

Tourism Sector in Uttarakhand: A brief Overview after the State Formation

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Abstract

Tourism sector holds strategic importance in the Indian economy providing several socio economic benefits. Provision of employment, income and foreign exchange, development or expansion of other industries such as agriculture, construction, handicrafts etc. are some of the important economic benefits provided by the tourism sector. In addition, investments in infrastructural facilities such as transportation, accommodation and other tourism related services lead to an overall development of infrastructure in the economy.

Uttarakhand is rich in scenic beauty with healthy climate and ample avenues for adventure sports and eco-tourism. River rafting, trekking, rock climbing, camping etc. are emerging as serious tourism businesses. As per CSO data, this sector is a leading contributor to the service sector GDP of the state. This State is also known for sites of cultural and religious significance. According to Uttarakhand Development Report 2011, there is around 150% increase in income within a period of 10 years in this sector and is a consistently growing source of income. Therefore, wise approach in leveraging tourism can lead to a better job opportunity for local residents close to their home for which they may not have to migrate, and in a way will help in preserving the local culture and traditions, in turn nurturing and restoring the diversity of our country along with a major source of income and employment in places which don't fit the portfolio of giant enterprises.

Tourism in Uttarakhand is still in a discovering stage. Many sites are still lying untapped. The main problem in the development of the state is proper infrastructure to support sustainable tourism. Infrastructure facility currently available is very poor. Even several years after the creation of the state and despite the potential of all kinds of tourism, the state is not able to attract tourists because of the poor tourism infrastructure. In 2006, the total number of tourist's arrivals

was 19.45 million. In 2006, Uttarakhand has only 8.4 tourist rent houses per million tourists, 102.5 hotels and guest houses per million tourists and 337 beds available for every million tourists which are not sufficient.

In the absence of a planned and coordinated strategy of tourism development, the unlimited tourism potential of the State has, however, not been fully realized. Inadequate tourism infrastructure and government plan outlay have been substantially responsible for this as highlighted by this research paper.

Keywords: **Tourism Development, Tourism Infrastructure, Government Plan Outlay****❖ Background:**

The land of legends, Dev Bhoomi, Abode of Gods – by whatever name you call it, Uttarakhand lives up to all its sobriquets. It indeed is a state fit to be the home divinity, encompassing as it does lofty snow peaks overlooking heavenly meadows, gushing streams, holy rivers and lush fields. It is situated in west Himalayan zone and, has been traditionally known as a gold mine of herbs, medicinal and aromatic plants in the country. Though Uttarakhand has historically been a pilgrimage destination, it is fast gaining a reputation as a destination for adventure lovers. Its high peaks are an irresistible lure for mountaineers and trekkers.

❖ Objectives of the Study:

1. To examine the growth of tourism in terms of tourist arrivals in Uttarakhand.
2. To evaluate critically the infrastructural facilities required for the promotion of tourism.
3. To examine the Tenth and Eleventh five year plans and also the state government response in budget towards tourism sector.
4. To give some policy suggestions in this regard.

❖ Tourism Diversity in the State:

Pilgrimage: Pilgrimage has traditionally been a major segment of tourism in the State. Important Places of pilgrimage of different religions are located in the State. Among these Badrinath, Kedarnath, Yamunotri, Gangotri, Haridwar, Hemkund Lokpal, Nanakmatta, Meetha-Reetha Sahib, Piran Kaliyar, Punyagiri are some of the best known. Many important religious yatras, of which Nanda Devi Raj Jat and Kailash Mansarovar Yatra are the most popular, also take Place in the State. There are several other Places of pilgrimage like Panchbadri, Panchkedar, Panchprayag, Patal Bhuvaneshwar etc., which need to be developed on a priority basis.

Cultural Tourism: The State has a rich and vibrant cultural heritage. There are innumerable local fairs and festivals like Jhanda Mela (Dehradun), Surkanda Devi Mela (Tehri), Magh Mela

(Uttarkashi), Nanda Devi Mela (Nainital), Chaiti Mela (Udham Singh Nagar), Purnagiri Mela (Champawat), Piran Kaliyar Mela (Haridwar), Joljivi Mela (Pithoragarh) and Uttarayani Mela (Bageshwar); which are indicative of the immense potential for cultural tourism in the State.

Natural Beauty: The Queen of the Hills, Mussoorie, the Lake District of India - Nainital, Kausani, Pauri, Lansdowne, Ranikhet, Almora, Pithoragarh, Munsyari and many more attractive tourist destinations like Binsar are part of the State.

Adventure Tourism: The State is a paradise for adventure sports. The sheer variety ranging from mountaineering (Bhagirathi, Chowkhamba, Nanda Devi, Kamet, Pindari, Sahastrataal, Milam, Kafni, Khatling, Gaumukh), trekking, skiing (Auli, Dayara Bugyal, Munsyari, Mundali), skating, water sports (in all the lakes and rivers in the State to aero sports like hang gliding, para gliding (Pithoragarh, Jolly Grant, Pauri) make the State one of the most attractive destinations for adventure sports not only in India but in the world over.

