INTRODUCTION

SETTING THE PROBLEM:

Travel from the earliest times has held a fascination for mankind. The urge to explore new places and seek a change of environment and experiences is not new. The first conscious effort to promote tourism in India was made in 1945, when a committee was set up by the British government under the Chairmanship of Sir John Sargent, the then educational adviser to the Government of India. The Sargent Committee which submitted its interim report in October, 1946, were unanimously of the opinion that there was enormous portentialities of developing tourism in the country and it would be in the interest of India to encourage and develop tourism both internally and externally. The development of tourist traffic was a matter of great national importance and, therefore, it deserved the whole time attention of a separate organisation. Hence an adhoc traffic committee was appointed in 1948 and on it recommendations, a tourist branch was set up in 1949, with two regional offices opened in Calcutta and Madras.

In 1956, the following three corporations were set up on the recommendation by the Committee:

1. Hotel Corporation of India Ltd.,
2. India Tourism Corporation Ltd.,
3. India Tourism Transport Undertaking Ltd.,
Later on, the Government of India decided to merge these corporations in view of the heavy losses incurred by them. To avoid these losses and future risk these three corporations were dissolved and merged into one in 1966. Thus the Government set up in October 1966, a public sector understanding namely the "India Tourism Development Corporation (ITDC) in Delhi, with an authorised capital of Rs. 5 crore. It was depressing to learn that four decades back, tourism was a luxury product available to those who had time and money to spare. Since then tourism development in India has passed through many stages. At government level, the development of tourist facilities was taken in a planned way from 1956 coinciding with Second Five Year Plan. The endeavour has been to convert this vast potential into reality through well planned, well-defined and fully integrated national programmes of tourism development. Needless to mention that tourism is a very young industry a product of World War II, that provided the greatest impetus for modern tourism.

Tourism has come to be recognised as one of the World's largest modern and profit oriented industry. Its potential of earning foreign exchange is so great that several big and small countries, frame their annual budgets on the basis of revenues earned from foreign visitors. The small Himalayan kingdom of Nepal derives almost entire revenues from tourism. This modern industry, still to be recognised as such by the Central and State Governments, has proved the second largest
foreign exchange earner for the country with ₹1.300 worth crore foreign exchange earned during 1985, next only to engineering goods industry earning ₹1,800 crores. The well regulated and well planned tourism is a remedy to many problems i.e. unbalanced social change, un-wieldy economic infrastructure, social tensions, environmental pollution, distortion of life styles and cultural decay. Tourism brings about distribution of wealth as there is movement of wealth from developed areas leading to balanced economy in the country. It is also a great nation builder as it brings the people of diverse background together and creates a feeling of national oneness among its people.

In the present study, an attempt has been made to examine the need for economic planning, organising and providing the best infrastructural facilities for systematic growth and development of tourism in India. It is in this context that the author has discussed at length in his thesis the various aspects of tourism viz., management growth, development, structure, economics, finance planning and facilitation.

SCOPE OF THE WORK:

International tourism has emerged as the most outstanding phenomenon of the 20th century. Presently, this is a 37 billion dollar industry involving movement of over 220 million people a year worldwide. Till 1982, it was the world's
largest industry providing employment to the largest number of people. Keeping in view the size, volume and the importance of this industry, it is natural that we take a close look at various aspects of its composition and organisation, nature of tourism product, its packaging, its relationship with cultural environment of the host destination, availability of resources and their relationship to the supply of the product, its marketing and above all, the readiness of the host country to welcome foreign tourists.

While going into various aspects of tourism product and its promotional and marketing techniques, I have suggested a few fundamental issues to be considered seriously. The first thing is that the share of developing countries in international tourism is very small. Only 7% of the total international traffic touches the countries of Africa, Asia and Australia. 93% of international tourism of a total of 220 million visitors is confined to Europe and North America. Two-thirds of the total tourist traffic in the world is limited to Europe. India has to increase its share by offering attractive holiday packages. The second question is the need of a rational blend of the demand for tourist facilities of very high standard. Thirdly, tourism, to our way of thinking, is not only an economic activity of importance to national development but also an important medium of cultural exchange among nations of the world. It
is time for us to understand the important role of tourism as a means of social education and social mobilization in the country itself, as a cementing force for fostering better understanding among nations of the world for developing closer cultural and business relations and as a significant in world peace.

**ROLE OF INDIA TOURISM DEVELOPMENT CORPORATION IN THE PROMOTION OF TOURISM IN INDIA:**

In the context of the above analysis need for analysing the role of India Tourism Development Corporation in the promotion of tourism in India is imperative. Basically this organisation is meant for providing various types of services like hotels, catering, transport services etc. Wherever tourism industry want to open a new circuit for tourists point of view, it is India Tourism Development Corporation which fulfills all the required facilities from tourism point of view. It is in this context that the subject matter of this thesis has been discussed in the following chapters.

