

## **Evolution of Tourism Policy in India: An overview**

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**ABSTRACT:-** Tourism is a most desirable human activity which is capable of changing the socio-cultural, economic and environmental face of the World. Tourism is one of the largest and fastest growing industries in the world; it has the potential to influence the living pattern of communities. It is one of the most important channels of cultural exchange which breaks down the barriers between people of different parts of the world. It is the collection of activities, services and industries that deliver a travel experience including transportation, accommodation, eating and drinking, establishments of retail shops, entertainment, business and other hospitality services provided for individuals or groups travelling away from home.

India is a diverse Country, with over 1.3 billion people following various culture, tradition, languages, festivals, religion etc. Equally diverse are the category of tourism activity that India offers to her people as well as to the people across the world. Such diversity owe largely to the geographic, climatic and traditional multiplicity seen in India's twenty-nine states and seven union territories. In India tourism sector was considered as an important sector only after the Independence and government has introduced various schemes and plans for its development. The policy intervention in tourism development is quite apparent.

**Key Words:** *Tourism, Economic Development, Employment, Income, Policies.*

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### **I. INTRODUCTION**

Development of tourism industry requires tourism planning. Tourism Planning leads to tourism development. Tourism Planning is the process for tourism development. Planning refers to methods and means used in making decisions about the future. Tourism Planning helps in problem solving and arriving at decisions which help planner in achieving desired objectives. Planning for tourism is very crucial. Several Countries of the world, especially the developing countries have lately realized the importance of tourism and benefits which it brings out. The use of macroeconomic planning techniques for tourism sector are relatively new. The use of macroeconomic planning methods for national economic development which have been largely utilized since the end of world war second, did not always cover tourism development as a particular field. The increasing significance of tourism as a source of income, employment generation, regional development, foreign exchange and major factor in balance of payment for many countries has been attracting the attention of many government as well as others with an interest in economic development.

#### **Tourism Policy in India**

Tourism emerged as the largest global industry of the 20<sup>th</sup> century and is projected to grow even faster in the 21<sup>st</sup> century. India has immense possibilities of growth in the tourism sector with vast culture and religious heritage, varied natural attractions, but a comparatively small role in the world tourism scene. Tourism policy strengthens the tourism sector and envisages new initiatives towards making tourism the catalyst in employment generation, environmental regeneration, development of remote areas and development of women and other disadvantaged groups in the country. It would lead to larger foreign exchange earnings and create conditions for more foreign direct investment.

#### **Origin of Tourism policy in India**

Tourism planning in India was started after Independence. The conscious and organized efforts to promote tourism in India were made in 1945, when a committee was set up by the Government under the leadership of Sir John Sargent, then Educational Adviser to the Government of India (Krishna.A.G. 1993). Thereafter systematic tourism development took place in India. The tourism planning approach has been evolved in Second and Third five year plans. The sixth five year plan emphasizes tourism as an instrument for economic development, integration and maintains social harmony. After 1980s tourism activity gained momentum as employment generator, source of income, foreign exchange earnings and as a leisure industry. The government has taken several significant measures to promote tourism industry.

### **Tourism policy 1982**

The First Tourism policy was announced by the Government of India on November 1982. The mission of First Tourism Policy was to promote sustainable tourism as means of economic growth, social integration and to promote the image of India abroad as a country with a glorious past, a vibrant present and a bright future. Policies to achieve this will be evolved around six broad areas such as Welcome (Swagat), Information (Suchana), Facilitation (Suvidha), Safety (Suraksha), Cooperation (Sahyog) and Infrastructure Development (Samrachana). This policy also gives importance to conservation of heritage, natural environment, development and promotion of tourist products.

The objectives of tourism development are to foster understanding between people, to create employment opportunities and bring about socio-economic benefits to the community, particularly in the interior and remote areas. It also strives towards balance, sustainable development and preserve, enrich and promote India's cultural heritage. One of the major objectives is the preservation and protection of natural resources and environment to achieve sustainable development.

Given the low cost of employment creation in the tourism sector and the low level of exploitation of India's tourism potential, the new tourism policy seeks to expand foreign tourist arrivals and facilitate domestic tourism in a manner that is sustainable by ensuring that possible adverse effects such as cultural pollution and degradation of environment are minimized.