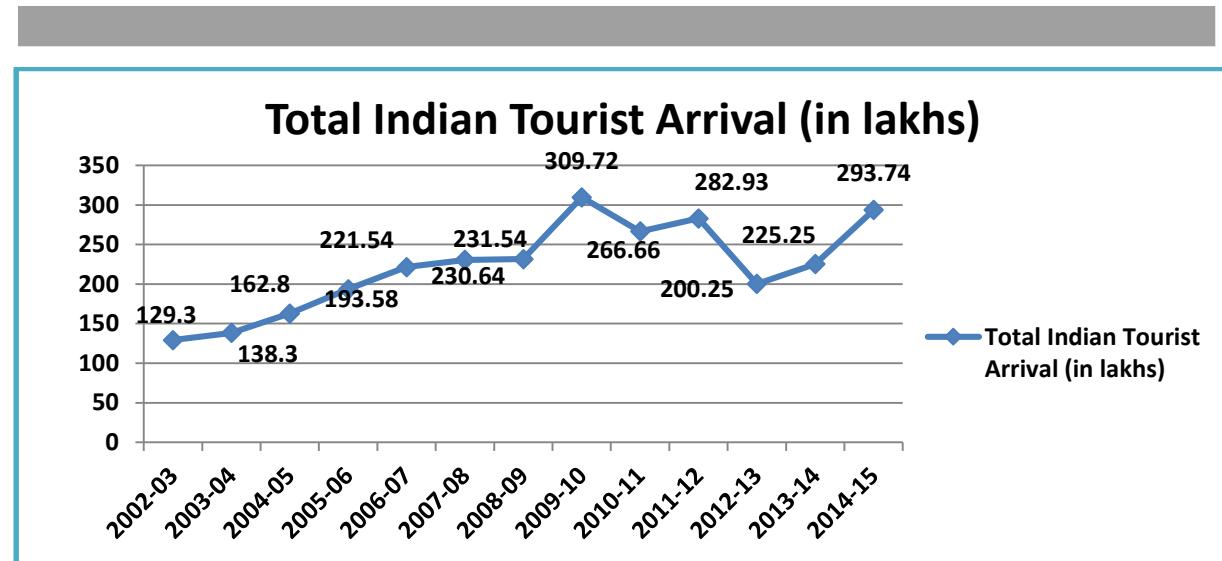
Wildlife Tourism : Along with the world-famous Corbett National Park, the State has several other breath taking destinations for Wildlife Tourism. These include the Rajaji National Park, Govind Pashu Vihar, Asan Barrage, Chilla, and Saptarishi Ashram, the last four being a delight for bird watchers.

Eco-Tourism : The State has a rare diversity of flora and fauna. This makes it an ideal area for developing eco-tourism projects and activities like jungle safaris, trekking on mountain and forest trails, nature walks, catch and release angling for Mahaseer and other fish species. All these activities have to be conducted in a manner that promotes awareness of environment and helps to maintain the fragile ecological balance.

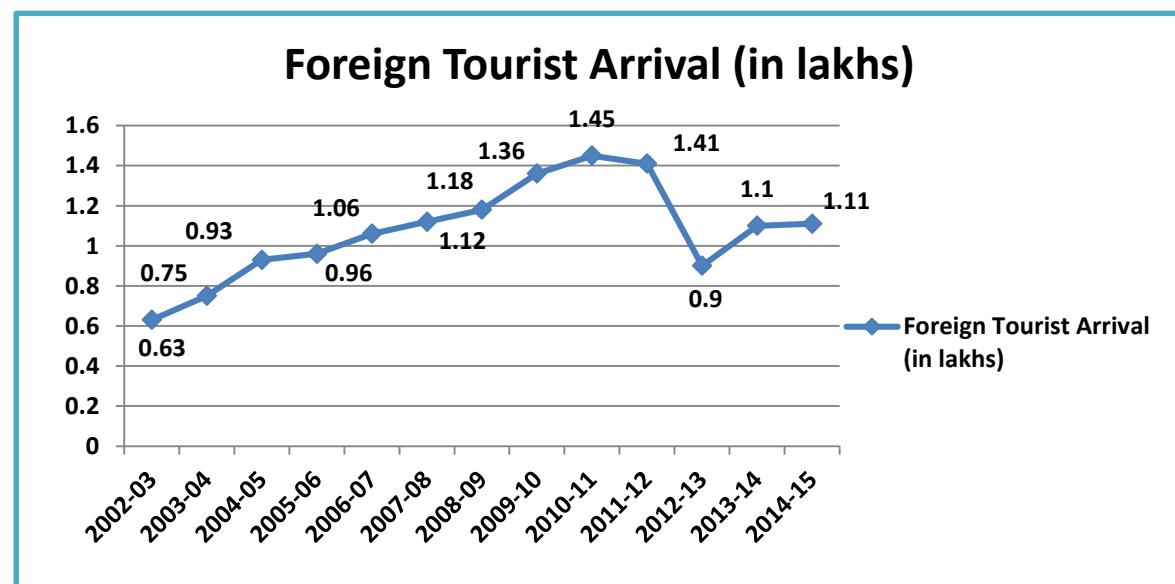
Amusement and Leisure Tourism: The clean, fresh and invigorating environment makes the State a preferred destination to relax and unwind. From the modern facilities at Mussoorie and Nainital to the untouched, pristine beauty of its snow-clad peaks, rivers and forests, the State provides all that a tourist could possibly seek for amusement and leisure.

The significance of Tourism, as defined by **(Ghosh, 1998)¹** is one of the major items of international trade. Tourism industry earns the gross revenue and foreign exchange earnings, play an important role in economic development. Therefore it is a generator of foreign exchange at the national level and also a fastest growing industry in the global economy.

- Growth Performance of Tourism in Uttarakhand:

Fig-1 Trends in Total Indian Tourists Arrivals in Uttarakhand

Source: Uttarakhand Tourist Development Board (Department of Tourism, Govt of Uttarakhand, India)²

Fig-2 Trends in Foreign Tourists arrival in Uttarakhand

Source: Uttarakhand Tourist Development Board (Department of Tourism, Govt of Uttarakhand, India)³

The above figures 1 and 2 show the trend of Indian and foreign tourists arrival in Uttarakhand for the years 2002 to 2015. The trend of tourist arrivals shows that in Uttarakhand, the number of both foreign and Indian tourists has gradually increased.

