

TOURISM DEVELOPMENT IN INDIA UNDER THE FIVE YEAR PLANS

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Abstract

Tourism planning leads to tourism development. In fact, tourism planning is the process for tourism development. In general terms, planning refers to methods and means used in making decisions about the future. Planning not only guides actions to be taken in future but also helps in problem solving and arriving at decisions which help planners in achieving desired objectives. Planning is not static but dynamic and guides future actions. Tourism planning process involves creating a future that is acceptable to the host community as also to others who would be part of the host community as tourists for a short period of time. To make a tourism plan work, Government has to create a favourable climate for investment through regulations and fiscal measures. Since most private investors would expect a reasonable return on investment, should be special financial incentives are necessary to make tourism investment attractive. A tourism project needs to be assisted at two stages: first at the time of making investment and subsequently at the operational stage. Participation in the development of a tourism plan by government may be more.

The Government of India has formulated several plans, which have been already successfully implemented. Along with the government, various associations are involved in activities relating to planning and development of travel and tourism. In India the National Tourism Administration is the Department of Tourism and culture. The country Government of India takes several steps time for the development of tourism industry. Many national tourism policies are drafted committees are formed and action plans are formed and actions plans are adopted in this regard.

Keywords: Five year plans, Tourism, Budget, Travels, Development.

INTRODUCTION

Tourism planning leads to tourism development. In fact, tourism planning is the process for tourism development. In general terms, planning refers to methods and means used in making decisions about the future. Planning not only guides actions to be taken in future but also helps in problem solving and arriving at decisions which help planners in achieving desired objectives. Planning is not static but dynamic and guides future actions. Tourism planning process involves creating a future that is acceptable to the host community as also to others who would be part of the host community as tourists for a short period of time. Since tourism involves hospitality, the planning for various tourism facilities must be based on the needs of the guests. In this paper an attempt is made to discuss under the five year plans in Govt planning India

GOVERNMENT'S ROLE IN PLANNING OF TOURISM

To make a tourism plan work, Government has to create a favourable climate for investment through regulations and fiscal measures. Since most private investors would expect a reasonable return on investment, should be special financial incentives are necessary to make tourism investment attractive. A tourism project needs to be assisted at two stages: first at the time of making investment and subsequently at the operational stage. Participation in the development of a tourism plan by government may be more. Attractive to investors, if the government offers direct financial subsidy.

Some governments recognize tourism as an export industry, as in India and offer same fiscal benefits and incentives as are available to other export industries. These include duty free import of equipment required for tourist services or reduction in customs duty or their waiver. The government can also make tourism investment attractive by giving tax relief at the operational stage to improve profitability. No tax for the first 2 to 5 years.

The first step in development of tourism in India was the setting up of the Sargent Committee in 1945. The Committee recommended a separate department of tourism at the centre level with regional offices. In 1948, an Adhoc committee was constituted under the Transport Ministry.

However, in 1949 Government of India set up a tourist traffic branch under the Ministry of Shipping and Transport with a view to increase tourist traffic in India. In 1958, a separate Department of Tourism was established under the Ministry of Transport and Communication. Jha Committee in 1963 was constituted with a view to examine the prevailing conditions for promoting tourist traffic; to access the basic requirement for tourists in respect to hotel accommodation, transportation etc and to recommend necessary measures for the expansion of tourist traffic and to protect the breakage of foes. The committee pointed out the downward trend in tourism was due to two reasons: (a) Chinese Aggression, (b) Declaration of Emergency. The committee suggested 15 points plan for certain organizational changes and other measures to improve the existing tourist trend. The committee also recommended that public sector in tourism should play a vital role. During 1965-66 three public sector corporations were corporation called Indian Tourism Development Corporation Ltd. In March, 1967, Department of Tourism and Civil Aviation was separated and converted into Ministry of Tourism.

The Government of India has formulated several plans, which have been already successfully implemented. Along with the government, various associations are involved in activities relating to planning and development of travel and tourism. In India the National Tourism Administration is the Department of Tourism and culture. The department of Tourism and Culture coordinates with various departments of the Government in tourism-related activities.

The functions of the Ministry cover both promotional and organizational activities under the following divisions:

- Planning and programming
- Publicity and conference.
- Travel trade
- Hospitality and accommodation.