The New Tourism Policy also aims at making the stay of foreign tourists in India, a memorable and pleasant one with reliable services at predictable costs, so that they are encouraged to undertake repeated visits to India, as friends. This would tune with India's traditional philosophy of giving the highest honor to a guest (Athithi devo bhava).

### **Highlights of tourism policy 1982:**

1. The policy emphasis that development of tourism is connected to central, state and district level, public sector and private sector.
2. The policy encourages individuals to participate in tourism development and also create interest in local youth.
3. The policy encourages public private partnership for tourism growth.
4. Realizing that tourism is a multi -sectoral activity the policy ensures inter-governmental linkages and co-ordination.
5. The policy states that tourism development depends on private sector. Private sector has to build and manage tourist facility, preserve it, maintain it, involve local community, build security etc to develop tourism.
6. The role of voluntary agencies and volunteers in tourism development is recognized by the policy.
7. The policy implies to facilitate larger funds to tourism infrastructure.
8. The policy recognizes that high quality standards in services, hotels and tourism related industries are required of foreign investment.
9. The policy suggests giving priority to technological advancement especially to information technology.
10. The policy suggests for safety and security of tourism sector.
11. Through government agencies the policy provides facilities like obtaining visas, immigration checks, fees etc.
12. The policy creates tourism economic zones, circuits and tourism areas.
13. The policy introduces prospective plans, conservation of natural environment and cultural heritages, cost effectiveness etc.

In brief this policy has succeeded in providing a strong policy foundation for Tourism Development in the country focusing on co-ordination of all tourism related activities, Public Private Partnership, Voluntary Organizations, Infrastructure Development, Foreign Direct Investment, Information Technology, Creation of Tourism Economic Zones and Sustainable Tourism development.

### **Inclusion of Tourism sector in the Concurrent list of the Constitution of India:**

Tourism was recognized as an industry by the Planning commission of India in June, 1982. Tourism as a separate subject does not find a place in the Seventh Schedule of the Constitution of India even though a number of its components are either in the Union List, State List or in the Concurrent List. Under the new Policy, Tourism will be placed in the Concurrent List as such a step will provide a Constitutional recognition to the tourism sector and help in channelizing development of tourism in a systematic manner by enabling the Central Government to bring in legislation governing the activities of various service providers in the tourism sector. Inclusion of Tourism sector in the Concurrent List of the Constitution of India is very important milestone of the first tourism policy.

### **National Committee on Tourism:**

In June 1986, the planning Commission of India set up the National Committee on Tourism to prepare perspective plan for tourism sector. The Committee headed by Mr. Mohammed Yunus, submitted its recommendation in November 1987. Mr. Mohammed Yunus report recommended that the existing Department of Tourism would be replaced by a National Tourism Board and create separate cadre on Indian Tourism Service to look after the functioning of the National Tourism Board. It also submitted proposal for partial privatization of the two airlines owned by Government of India.

By September 1987, the Central Government declared more concession for the tourism sector, which included the tax exemption on foreign exchange earnings from tourism (50% reduction on rupee earning and a 100% reduction on earning in dollars), drastic reduction of tariff on imports of capital goods and concessional finance at the rate of 1 to 5% per annum. The Tourism Development Finance Corporation was set up in 1987 with a corpus fund of Rs.100 Crores. Until then tourism sector was financed on commercial lines by the Industrial Development Bank of India, Industrial Credit and Investment Corporation of India and other Commercial banks.

### **Tourism policy Under Seventh five year plan:**

Indian tourism planning increased with the seventh five year plan (1985-1989). The various policies advocated by the seventh five year plan for tourism planning in India are:

1. To promote aggressively domestic tourism.
2. It laid stress on creating more beach resorts.
3. To conduct conferences, trekking conventions and winter sports so that various options are available to the foreign tourists.

These policies of the seventh five year plan in India gave a boost to the tourism planning in India.