- **Critical Evaluation of Infrastructure Facilities in Uttrakhand**

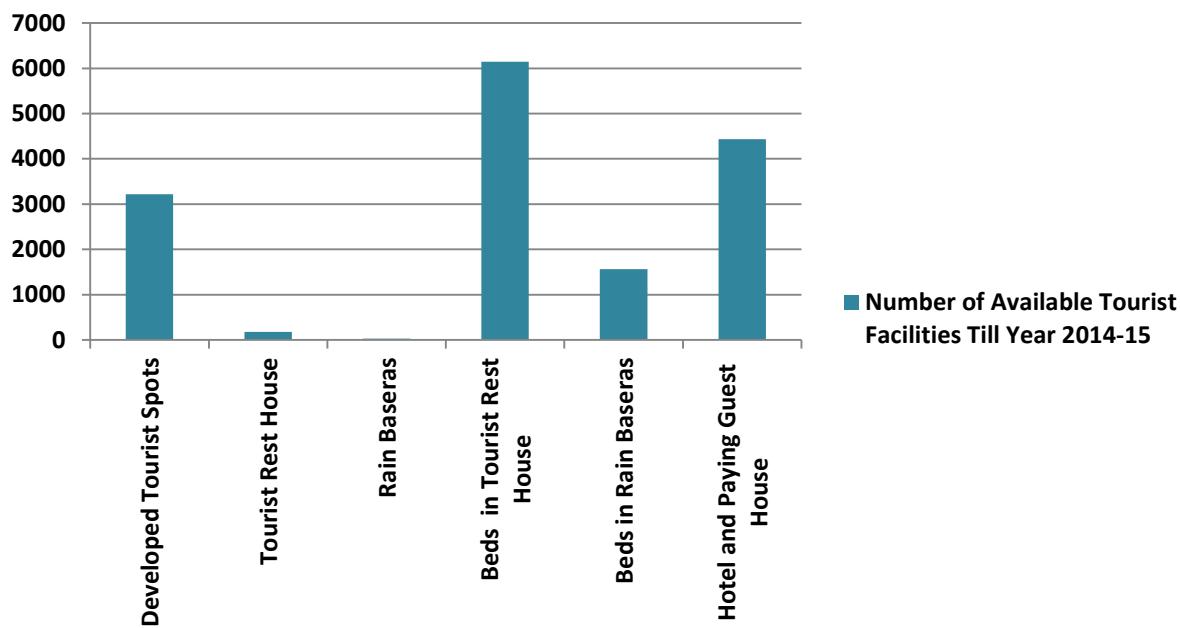
It is observed that the future growth of tourism will largely depend on the growth of suitable hotel accommodation in the country, coupled with transport and other infrastructure. The Sector Working Paper or Tourism of the World Bank has recorded that usually 60 to 75 percent of the total expenditure of tourists' accounts for food and accommodation and a remarkable expansion of tourism is possible by increased supplies of moderately priced accommodation in many countries. (**Naik, 1991**)⁴

Through a survey result published in Uttarakhand Socio-Economic Mirror, Quarterly Bulletin of the DES, GoUK, Vol1, No2, Sept. 2016, B.K. Joshi, State Planning Commission, Uttarakhand tries to assess the pull and push factors that can help in strengthening the tourism in Uttarakhand in some selected tourist places shown in table below. (**Joshi, 2016**)⁵

Pull and push factors to strengthen the tourist destinations		
Factors	Push	Pull
Infrastructure	✓	
Save road	✓	
Destination of circuits		✓
Enhance the travels & tour	✓	
Systematic pilgrimage visits	✓	✓
Spatial tour organization		
Enhance rescues		✓
Enhance help lines		✓
Eco-friendly environment	✓	
Promotion of local SHG's		✓
Stop human encroachment		✓

Source: B.K. Joshi, State Planning Commission, "Uttarakhand Socio-Economic Mirror", Quarterly Bulletin of the DES, GoUK, Vol1, No2, Sept. 2016, Pg.20.

Number of Available Tourist Facilities Till Year 2014-15



Source: A.S. Bisht, "Tourist Arrival in Uttarakhand, "Uttarakhand Socio-Economic Mirror", Quarterly Bulletin of the DES, GoUK, Vol1, No2, Sept. 2016, Pg.22-23.⁶

❖ Critical Evaluation of Infrastructural Setup in Some Selected Tourist Spots

Tourist Destination Matrix of Uttarakhand

Tourist Spots	Infrastructural Setup					
	Approach by Road /Rail	Convenience	Accommodation	Communication	Banking	Eco-facility
Holy river bank	MA	HA	MA	MA	MA	NA
Religious sites	MA	MA	MA	MA	MA	NA
Scenic beauty	MA	MA	MA	MA	MA	NA
Lake sites	HA	MA	.	.	.	NA
Wild life sanctuary	HA	MA	MA	MA	MA	NA
Business point	MA	MA	MA	MA	MA	NA

Note: NA- not available, MA- marginally available, HA-highly available.

Source: B.K. Joshi, State Planning Commission, "Uttarakhand Socio-Economic Mirror", Quarterly Bulletin of the DES, GoUK, Vol1, No2, Sept. 2016, Pg.20.⁷

There is marginal availability of infrastructural setup in almost all the selected tourist spots of Uttrakhand as shown in the above table.

- **Evaluation of Policy Initiatives:**
- ❖ **Progress Overview During Tenth Five Year Plan**

Uttrakhand is popular for its various cultures, geographical structure, environment, natural resources (forest, rivers and aromatic plants) and economic activities; among which tourism attracts attention to policy makers. Tourism is a key industry to generate employment as well as state revenues. It also attracts foreign as well as domestic visitors from different areas. Uttarakhand became the first state to legislate a tourism development board in India; responsible for performing various functions such as promotion, regulation, advisor and authority to issue license for tourism industry in Uttarakhand.

According to the Indian statistic report 2015, depicts an improvement in ranking position in terms of domestic tourism arrival from 16th (2014) to 12th position (2015) but in terms of foreign visitors arrivals shows decline in ranking position from 17th (2014) to 20th position (2015). Domestic arrivals are estimated about 80-85% in state because of holy places and pilgrims like Badrinath, Kedarnath, Gangotri, Yamuntri, Rishikesh and Haridwar.