Table-1 Particulars of the some Five year plans Allocations (Rs. Lakhs & Crores)

Five year plans	Time period	Plan Allocation in (Rs)
1 st	1951-1956	0.00
2 nd	1956-1961	336.38 Lakhs
3 rd	1961-1966	800 Lakhs
	1966-1967	58.50 Lakhs
	1967-1968	87.65 Lakhs
	1968-1969	183.81 Lakhs
4 th	1969-1974	36 Crores
5 th	1974-1979	133 Crores
6 th	1980-1985	187.46 Crores
	1985-1990	326.16 Crores
	1990-1991	83 Crores
	1991-1992	90 Crores
8 th	1992-1997	773.62 Crores
9 th	1997-2002	793.75 Crores
10 th	2002-2007*	2900 Crores
11 th	2007-2012**	3112.71 Crores
	Revised***	5156

Source;* *Tourism in India Planning and Development*⁴, ** *International*

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TOURISM PLANNING IN INDIA

India adopted a policy of development through planning in 1951-56 when the first five-year plan for development of Indian economy was drafted by the newly established Planning Commission. Although tourism activity had started in a modest way in the early fifties in India, the planning Commission did not take note of it till the Second Five Year Plan (1956-61). A modest provision of Rs.336 Lakhs was made in the plan for development of tourist infrastructure for a five-year period within central and state sectors. In the fifties, there was little awareness in the country of the economic or social significance of tourism. Development had to begin with the provision of basic infrastructure, especially at important places of tourist interest where there were little or no facilities.

The plan was divided into three parts. Part-I schemes dealt with the development of accommodation at places of the international tourist interest, Where foreign tourists could be "attracted. The expenditure on-such projects was incurred totally by the central government.

Part-II schemes included development of tourist facilities at places of interest of domestic tourists, which could also interest overseas visitors. On such projects, the central government met half the expenditure and the state met the rest.

Part-III scheme included projects which were primarily of domestic interest and were financed by the State governments. A number of tourist bungalows were constructed all over the country under the Part-I scheme, now named "Travellers Lodges" and some of them are still managed by the Indian Tourism Development Corporation (ITDC). Most accommodations built under Part-I scheme were transferred to the States.

In the Third Five Year Plan (1961-66) this practice was continued resulting in a network of tourist facilities in areas where none existed before. Bodh Gaya, Khajuraho, Bhubaneswar, Konark, Mahabalipuram, Sanchi, Tiruchirapalli, Kanchipuram, Madurai and several other places were provided basic facilities acceptable to foreign tourists.

The Fourth Five Year Plan (1969-74) document recognizes tourism as an important means of earning foreign exchange, with an ample scope for employment generation. It further elaborates the role of tourism in international relations and accepts it as an important tool for international contacts and understanding with an emphasis on development.

During the IVth plan period the allocations for tourism were increased to Rs. 36 corers from Rs. 8 core in the IIIrd plan. Out of this Rs. 25 crores were meant for central programs and Rs. 11 crore for states and Union Territories. The provisions in the central plan included a sum of Rs. 11 core for the programs to be executed by ITDC. The programs for the central department of tourism were mainly concerned with lending loans to the industry. The main emphasis was on hotels in the private sector, tour operators and tourist taxi operators. Provisions were also there for integrated development of selected tourist centres. The programs of the ITDC provided for constructions of hotels, motels and cottages. It also included provisions for renovation and expansion of tourist bungalows, setting up of transport units and duty free shops.

In the state plans provisions were made largely for construction of low income rest houses, development of tourist centres and above all the publicity material was a top priority. During this plan the actual expenditure incurred for tourism development by the states and union territories was more than what the allocations were. Against a total allocation of Rs. 11 crore for states and Union Territories the expenditure incurred was Rs. 12.79 cores.

By the time Fifth Five Year Plan (1974-79) was launched tourism had established itself as an important means for development. World over the phenomenon was gaining momentum and had received recognition among the top most developing industries. With the advancements in technology the transport system received a boost and an increased traffic resulted in reduced international airfares. With a view on future development of tourism the Vth plan laid down the investment priorities on:

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

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

The total allocations for tourism sector in the Vth plan were Rs.133 crores. Out of this Rs.78 crores were for central sectors and Rs.55 crores were for states and union territories. The funds in the central sector were divided between department of tourism and ITDC in the ratio of 44::34 crores respectively.