### **Tourism policy Under Eight five year plan:**

To encourage tourism planning in India, Eighth Five year plan (1992-1997) emphasized that the private sector should increase its participation in the tourism sector. Union government had provided various facilities for the development of tourism sector, which included the announcement of the National action plan for the tourism in 1992. National Action plan for Tourism was announced in May, 1992. The objectives of this action plan for planning in Indian tourism were:

1. To develop the tourist areas socially and economically.
2. To increase employment opportunities in tourism sector.
3. To develop domestic tourism for the budget or economy category.
4. To preserve the environment and national heritage.
5. To encourage international tourism.
6. To increase India's share in world tourism.
7. To diversify tourism product.

The various policies advocated by the eighth five year plan for tourism planning in India, are related to development of tourist places, winter sports, beach resorts, wildlife tourism, restoring the project of national heritage and providing economy class accommodation in tourist centers. The eighth five year plan emphasizes that the expansion of tourism sector is only through private sector participation. The thrust areas as enumerated in the plan includes development of selected tourist places, diversification from cultural related tourism to holiday and leisure tourism, development of trekking, winter sports, wildlife and beach resort tourism, exploring new source markets, restoration of national heritage projects, launching of national image building, providing inexpensive accommodation in different tourist centers, improving service efficiency in public sector etc. In April 1993, the Government announced further measures aimed at export promotion. The existing Export Promotion of Capital Goods Scheme (EPCG) was extended to tourism and related services. The first ever Indian Tourism Day was celebrated on January 25, 1998.

### **National Tourism policy 2002:**

Announcement of National tourism policy 2002 by the Government of India is a mile stone in tourism planning in India. This tourism policy 2002 is based on a multi faced approach, which includes faster or speedy implementation of tourism project development of integrated tourism circuits, capacity building in the hospitality sector and new marketing strategies. Main aim of National tourism policy 2002 is to position tourism as a major driver of economic growth. Government tries to achieve this aim by promoting domestic and international inbound tourism, developing tourist infrastructure, developing new destinations, promoting of agro rural tourism, new tourist circuits, and public private partnership. Main areas emphasized by the Government of India, in national policy 2002 are:

- i. Tourism product or destination development: National policy 2002 emphasized to promote existing tourism product and destination. For the development of tourism product and destination development, central Government provided assistance to the state Government and large projects have been funded.
- ii. Integrated development of tourist circuits: Central Government provided funds to the state government to develop tourist circuits to international standard.
- iii. Assistance for large revenue generating projects: This policy emphasized private public partnership to undertake large revenue generating projects like convention centre's, golf courses, cruises and tourist trains, which are used by tourists and provides large revenues to the state.
- iv. Support for private public partnership in infrastructure: This policy realized that private financial resource as well as technology and managerial talents are required for tourist infrastructure development. Therefore Government gives financial support to conduct study tour in India, fairs or exhibitions in abroad, publicity etc.

#### **Tenth five plan initiatives for tourism (2002-2007):**

Tenth five year plan working within the National Tourism Policy 2002, promoted skill building by promoting training programmes in hotel and food industries. Tenth five year plan promoted adventure tourism in the Himalayas, beach tourism in costal line. Wellness tourism included traditional health practice like Ayurveda, shopping centre's for traditional crafts and pilgrimage spots.

#### **Eleventh five year plan initiatives for tourism (2007-12):**

The Eleventh five year plan has allotted more funds for tourism development. With the extension of national tourism policy 2002, eleventh five year plan tries to promote partnership between the central, state government and private sectors. There are some of the areas selected for funding which includes Srirangam, Vellore fort (heritage destination), the beach at Pudacherry and Chennai (sea tourism), Wayanad in Kerala, the Udhagamandalam, Madumalai, Anaimalai circuits in Tamil Nadu (Eco-tourism), Jammu and Kashmir and North eastern states have given special attention and also tries to diversify the sources of tourism marketing.

#### **Government initiatives:**

The Ministry tourism undertakes various initiatives to promote tourism in the country. This includes:

##### **Infrastructure Development:**

Adequate infrastructure facilities are vital for the tourism development. Ministry of Tourism has been making efforts to develop quality tourism infrastructure at tourist destinations and circuits. The Ministry has launched a scheme for development of nationally and internationally important destinations and circuits through Mega Projects. Infrastructure development schemes for tourism in India are:

1. Tourism product or infrastructure and destination development.
2. Integrated development of tourist circuits.
3. Assistance for large revenue generating project.
4. Capacity building for rural tourism.
5. Public private partnership in infrastructure development.
6. Tourism market development for domestic tourism.