(The National Committee on Tourism, 1988)⁸ has stated that the money spent by the tourist percolates through many levels and generates additional income at each round of spending and this has a multiplier effect. State government has planned to invest in this sector as it can generate a multiplier effect on the Uttarakhand state economy through huge economic benefits in terms of income and employment generation, poverty alleviation, socio-economic development as well as accelerating economic growth. Government incorporates tourism industries in its development plans for inclusive growth of the state. In order to facilitate investments in various tourism projects the State Government has prepared following master plans"⁹

- Master Plan of worth Rs 212 crore for the development of infrastructure reroute Char Dham.
- Master Plan of Rs 512 crore for the development of Corbett Country Tourism Destination Project near Jim Corbett National Park.
- Master Plan of Rs 12.66 crore for development of Eco-tourism destination at Sir George Everest Estate near Mussoorie.
- Master Plan of worth Rs 50 crore for the development of Ski Resort at Dayara Bugyal (Uttarkashi).

- Master Plan of worth Rs112 crore for the development of Water Sports Resorts at the Tehri Dam (Tehri Garhwal).
- Master Plan of worth Rs 5 crore for the upgradation of infrastructural facilities on the major the major trek routes.
- Master Plan of worth Rs 60 crore for the development of areas around Airstrips (Uttarkashi, Chamoli and Dehradun).
- Master Plan of worth Rs 83.40 crore for the development of two new tourist circuits Pauri - Khirsu - Lansdowne and Pithoragarh – Munsiyari.
- About 100 proposals of worth Rs 152.42 crore from private sector seeking investment.

State government has planned to develop tourism, incorporated tourism industry in its priory schedule as it is a foremost source of generating employment and income. Tourism industry is also assumed to be an inclusive growth indicator to develop the state infrastructure. For the successful implementation of the plan, few another tourism destinations have been identified in rural mountain areas by state government like Munshiyari, Pithoragarh and Lansdown. To promote water activity based tourism, Government constructed Tehri reservoir for Tehri hydroelectric projects. For encouraging tourism in Tehri area, lake is submerged Tehri town and moved up to Nerry in Bhagirathi valley. This beautiful flora and fauna surrounded by high mountains enhancing the beauty of place having high potential of tourism.

State has increased expenditure on tourism development schemes successively year by year. This tourism fund has been invested in marketing strategy for advertising the policies and tourism infrastructure over the country and outside the country. The state government has been allotted 9640 Rs. approximately in 12th five year plan to develop tourism sectors. But the expenditure is not sufficient to explore the full potential of tourism sectors. As per the state report "A total outlay of Rs. 30000.00 lakh had been earmarked during the Tenth Five Year Plan period (2002-2007). During Tenth Five Year Plan period, 1144 locals were benefitted under "Vir Chandra Singh Garhwali Self Employment Scheme."¹⁰

➤ Policy Overview¹¹

Administrative Measures	Marketing Measures	Infrastructure Development Measures
<ul style="list-style-type: none"> Tourism Administration and Management: For channelizing smooth progress of tourism industry we need systematic coordination between the different agencies involved in tourism development. To ensure this coordination, modernized techniques and innovations in administration and management area have been adopted. Private Sector Participation: This policy ensures the controlling and executing the tourism related activities to develop tourism sector. Human Resources Development: Employees are key driver to enhance tourism sectors. People working for industry should be committed and dedicated for their service. Hence, government has planned to arrange various workshops and training programmes, incorporated innovative skills and knowledge including guide, chef, agents etc. 	<ul style="list-style-type: none"> Target Group Oriented Tourism Development: Uttarakhand is a composition of different types of tourist places that attract diversified groups of tourists. State government planned to segregate these groups into various segments to reach each segment of tourist. Government formulated policies according to the requirements of each segment of tourist. Promotion of Tourism Oriented Handicrafts Industry and Cuisine: The main focus was given on the promotion of the production of souvenirs, traditional artifacts and high-quality international, national and local cuisines in Uttarakhand. 	<ul style="list-style-type: none"> Augmentation of Infrastructure Facilities: Government planned to improve roads, communication and power supply to mobilize resources from one place to another. Along with this, focus was given on hotel and restaurant facilities in order to attract tourists. Government also developed internet portal to link with tourists for providing information of infrastructure facilities. Development of New Tourist Destinations: To explore vast potential of tourism industry, government searched out different tourism destinations and developed facilities to access these destinations like home stay, trekking and cultural participation. Winter / Year Round Tourism: Various destinations are known for snowfall in Uttarakhand and people come to enjoy sunshine and pollution-free sky. Government facilitated with various tools and techniques to enjoy this winter season like ayurvedic clinics and natural therapy.

❖ Progress Overview during Eleventh Five Year Plan

Realizing the potential of tourism sector in stimulating the state economy through backward as well as forward linkages with various other sectors like agriculture, industrial and manufacturing, transportation, hospitality, health, education and banking etc along with significant contribution in the generation of state income and employment, the following measures have been adopted by the government during Eleventh Five Year Plan: -