In the first chapter, it is observed that Government has not accorded tourism the status of an industry. Tracing the past history the author feels that India with hundreds of attractions ranging from the snow-clad mountains of the north and north east to beautiful sea beaches on its west and south coast, richest ancient cultural heritages
depicted in the temples of the South and the Central parts of the country, palaces, forts and monuments spread in all states and Union territories, has much to offer a foreign visitor in his pursuit of knowledge.

The second Chapter, is devoted to examine the Economic Aspect of Tourist Infrastructure. The country needs a well-developed tourism infrastructure to take care of the growing urge on the part of its people to travel from their environment to the other parts of the country. The author disclosed that to attain target of 2.5 million tourists from abroad by the year 1990, an adequate infrastructure must be created in the country. Hence the strengthening of a country's economic infrastructure with due regard to accommodation, transport and communication, the supply of water, electric power, the provision of health, education and public services, is frequently a priority task in development planning.

One should not hesitate in attracting Private Sector investment in building up tourist infrastructure. Private sector must come forward and make its due contribution in the promotion of tourism by joining hands with the Public sector in providing a stable infrastructure for this highly employment-oriented and foreign exchange earning industry. It is presumed that by 2000 A.D. the India Tourism Development Corporation expects 50 lakh tourist and the earning of foreign exchange is being estimated to the tune of Rs.10,000 crore. The study reveals that tourism has reduced the trade
deficit by contributing heavily to the balance of payments, correcting regional imbalances, dispersing the socio-economic benefits of tourism.

In the light of the above findings the Third Chapter examines the Impact of Tourist Industry on National Economy. The study reveals that this modern industry, still to be recognised as such by the Central and State Governments, has proved the second largest foreign exchange earner for the country with Rs. 1300 worth crore foreign exchange earned during 1985, next only to Engineering Goods Industry earnings Rs. 1800 crore. Hence the questions posed below with their answers disclose the fact that tourist investment has raised Indian economy to a large extent. For instance (i) Does a unit of capital invested in tourism create more or less employment and income, and earn more or less revenue, than it would if it were invested elsewhere in the economy? (ii) what is the foreign exchange cost of obtaining the export earnings, and how does it compare with the cost in other export industries?

Measuring the output resulting from tourism it is concluded that the smaller the import contents of tourists expenditure, the greater are not only the net receipts of foreign exchange but also the creation of income (gross domestic or national product at market prices) resulting directly from the tourist expenditure. Similarly it has been examined that Government Revenue from international
Tourist has been gradually increasing. Where tourism bulks large in the formation of the domestic product it tends also to contribute a high share of total tax revenue in which case the tourist sector is apt to be one of the principal source of development financing. Finally tourist industry has been yielding good dividends and growing well. The study reveals whether our national economy is moving upward and if so to what extent.

The Fourth Chapter critically analyses the Contribution of India Tourism Development Corporation in the Growth of tourism in India. After independence the restructuring of India Tourism Development Corporation was done to give it more vigour, power and stability so that it may take up independent planning for its all round growth of tourism in India. Initially the authorised Capital of India Tourism Development Corporation was only Rs. 5 crores but after 18 years of its devoted service it has been increased to 60 crores which shows a rise of 12 times in the authorised capital. To ensure financial stability of the corporation, it took a number of measures like restructuring and strengthening of the divisions set up, aggressive marketing, product improvement and cost control.

In the Fifth chapter, the author has discussed Travel Agencies as an Aid to Tourism Promotion. The objectives of the Travel Agents Association of India is to provide assistance to its members in professionalism of the tourism and
safeguard the travelling public from exploitation by unscrupulous and unreliable operators. Travel agencies are the main constituent and vital segments of tourism promotion. Travel Agents has to promote tourist traffic in the country to earn much needed foreign exchange.

Finally, in the Sixth Chapter, entitled Tourist Facilitation and Travel Barrier, some specific travel barriers faced by domestic and foreign tourists have been examined. In the light of the findings, some suggestions have been made to overcome these barriers. Tourists are unnecessarily harrassed inspite of proper documentation which they possess i.e. Passport, Visa, Emigration clearance and other related documents. Due to such harassments the tourists are victim to mental and physical torture. As a result of this they somehow or the other wind up their tour and go back to their home land with a heavy heart. For this reason the author suggests that the development of facilities in tourism is the vital need. Problems like issue of temporary visas, cutting the time of Clearance at the airport, doing away with harsh luggage rules and checking, provision of satisfactory taxi service at reasonable rates from airport to the hotel and also for local travel, shopping and sightseeing etc., and adequate hotel and accommodation to meet such large numbers must be provided in the country.