>
<td>2003</td>
<td>309.04</td>
<td>14.6</td>
<td></td>
</tr>
<tr>
<td>2004</td>
<td>366.27</td>
<td>18.5</td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td>391.95</td>
<td>7.0</td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>462.31</td>
<td>18.0</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>526.56</td>
<td>13.9</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>562.98</td>
<td>6.9</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>669.04</td>
<td>18.84</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>740</td>
<td>10.61</td>
<td></td>
</tr>
</tbody>
</table>

[Source: Tourism Statistics at Glance, 2009 Incredible India & State / UT Tourism Departments]

Graph 1.1
The Table 1.2 shows Domestic Tourists Visits to all States and UTs in India during the period 2001 to 2010 are fluctuating during the period and it is lowest in 6.9 per cent in the year 2008 and highest 18.84 per cent in the year 2009. As domestic tourists mostly visits other states to get benefits of different culture, tradition, adventure and spiritual importance of the state. As most of the visited states for domestic tourists are Rajasthan, Goa, Kerala, Delhi and Himachal Pradesh, where tourists are more attracted towards its rich heritage culture, tradition, natural beauty of beaches and wildlife sanctuary parks.

Table 1.3

- **Number of Foreign Tourist Visits to All States/UTs in India from 2001 to 2010**

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Foreign Tourists Visits to States / UTs (in Millions)</th>
<th>Percentage (%) Change Over the Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>5.44</td>
<td>-</td>
</tr>
<tr>
<td>2002</td>
<td>5.16</td>
<td>-5.1</td>
</tr>
<tr>
<td>2003</td>
<td>6.71</td>
<td>30.1</td>
</tr>
<tr>
<td>2004</td>
<td>8.36</td>
<td>24.6</td>
</tr>
<tr>
<td>2005</td>
<td>9.95</td>
<td>19.0</td>
</tr>
<tr>
<td>2006</td>
<td>11.75</td>
<td>18.1</td>
</tr>
<tr>
<td>2007</td>
<td>13.27</td>
<td>12.9</td>
</tr>
<tr>
<td>2008</td>
<td>14.11</td>
<td>6.4</td>
</tr>
<tr>
<td>2009</td>
<td>14.40</td>
<td>2.04</td>
</tr>
<tr>
<td>2010</td>
<td>17.90</td>
<td>24.31</td>
</tr>
</tbody>
</table>

[Source: Tourism Statistics at Glance, 2009 Incredible India & State / UT Tourism Departments]
Graph 1.2

The Table 1.3 represents Foreign Tourists Visits to All states and UTs in India during the period 2001 to 2010. As above table shows that the trends of foreign tourists visits is increasing during the period which reach to 5.16 million to 17.90 million from the year 2002 to 2010. The foreign tourists mostly attracted towards Indian states because of difference in topography, region, culture, tradition, adventure and spiritual importance of the state. As most visited states for foreign tourists are Rajasthan, Goa and Kerala, where tourists are more attracted towards its rich culture, tradition, shopping products, adventure places, natural beauty of beaches, fairs and festivals and wildlife sanctuary parks.
### Table 1.4

- **Foreign Tourist Arrivals (FTA) in India from 2001 to 2010**

<table>
<thead>
<tr>
<th>Year</th>
<th>FTA in India (in Millions)</th>
<th>Percentage (%)</th>
<th>Change Over the Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>2.54</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>2002</td>
<td>2.38</td>
<td>-6.30</td>
<td></td>
</tr>
<tr>
<td>2003</td>
<td>2.73</td>
<td>14.3</td>
<td></td>
</tr>
<tr>
<td>2004</td>
<td>3.46</td>
<td>26.8</td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td>3.92</td>
<td>13.3</td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>4.45</td>
<td>13.5</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>5.08</td>
<td>14.3</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>5.28</td>
<td>4.0</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>5.11</td>
<td>-3.3</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>5.58</td>
<td>9.20</td>
<td></td>
</tr>
</tbody>
</table>

[Source: (i) Tourism Statistics at Glance, 2009 Incredible India,  
(ii) Bureau of Immigration, Government of India, for 2000-2008,  
(iii) Ministry of Tourism, Government of India, for 2009 & 2010 &  
(iv) Annual Report 2010-11, Ministry of Tourism Government of India]
The Table 1.4 shows FTA in India during the period 2001 to 2010. As above table shows that the growth rate in foreign tourists arrival is high in many of the years because of various initiatives taken by Indian Government for enhancing tourism which result in increase in foreign tourist arrival in India. As foreign tourists are more attracted in India because of vast tourist attractions in India, being rich in its history, culture, art, music, dance, beaches, snow peaks and sand dunes, wildlife, fairs and festivals. The other attractions which increase foreign tourist arrival are river and mountain peaks for adventure tourism, technological parks and science museums for science tourism, centers of pilgrimage for spiritual tourism, heritage trains and hotels for heritage tourism. The Indian handicrafts particularly, jewellery, carpets, leather goods and brass work are the main shopping items of foreign tourists. As a result of above tourism products, Indian tourism sector boost up and reach to new height where the growth rate of foreign tourist arrival shows remarkable performance and it reach to 9.20 per cent in the year 2010 compare to negative flow of -6.30 per cent in the year 2002.
Table 1.5

Foreign Exchange Earnings (FEE) from Tourism in India from 2001 to 2010 (Rs. In Crores)

<table>
<thead>
<tr>
<th>Year</th>
<th>FEE from Tourism in India (Rs. In Crore)</th>
<th>Percentage (%) Change Over the Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>15083</td>
<td>-</td>
</tr>
<tr>
<td>2002</td>
<td>15064</td>
<td>-0.1</td>
</tr>
<tr>
<td>2003</td>
<td>20729</td>
<td>37.6</td>
</tr>
<tr>
<td>2004</td>
<td>27944</td>
<td>34.8</td>
</tr>
<tr>
<td>2005</td>
<td>33123</td>
<td>18.5</td>
</tr>
<tr>
<td>2006</td>
<td>39025</td>
<td>17.8</td>
</tr>
<tr>
<td>2007</td>
<td>44360</td>
<td>13.7</td>
</tr>
<tr>
<td>2008</td>
<td>50730</td>
<td>14.4</td>
</tr>
<tr>
<td>2009</td>
<td>54960</td>
<td>8.30</td>
</tr>
<tr>
<td>2010</td>
<td>64889</td>
<td>18.1</td>
</tr>
</tbody>
</table>

[Source: (i) Tourism Statistics at Glance, 2009 Incredible India &
(ii) Annual Report 2010-11, Ministry of Tourism Government of India]
The Table 1.5 shows FEEs from tourism in India during the period 2001 to 2010. As above table shows that in many of the years FEEs goes high because of various initiatives taken by Indian Government for enhancing tourism such as introducing many new types of tourism such as village tourism, medical tourism, sports tourism and also by introducing concessional rate tour packages by tour operators and hotel industries. As a result of these measures, Indian tourism sector increase and reach to new height where FEEs which is 13.70 per cent during 2007 reach to 18.10 per cent in the year 2010. As increasing trends of FEEs shows that Indian government measures are in a right way and it is useful to increase overall foreign earnings for the nation and to improve the balance of payment position of the country.


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