Administrative Measures	Marketing Measures	Infrastructural Development Measures
<p>•Strengthening Institutional Framework : With the objective of boosting tourism business, focus was given on the strengthening of the institutional framework.</p> <p>•Constitution of A Tourism Development Board: Policy & planning for the strengthening tourism, making strategy for mobilizing financial assistance and setting guidelines and norms/standards for various tourism activities were the main functions of this board.</p> <p>•Private Sector Participation: For this, the facilities provided were listed as under: (a) Modification and simplification of the norms and procedures for the luxury tax determination. (b) Rebate and deferred payment facilities for five years in the luxury tax. (c) Exemption in the installation of new ropeways and setting up of the new amusement parks from entertainment tax payments. (d) Fixation of the rate of entertainment tax under a compounding scheme.</p> <p>•Human Resources Development: Availability of skilled human resource is the basic requirement for the development of tourism. For this, various diploma, degree and training programmes have been started for the youth as well as for the local community in Catering & Hotel Management institutes. In addition, tourism awareness programmes and short-term training courses were conducted to ensure specialization in tourism related services such as catering, managing and guide and porters. In order to provide training, services from experts have been arranged.</p>	<p>•Package Tours / Tour-Travel Agencies: Development and promotion of attractive Package Tour/ Tour Travel Agencies have been done in order to boost tourist traffic. Some tourist circuits like Badrinath, Gangotri, Yamnotri, Kedarnath and Harkidun; Dehradun and Roorkee tourist circuit; Uttarkashi, Chakrata and Mussoorie and Haridwar- Pauri- Devprayag and Rishikesh have been developed through these packages. Along this, identification of the accredited travel agencies and relaxation & simplification in the accreditation rules were the main efforts that have been made to enlarge tourism business.</p> <p>•Publicity and Tourism Marketing: Under the aim of the promotion of publicity and marketing, posters, pamphlets, guide maps and other tourism literature were produced and circulated among visitors. Focus was given on the development of Uttarakhand Tourism websites. Campaigning was done through print and electronic media in order to facilitate the tourists. Conferences, seminars and trade fairs were organized on a regular basis. For the information and convenience purpose, tourism related sign boards were established at airports and highways.</p>	<p>•Augmenting Capital Investment in Tourism: Domestic private sector investment and foreign investment have been promoted for the infrastructural facilities. Under this, various international organizations such as World Bank and Asian Development Bank etc. have been approached for financial assistance. Separate funds from travel trade representatives, industrialists and other establishments have been raised for the development of tourism. For this, efforts for private capital investment and participation have been made.</p> <p>•Nature and Eco-Tourism: Some Botanical Garden cum Heritage centers and Theme Parks were set up that shows the beautiful picture of the state biodiversity. Various Eco-Friendly Tourism activities like river-rafting, camping, mountain treks, jungle safaris and tree plantation have been promoted. Along this, intensive campaigns were launched for the regulation of plastic waste in order to protect the environment.</p>

- ❖ **Major schemes identified for implementation during the 11th Five Year Plan :** Based on the strengths, weaknesses, opportunities and threats facing the tourism sector in the State, the following recommendations have been made for the implementation of district, state and central level schemes:

a) State Share for Centrally Sponsored Schemes: Along with an outlay of Rs. 2625.00 lakh out of the total plan outlay as the central share, Rs. 500.00 lakh as state share have been proposed as state share for centrally sponsored schemes.

(b) Schemes under Recommendation of XII Finance Commission: Various construction works like Bathing Ghats, Parking and Beautification of Tourist Spots have been proposed under various Master Plans. For this purposes, only Rs. 875.00 lakh have been sanctioned against the approval of Rs. 3500.00 lakh by Govt. of India.

(c) Establishment of the State Tourism Development Board (UTDB) : State Tourism Development Board (UTDB) has been set up under an Act of the State Legislature for the purpose of giving suggestions to the government on all matters related to the development of tourism in Uttarakhand state.

(d) Upgradation and establishment of information centres: Upgradation of existing Information centers at Haridwar, Mussoorie, Rishikesh, Srinagar and establishment of new information centers at Ramnagar, Kashipur, Haldwani, Kotdwara were undertaken .

(e) Development of Tourist Spots: The need for the upgradation and development of infrastructural facilities such as roads, transport, electricity, safe drinking water and sanitation, medical and telecommunication etc. was recognized during the eleventh five year plan and hence development of tourist spots has been proposed by the state government at the Char Dham as well as small less known destinations such as Chota Kailash, Purnagiri Adibadri etc.

(f) Publicity /Tourism Marketing/Corporate Tourism: Due to lack of publicity and marketing facilities, many snow clapped mountains, lush green valleys and numerous pilgrimage sites which have huge tourism potential of the State has remained untouched. Hence, it was proposed to start a publicity / marketing campaign under publicity and marketing strategy. For this, a multimedia approach and a specific action plan have been adopted by the state government.

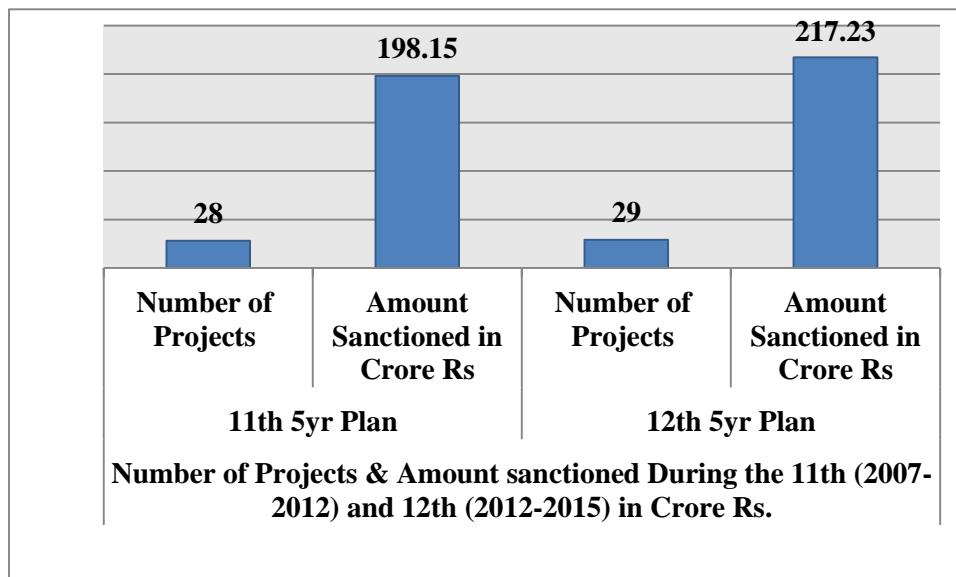
(g) Cultural / Grants/Fairs & Festivals: To promote cultural tourism in the state, 5-6 major cultural events were organized. In addition, about 200 fairs and festivals depicting traditional life styles, customs and cuisines of the State has given financial support and publicity annually by the state government.