##### **Marketing and promotion initiatives:**

Government of India initiated number of measures to promote tourism marketing and the important marketing and promotion initiatives are:-

##### **Incredible India Campaign:**

Incredible India Campaign was introduced by the Government of India in 2002 to promote India as an ultimate tourist destination on the world tourism map. Incredible India campaign was conducted globally to attract tourists to the country. It projected India as an attractive tourist destination by showcasing Indian culture, history, spirituality and yoga.

##### **Atithi Devo Bhavah:**

Atithi Devo Bhavah is a programme conducted by the Government of India to complement the Incredible India Campaign. Main aim is to create awareness about the effect of tourism and sensitize people about our country's rich heritage, culture, cleanliness and warm hospitality. Atithi Devo Bhavah is a seven point's programme of hospitality and training. Components of Atithi Devo Bhavah are

- Samvedan sheelth or Sensitization.
- Prashikshan or Training induction.

- Preran or Motivation.
- Pramani karan or Certification.
- Pratipusthi or Feedback.
- Samanya Bodh or General awareness.
- Swamitwa or Ownership.

#### **Visit India 2009:**

The main vision of Visit India 2009 campaign was to boost the inflow of visitors and tourists after the terror attacks in Mumbai in 2008 as well as global economic crises. The programme was jointly announced by the Ministry of Tourism and World Travel and Tourism Council. This scheme was valid from April to December 2009 and had the support of the hospitality sector, tour operators, and travel and airlines companies.

#### **Different tourism products:**

Government of India introduced several tourism products such as rural tourism, cruise tourism, adventure tourism, medical tourism, open sky policy etc.

#### **Foreign direct Investment:**

Government of India allowed 100% Foreign Direct Investment in hotels and tourism industry. Hotels refer to restaurants, beach resorts and other tourist complexes providing accommodation and catering facilities to the tourists. Tourism industry includes travel agencies, tour operating agencies, tourist transport operating agencies and facilities for cultural, adventure and wild life experience, surface, air and water transport facilities, leisure, entertainment, sports, health and convention etc.

During the Eleventh five year plan (2007-2012) there was a distinct shift in the approach of tourism development as compared to previous plans. The vision for the tourism sector for the 11th FYP was 'to achieve a superior quality of life through development and promotion of tourism which would provide a unique opportunity for physical invigoration, mental rejuvenation, cultural enrichment and spiritual elevation'. This vision for tourism development was proposed to be achieved through the following strategic objectives.

- a) Positioning and maintaining tourism development as a national priority.
- b) Enhancing and maintaining India's competitiveness as a tourism destination.
- c) Improving and expanding product development.
- d) Creating world class infrastructure.
- e) Drawing up effective marketing plans and programmes and
- f) Developing human resources and capacity building of service providers.

#### **Tourism development schemes during the Eleventh Five Year Plan**

Several plan schemes were introduced during the eleventh five year plan period to achieve the targets. To accomplish the targets set forth in the 11th FYP the Ministry of tourism implemented the following schemes during 2007-2012.

- ❖ Product Infrastructure Development for Destination and Circuits (PIDDC)
- ❖ Overseas Promotion and Publicity Including Market Development Assistance
- ❖ Domestic Promotion and Publicity
- ❖ Assistance to Large Revenue Generating Projects
- ❖ Incentives to Accommodation Infrastructure
- ❖ Creation of Land Banks
- ❖ Assistance to Central Agencies
- ❖ Market Research including Twenty Years Perspective Plan.
- ❖ Computerization and Information Technology

As per the 11th Plan document of the Planning Commission, "Tourism is the largest service industry in the country. Its importance lies in being an instrument for economic development and employment generation, particularly in remote and backward areas". During 11th Five Year Plan efforts were made to harness the full potential of tourism sector by improving the tourism infrastructure, popularizing further by the Incredible India Campaigns in foreign countries, promoting niche products such as MICE, Health and Wellness centers, adventure tourism etc.