The **Sixth Five Year Plan(1980-85)** envisaged very high targets of tourists - 1.7 million by 1985 and 3.5 million by 1990 - based on fifteen per cent annual growth of visitors to India - an impossible target. The targets, obviously, were highly exaggerated dreams which never materialised. For the first time in the sixth five-year plan, the Planning Commission recognised the importance of tourism in the following words: It is significant that many of these beneficial aspects of domestic and international tourism have special relevance to the socio-economic scene in India as emerging in the Sixth Plan period. Tourism also tends to give support to local handicrafts and cultural activities, both in urban and rural areas.

Having put forward the case for tourism convincingly the plan provided a meagre outlay of Rs. 187 cores for the period 1980-85 under the central and state sectors. This worked out to 0.18 per cent of the total plan - one of the lowest allocations for any sector. Two interesting concepts were introduced in the sixth plan - the concept of travel circuits and tourist villages. Sixty- one travel circuits were identified with 441 centres to be developed in the decade of the eighties.

The concept of Janata hotels, developed by the Janata government during the brief period they were in power, was given up in the new plan. The cost of building Janata hotels was not very different from better hotels. It was not possible therefore to offer low tariffs. There were, however, provisions to expand in the sphere of supplementary accommodation like youth hostels, tourist bungalows, and tourist lodges, etc. Some expansion did take place in this area.

Seventh Five Year Plan (1985-1990) - Focus on Outdoor Holidays. The concept of a large number of circuits gave place to the emphasis on outdoor holiday tourism - developing and strengthening infrastructure at beach and mountain resorts along with the normal activities of cultural tourism. India hoped to attract more people coming for an outdoor holiday. Financial allocations for the Department of Tourism of the central government were enhanced from one twenty- crore rupees in the sixth plan to Rs. 120 crore in the seventh plan. Similarly, allocations for the states were increased three hundred per cent.

Eighth Five Year Plan (1992-1997) - Development through Private Sector. The eighth five-year plan underlines the fact that 15 states and 3 union territories had already declared tourism as an industry -four more states had declared hotels as an industry. The plan recommended that other states may also accord similar priority to tourism. The thrust during the eighth five-year plan was through the private sector. State governments, however, were expected to -play a significant role in providing the essential infrastructure for tourism.

The total allocation for the eighth plan for tourism was Rs.990 crore of which Rs. 385 crore was earmarked for development of tourism infrastructure, Rs.315 crore for marketing and publicity, Rs. 100 crore for Tourism Development Fund; and Rs. 60 crore for manpower development through Hotel and Tourism Training Institutes. The plan also envisaged the establishment of an Institute of Water Sports in Goa at a cost of rupees 5 crore. An Institute of Mountaineering and Skiing had a provision of Rs. 4 crore. Domestic tourism hitherto ignored received attention of the central government with an allocation of Rs. 73 crore for its promotion. The Tourism Department Fund, a new scheme, envisaged the construction of tourist accommodation of all types and other tourism-related projects like establishment of golf courses, amusement parks, recreational and adventure sports activities with the help of the state governments.

The **Ninth Five Year Plan - 1997-2002** - for tourism is ambitious - it envisages an expenditure of Rs. 1000 corers on tourism development over the five-year period. Like the previous Plan, the 9th Plan expects the Government to act as a facilitator using the synergy of the private sector for developmental using tax concessions and other facilities as baits.

It also envisages the strengthening of India's tourist organization - and expansion of training facilities for human resource development.

The **Tenth Five Year Plan** the commencement of 10th plan has coincided with the National Tourism Policy 2002. The approach in the Xth plan towards tourism signifies a distinct shift from the approach adopted in the earlier plans. The approach takes a good look towards global status and trends in tourism, followed by their comparison in the Indian context. Recognizing India's vast potential for tourism as against a very thin global presence, the plan envisages cutting across all barriers and positioning India among the top achievers. To achieve this, plan articulates to look and develop the new trends in the global tourism. These trends include long haul travel, neighboring country travel, rural and ethnic tourism, wellness and health holidays, Senior Citizen's Tourism, Spiritualism, Ecotourism, Sports and Adventure tourism. While identifying all the barriers that hinder the growth and development of tourism in the country, the Xth plan attempts to

- Position tourism as a major engine of economic growth.
- Harness the direct and multiplier effects of tourism for employment generation, economic and rural development.
- Provide a major thrust to domestic tourism which will act as a spring board for growth and expansion of international tourism.
- Position India as a global brand to take advantage of the burgeoning travel trade with emphasis on the vast untapped potential of India as a destination.
- Acknowledge the critical role of private sector with government working as an active facilitator and catalyst.
- Create and develop integrated tourism circuits based on India's unique civilization, heritage and culture in partnership with states, private sector and other agencies.
- Ensure that the tourist to India feels "India within him" by making him physically invigorated, mentally rejuvenated, culturally enriched and spiritually elevated. To achieve all these objectives the 10th plan has suggested a five point strategy.