(h) Veer Chandra Singh Garhwali Self Employment Scheme: The scheme was started in June, 2002 in order to generate self employment opportunities for local community and promote huge community participation in this sector. Under this scheme, about 25% of the total project cost i.e. upto a maximum of Rs. 3.75 lakh has been given as state assistance.

- (i) Establishment of Land Bank:** Land bank has been established in the State for providing land to the private investors so as to develop accommodation and other infrastructural facilities for tourists at all routes and destinations.
- (j) Special Component Plan:** Along with major infrastructure projects, various infrastructure facilities like drinking water, beautification, sewerage, electricity, road connectivity etc. at scheduled caste majority areas for the development of the whole state were taken up on the recommendations of District Planning Committees under state sector.
- (k) Tribal Sub Plan:** Drinking water, sewerage, beautifications, electricity and road connectivity etc. facilities as part of infrastructural development were provided under this scheme.

❖ **Financial Progress of 11th and 12th Five Year Plans:**

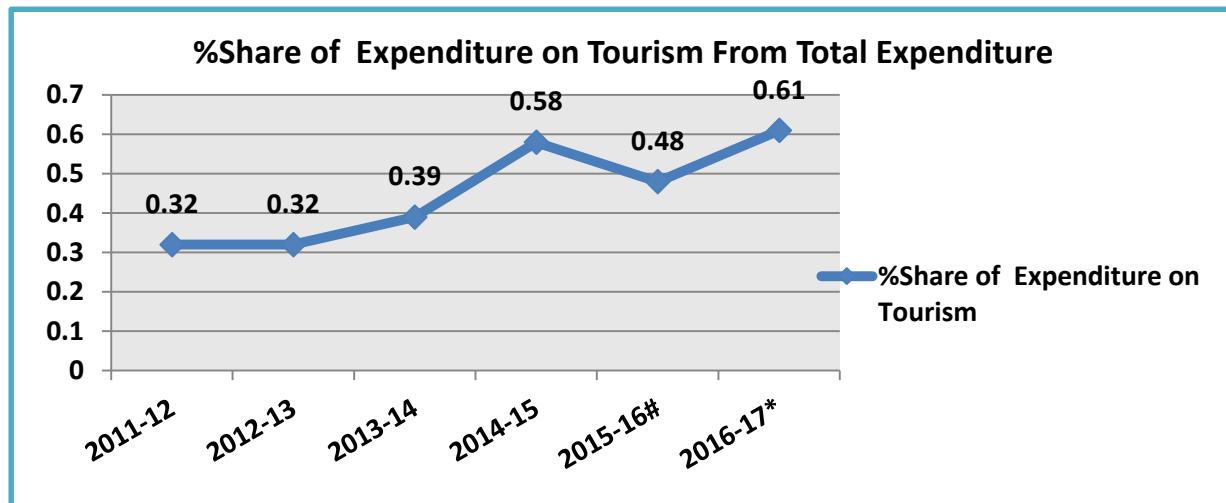
Fig-6 Number of Projects & Amount sanctioned during the 11th (2007-2012) and 12th (2012-2015) in Crore Rs.



Source- India Tourism Statistics, 2014¹²

The above figure shows the number of projects and amount sanctioned was 28 and 198.15 crore rupees respectively during 11th five year plan which has further minor increased i.e. 29 and 217.23 crore rupees respectively during 12th five year plan. To sum up, very few projects with very less amount have been approved by the government during both the 11th and 12th five year plans.

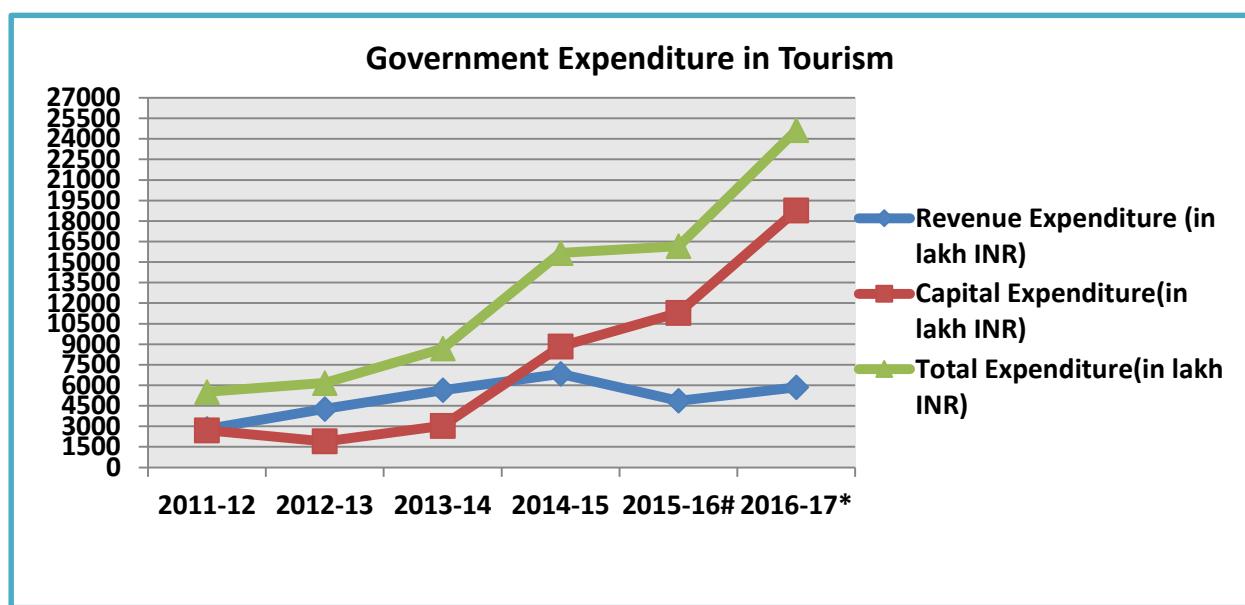
❖ Status of State Government Expenditure in Tourism:



Source: Budget Documents of Uttarakhand, Finance Department, Uttarakhand, Different Years.¹³

Note: # shows Revised Expenditure and * shows Budget Expenditure

The above graph shows that state government has increased the percentage share of expenditure from total expenditure in tourism has increased over the periods with minor decrease of 0.48 in year 2015-16. But it is also noticed that this share is very less i.e. less than 1 in all the periods.