#### **Tourism policy under 12<sup>th</sup> Five year plan**

12th five year plan (2012-2017) introduced a new dimension to the contribution of tourism. The plan highlights the need to adopt a 'pro-poor tourism' approach aimed at increasing the net benefits to the poor from tourism and ensure that tourism growth contributes to poverty reduction. The approach paper also underpins the need to develop a comprehensive set of strategies for a diverse set of actions, from macro to micro level,

including product and infrastructure development, marketing, branding and promotion, planning, policy and investment. The Approach paper to 12th Five Year Plan, prepared by Planning Commission, highlights the following regarding tourism sector.

- I. Along with construction, Tourism is one of the largest sectors of the service industry in India. It is capable of providing employment to a wide spectrum of job seekers from the unskilled to the specialized, even in the remote parts of the country.
- II. Tourism and Hospitality are diverse industries, being a collection of activities, comprising transportation and accommodation, eating and drinking establishments, retail shops, entertainment businesses and other hospitality services provided to individuals or groups travelling away from home for leisure, business or other purposes. The broad scope of economic activities involved in tourism enables wide participation in its growth, including the participation of the informal sector.
- III. The interaction of tourists, business suppliers, host governments and host communities in the process of attracting and hosting the tourists and other visitors, gives rise to both demand for, and supply of, a wide range of tourism related goods and services. Therefore, tourism has good potential to stimulate overall economic growth.
- IV. In 1992, the 'Earth Summit' in Rio established the triple principles of Environment, Economic and Social sustainability. Since then, the principles of sustainable tourism have been adopted by the tourism industry worldwide. In India, the tourism sector is based on exploiting its unique endowments of biodiversity, forests, rivers, and its rich culture and heritage. The challenges in this sector lie in successfully preserving these in their original form, and making them accessible to domestic and international travelers. Tourism in India has the potential to create economic interest of local communities in the protection of its natural and cultural endowments leading to a more sustainable growth.

#### **Various Targets for Tourism Sector in 12th Five Year Plan:**

As Tourism Sector is one of the major component of the service sector in India, its growth targets have to be linked to the targeted growth of service sector during the 12th Five Year Plan. Indian economy is expected to grow at the rate of 9%. To achieve this, services sector as well as the tourism sector have to grow at the rate of 12% per annum. For improving the growth in tourism sector, the following targets have been fixed for Foreign Tourist Arrivals (FTAs) and Domestic Tourism.

- ✚ Increase India's share of International Tourist arrivals to at least by 1% by the end of 12th Plan - requiring an annual growth of 12.38% during 2011- 2016.
- ✚ Provide adequate facilities for domestic tourism to sustain the growth of 12.16% during 12th Plan (2011 to 2016).
- ✚ Using the data on share of tourism in the total jobs in the country available from Tourism Satellite Accounts (TSA) for 2002-03. It was estimated that the total number of jobs (direct and indirect) in the tourism sector in 2016 is going to be 77.5 million as compared to 53 million in 2010. 24.5 million (Direct and Indirect) employment is likely to be created during 2010 to 2016.
- ✚ Based on the study commissioned by ministry of tourism the estimated employment in 2012-13 was 43.84lakh and could reach 63.79lakh in 2016-17.

## **II. CONCLUSION**

Tourism development and Tourism policy are closely interrelated aspects. Tourism development largely depends on tourism policy. Tourism is a very important segment of an economy. Economic development of any nation, whether developing, developed or underdeveloped country is significantly influenced by tourism sector. Therefore every country in the world has formulated number of tourism policies for the development of tourism sector. Indian Government also has undertaken number of initiatives to attract both domestic and foreign visitors. Expansion of tourism infrastructure, development of tourism spots, evolution of new tourism products Public Private Partnership are a few measures. In post independent period Government of India, Department of Tourism has introduced number of policies for the development of tourism sector in India. Tourism was recognized as an industry by the Planning commission of India and was included in the Concurrent List of Indian constitution to provide Constitutional recognition to the tourism sector and help in channelizing development of tourism in a systematic manner by enabling the Central Government to bring in legislation governing the activities of various service providers in the tourism sector. As a result tourism sector is increasing rapidly attracting a large number of visitors towards India and generating large employment and income earning opportunities.

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