These strategic objectives are;-

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

The **Eleventh Five Year Plan**: During the 11th Five Year Plan, Ministry of Tourism has sanctioned an amount of Rs.3112.71 crore for 1991 tourism infrastructure projects, including rural tourism and human Resource development projects. Ministry of Tourism holds Prioritization Meetings with the States/UTs to identify, for funding the tourism projects. While prioritizing, projects involving construction and upkeep of wayside amenities along Highways/Roads leading to tourist destinations, cleanliness at the tourism sites, projects in backward areas, etc. are given due emphasis. To ensure the contribution of tourism in the development of remote and backward areas in the country, 2.5% of total plan outlay of Ministry of Tourism will be earmarked for tourism development in tribal areas. During 11th Plan, Ministry of Tourism was sanctioned a Plan outlay of Rs 5156 cr. Against this outlay, allocation during the first four years of the Plan period was Rs 4003 cr. Ministry has been able to utilize 99.23 % of the allocation during the first four years of the Plan.

12th Five Year Plan (2012-2017), MOT, GOI). Though the Working Group on Tourism for Eleventh Five Year Plan has recommended a target of 10 million international tourist arrivals by 2011, the Vision Document presently being drafted by Minister of Tourism MOT envisages achievement of this target by 2010.

As per this strategy, target for the year 2011 will be 10.25 million. This target is proposed to be achieved through diversification of principal source markets, improving the infrastructural facilities such as airports, roads, civic amenities at the tourist destinations, increasing the air seat capacity and connectivity, vigorous publicity, etc. For domestic tourism, the target to be achieved in 2010 and 2011 will be 725 million and 812 million respectively assuming an annual growth rate of about 12% over the level of 461 million domestic tourist visits in 2006. New forms of tourism like rural tourism, cultural tourism, adventure tourism, cruise tourism, MICE tourism, and medical tourism need to be taken up with renewed zeal and efforts. To achieve the above goals, suitable measures would be taken for:

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

CONCLUSIONS

Planning for tourism development started some 50 years ago when the effect of unregulated development became evident in countries like Spain and France. The World Bank, the World Tourism Organisation and the United Nations have shown concern over the degradation of environments and the impact of tourism on heritage and culture of host destinations through unplanned tourism. The government has since stepped in to introduce regulations concerning land-use, zoning density of population environments, design architecture, traffic circulation, etc., to make tourism good for local residents as well as visitors. Every destination has a carrying capacity and attempts are made through planning to ensure that no overcrowding is caused resulting in resentment among the local population. To achieve the best result tourism planning seeks

Government's plays an important role in tourism planning as private sector, which is motivated by profit alone cannot at the national level, the tourism planning process passes. Establishment of goals based in research. Market and resource analysis. Conceptual planning and approval thereof. Master planning, Staged implementation of the programmes. Evaluation direction and monitoring to ensure quality India was one of the late starters in tourism. Tourism became part of the Indian planning. Only the second five year plan, initially, tourism was a very minor part of the total plan various plans enabled the government of India to put up tourism infrastructure at tourist centres where none existed government also underflow some major projects like development of Ashoknagar resort at Gulmarg and a beach resort Kovalam in Kerala. In the eight five year plan tourism was recognised as a significant factor in bridging the balance of payment gap. In the eight plan tourism development was virtually left to the private sector under new government guidelines. To encourage development in the tourism. A number of economic and fiscal incentives have been offered to private entrepreneurs. Foreign quality has also been in tourism related projects including hotels.

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

Number of travel and tourism organisation are formed and approved, which cooperate and helped the tourism industry in growing and development. Indian Government is not playing a great role in promoting India as a brand and also no appropriate marketing strategies of India tourism is available in India as well abroad.

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