Source: Budget Documents of Uttarakhand, Finance Department, Uttarakhand, Different Years.¹⁴

Note: # shows Revised Expenditure and * shows Budget Expenditure

The above graph shows the increasing trends in all revenue, capital and total expenditure incurred by the government. But it is also noticed that initially in year 2011-12 revenue expenditure was greater than the capital expenditure but after year 2013-14 it shows the reverse picture.

SERVICE BASED INDUSTRIES : A Brief Overview through SWOT Analysis**STRENGTHS**

- ★ Himalayas with snow clad peaks: Nanda, Trishul and many more.
- ★ Diverse adventure sports: Mountaineering, trekking, skiing, river rafting, angling, aero sports etc.
- ★ Wild life and National Parks, Sanctuaries: Jim Corbett, Rajaji, Nanda Devi Bio-Sphere, Valley of Flowers.
- ★ Famous Hill Resorts: Nainital, Mussoorie, Ranikhet, Almora, Kausani etc.
- ★ Pilgrim Circuit with famous destinations like: Char DhamYatra – Badrinath, Kedarnath, Gangotri, Yamunotri, Hemkund Sahib, Rishikesh, Haridwar. Fairs and Festivals like Kumbh Mela, Ardh Kumbh etc.
- ★ Well established network of Budget Tourist accommodation through Kumaun and Garhwal Vikas Nigam.
- ★ The State Tourism Development Board spearheading in the task.
- ★ Master Plan being prepared for each sector along with shelf of projects on offer.
- ★ Medical tourism, Spiritual Tourism, adventure tourism etc.

WEAKNESSES

- ☛ Marketing of tourism.
- ☛ Access to information.
- ☛ Transport facilities specially Aviation.
- ☛ Unaccessed tourist destinations
- ☛ Lack of world class tourism facilities.
- ☛ Poor private sector participation.
- ☛ Airways – Biggest hurdle.
- ☛ Infrastructure.
- ☛ Management.
- ☛ Not even one Five Star Hotel in Dehradun.
- ☛ Haridwar sanitation problem.
- ☛ Poor brand perception in Uttarakhand (Now Uttarakhand).

OPPORTUNITIES

- ❖ Infrastructure Development: Roads, flyovers, airports, development and communications etc.
- ❖ Development of new tourist destinations: Plethora of breathtaking locations. Promotion of tourism oriented handy crafts industry and cuisine.
- ❖ Health Tourism: Hotels along with spas, yogic and meditation centers, ayurvedic therapy etc. Promote eco, adventure, spiritual and leisure tourism, helicopter-taxi services, luxury tent age camps.
- ❖ E-commerce in tourism: on line reservation, accommodation, payment etc.
- ❖ New ski resorts.
- ❖ Ropeway development.
- ❖ Theme Parks.
- ❖ Amenities at pilgrim spots.
- ❖ Training Courses revolving around India's heritage – Ayurveda, Cuisine, Yoga can be imparted in the State with ease and thus can be an big Opportunity.
- ❖ Creation of "Dollar" shopping Centre, Multiple duty free shopping zone.

THREATS

- ☒ The weakness if remains uncontrolled and uncured may prove to be major hurdle in this sector.
- ☒ The progress should be in random with the nature else the problem of natural disaster and environment may be affected.
- ☒ Unsatisfactory experience of customers with quality of services from Uttarakhand (Now Uttarakhand)and delay and inefficiency due to in adequate legal and regulatory infrastructure.
- ☒ Rise of Tourist activities in near by states, it is giving competition to the state.

❖ Concluding Remarks:

Tourism no doubt has immense potential but it need to have a sound infrastructure for further development hence it is kept in between as it can also earn swiftly and some areas need infrastructure development which will definition require more time. According to the statistics available, the share of Uttarakhand to the total tourist in India (domestic tourist) has increased in past few years while in case of foreign tourist, the growth is almost stagnant. It can also been observed that the tourist inflows in the state, both domestic and foreign, has shown a significant increase in past years. The majorities are domestic tourists and the foreign tourist share is very less. This portrays a gloomy picture

of state tourism development and also shows that there is a lot of potential for developing this sector. Even several years after the creation of the state and despite the potential of all kinds of tourism, the state is not able to attract tourists because of the poor tourism infrastructure. Based on the above, the main issues and an indicative strategy are given for integrated development of tourism in the state. The government can play a catalytic role in this, especially during the initial years, both by providing fiscal incentives and participation through Public-Private-Partnerships. It is noticed that the expenditure by the government on tourism has increased over the periods but the amount of expenditure is very less which need to be increased for the development of this sector. Moreover, large amount is spent as revenue expenditure as compare to capital expenditure which shows that the government less interest towards generation of capital assets for this sector. So, the Government should increase budget and a large part of that budget should be spent on the generation of capital assets. Apart from these, the Government should focus on:

1. **Infrastructure Development:** Investments in tourism infrastructure may include development of both tourism as well as civic infrastructure. This may also involve provision of tourist information bureaus and websites for providing requisite tourist information. Efforts towards enhancement of overall transport infrastructure in the form of good quality roads, rail network, airports, availability of tourist vehicles etc. should also be strengthened in order to improve the overall infrastructure. There is less number of beds per million people. Steps should be taken to improve accommodation facilities. Hence in order to attract tourists from all over the world, there is an urgent need to create efficient, modern and state-of-the-art infrastructure to cater to the specific needs of tourists of all categories. The State Government may strengthen its efforts for providing necessary infrastructure, i.e. good hotels and resorts, transport facilities, intra and inter-city all weather roads, efficient telecommunication system and connectivity through broad band at places of tourist interest in the State. **Action: State Government**
2. Winter sports activities like skiing, ice-skating & ice-hockey, water sports and winter trekking etc. have vast potential in the State and these need to be promoted, publicized and advertised to attract tourists throughout the year. Though the State Government has made efforts to publicize the State as "Uttarakhand – A Heaven on Earth", it is suggested that there still more needs to be done for promoting winter/year round tourism. The State Government may give advertisements and also take part in the national as well as international tourism seminars, exhibitions and fests. The State Government may encourage private participation in construction of quality budget hotels for the younger groups of foreign tourists, who are interested in mountaineering, skiing, trekking, river rafting, aero sports, eco-tourism and village tourism. **Action: State Government**
3. The State has so far been generally known for its "Hill Stations," such as Mussoorie and Nainital. There are innumerable other destinations with immense potential such as, New

Tehri, Pithoragarh, Munsiyari, Pauri, Khirsu, Lansdowne and many others in the interiors, which can be developed into attractive tourist hill destinations and hence they should be developed fast. The State Government has prepared Master Plans for some areas in the State. State Government may encourage and create an environment for developing new potential tourist destinations, with all interrelated infrastructure, with the cooperation of private entrepreneurs and local people. **Action: State Government**

4. Rural tourism in the State may be encouraged and tribal villages should be developed as tourist villages. The tourism clusters may be developed taking into account the infrastructural requirements, capacity building needs of the service providers and the credit requirements thereof. The tourism cluster will be a multi activity cluster involving entrepreneurs providing accommodation, catering, entertainment, educative inputs, health and fitness related activities, tour operators, travel guides and other service providers. The commercial banks should extend credit facilities for development of such tourism cluster for infrastructure requirements on the line of guidelines issued by Reserve Bank of India. **Action: State Government**
5. Publicity and marketing of the tourist attractions of the State at the national and international level have been inadequate. Planned and coordinated efforts with the fullest utilization of information technology are required to be made in this direction. Above all, the State Tourism needs to develop its own brand name and image. State Government may take necessary steps for effective publicity and marketing of tourist attractions of the State. **Action: State Government**
6. Special arrangements and up-gradation of existing institutions and facilities will be necessary for developing tourism entrepreneurship, management capabilities and training in specialized services such as guides, porters, chefs, etc. Facilities may be developed by the State Government at the potential tourist centers to provide international level amenities to the foreign visitors. **Action: State Government**
7. Foreign tourists face difficulties in exchanging their foreign currencies in banks and hotels in the State. This may be mainly on account of fear/lack of knowledge on the part of concerned staff to differentiate between the genuine and counterfeit currency. There have also been problems in making payments through national/international credit/debit cards by both domestic as well as foreign tourists. In view of lack of knowledge in handling the foreign currency by the staff of banks, hotels, shops and emporia, RBI and banks may organize seminars/workshops in matters relating to foreign exchange at major centres in the State at regular intervals. **Action: RBI / Banks**
8. Broadband connectivity will help the banks to establish ATMs⁹ at places of tourist interest - and accept international debit/credit cards from the foreign tourists. Bank branches dealing in foreign exchange may be provided with broadband connectivity immediately so

that the foreign tourists are extended hassle-free conversion facilities without any delay.

Action: State Government.

9. Position as a world class ‘services based’ economy The services sector provides the best possible opportunity for the State, because of its good climate, pollution free environment, availability of educated manpower, and work ethics. The services sector is also expected to be highest growth area in the Indian and global economy during the coming decades, and it has high employment content and lower investment requirements. The focus on services would obviate locational disadvantages of the region, for manufacturing. And the ecological impact of services is relatively lower and is easier to manage. However services capability levels would need to be world class, for success in a globalized economy **Action : Entrepreneurs Government and local People.**

10. Strategically employ ‘tourism’ to emerge as a ‘multi-faceted’ services economy The State is recognized as a tourist destination and it possesses basic infrastructure and business skills. It will be possible to have early and large economic gains, and tourism can be developed to world class levels in near future. An approach to market and develop tourism, in an ecologically sensitive and sustainable manner, would be consistent with global activism towards environment consciousness. The success in tourism can be expanded to other services sectors, where there is potential but current levels are low or non-existent. The highest potential area is information technology, with education and health also ranging high. There are commonalities and strong linkages among the various areas of services sector, especially in terms of manpower skills and infrastructure requirements. The State should have independent strategies for each of the services sectors, and it should also aim for tight integration across individual strategies for the overall development of services economy. **Action : Entrepreneurs, Government and local People.**

11. Human Resource Development

Provision of additional training institutes, enhancing capacity of existing ones along with introduction of short term courses providing specific skills directed at hospitality and travel trade sector employees may be required for catering to the increased manpower and skill requirements. Rural youth may be provided vocational training through special institutes to provide them employment opportunities.

12. Marketing Programs

- Collaborative marketing efforts may be required for promotions. Focused branding and promotional campaigns may be designed.
 - Involvement of local travel trade partners may be encouraged.
 - Trips to involved destinations, informative sessions, financial support and incentives may be provided.
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A greater number of domestic tourism events and road shows should be organized in order to offset seasonality of tourist inflow. Events may be based on innovative themes of music, dance, sports, food, fruits, handicrafts, Indian culture and traditions, Indian villages, festivals etc. Its high time that the State should boost on its Strengths and combat its weakness and plan out the economic development with right perspective and of course by maintaining the ecological strengths.

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