

Film Production for Promoting Tourism Destinations – Lessons for Assam

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ABSTRACT

India has been blessed with incredible cultural diversity, scenic locations, low production costs and trained film crews. Increased collaboration between India and other countries will certainly aid in optimizing the country realizing its true potential in terms of its natural and man-made resources. Film production benefits the destination/location in several ways that has been widely accepted all over the world. From creating employment to propagating the tourism potentials of a destination, film productions have benefitted the destinations greatly. However all these benefits have not been availed by the film industry in Assam - be it due to lack of interest of filmmakers or due to lack of incentives. Key State Governments in India have recognized benefits of promoting their respective states by attracting Film productions and have initiated measures to attract both foreign and local filmmakers by offering production and tax incentives. But there is a total dearth of incentives and sops for filmmakers to come and shoot their films in Assam. The Film industry in Assam is over 80 (eighty) years old, but still Assamese films have not been able to create a curiosity or desire in the minds of people, outside the state or outside the country, to visit the state. Moreover national and international filmmakers are also not interested in producing good commercial films in the state. Steps can be taken to attract film productions from national and international filmmakers by offering incentives. Moreover the local filmmakers can also be motivated to produce films propagating the tourism potentials of the state.

KEYWORDS : *Film, Production, Incentives.*

Introduction

India's film and television industry is one of the fastest growing sectors in the country today which has attracted significant investments from Indian and international corporates. With more than 135 million pay-TV households, 800 television channels and 1,000 films produced annually, the film and television industry contributed over INR 500 billion to the economy last year, constituting approximately 0.5% of the GDP of India. Overseas studios are increasingly entering into arrangements with producers in India to jointly produce films and television series. India's Foreign Direct Investment ('FDI') regulations permit 100 percent FDI in film and TV productions under the automatic route. India has been blessed with incredible cultural diversity, scenic locations, low production costs and trained film crews. Increased collaboration between India and other countries will certainly aid

in optimizing the country realizing its true potential in terms of its natural and man-made resources.

Objectives

1. To study the various benefits associated with attracting film productions to a tourism destination
2. To study initiatives taken by various Indian states for attracting film productions.
3. To study various global success stories with regards to attracting tourists through films.

Methodology

The paper has been prepared by studying and analysing data from secondary sources including reports, articles, books and internet websites.

Benefits of Attracting Film Productions to a Tourism Destination

Film production is a very lucrative business if carried out properly and in proper locations. Moreover it benefits the destination/location in several ways that has been widely accepted all over the world. From creating employment to propagating the tourism potentials of a destination, film productions have benefitted the destinations greatly.

The overall benefits of attracting film productions include:

- **Boost to the Tourism industry:** The host location is expected to gain visibility due to film production and associated publicity generated from it. Films shot at local locations tend to introduce the audience to the host destination/country's culture and bio diversity hence, attracts tourists.
- **Increased revenues for the Government:** In addition to employment opportunities, economic activities stimulated by film productions result in tax revenues for local or State Governments. The taxes collected by Central, State and local governments (e.g. personal Income Tax, State Value Added Tax, Excise duties, Service taxes, Custom duties, duties on fuel, Corporate Income Tax, local body taxes, etc) generally increase with higher film productions in the region. These taxes apply to film producers, their suppliers and cast and crew associated with the production. For example, State Value Added Tax shall get collected on local procurement of goods, central Service taxes shall be charged by cast and crew and duties and taxes paid by suppliers.
- **Creation of employment opportunities:** International / large film productions rely on local labour which helps boost employment opportunities and incomes in allied industries. The impact of "Teenage Mutant Ninja Turtles" on the allied industries include US\$ 3.2 million in taxes paid to New York, over US\$ 55 million in total spending throughout New York including US\$ 30 million in salaries New York labour. In just three days of shooting, the production paid

wages to 155 crew members and further 1500 New York residents over 12,000 man-days.

- **Development of allied industries:** In the long run, film production enables additional production activity and a sustainable market place in the local economy, which results in the development of allied industries such as post production, travel, hospitality, catering, etc.
- **Exchange of cultural and technological expertise:** Films shot in foreign locations, result in collaborations between local and foreign enterprises and expose local production units/crews to global standards of production practices. While such collaborations encourage knowledge-sharing, they also expose filmmakers to diverse cultures and nationalities.

However all these benefits have not been availed by the film industry in Assam - be it due to lack of interest of filmmakers or due to lack of incentives. Despite the immense tourism potentials of the state, this media has not been fully exploited to attract more tourists to the state.

Initiatives by Indian States for Attracting Film Production

Key State Governments in India have recognized benefits of promoting their respective states by attracting Film productions and have initiated measures to attract both foreign and local filmmakers by offering production and tax incentives as highlighted below:

States	Fiscal benefits
Maharashtra	<ul style="list-style-type: none"> • Mumbai, being the film hub of the country, has many film studios and hosts several film festivals. Additionally, the city has witnessed many iconic Indian movies being shot in it. • The Maharashtra Government has provided a five-year tax exemption to single-screen theaters under municipal councils and a seven-year tax exemption to those located in rural areas. • The Maharashtra Tourism Development Corporation (MTDC) has announced a Bollywood tourism plan, which will enable Indian and foreign tourists to take guided tours of film studios and sets while being exposed to a first-hand experience of film shooting. • It has sanctioned INR 150 million for setting up of a film city in Chitranagari to serve as an alternative to the film city at Goregaon. • Maharashtra was one of the Indian states that provided tax breaks to the film “Bhaag Milkha Bhaag” because of its patriotic theme.
Gujarat	<ul style="list-style-type: none"> • The Gujarat Government offers 100% exemption from Entertainment Tax for Gujarati films. It is also offers INR 5,00,000 subsidy to Gujarati-language filmmakers. • The State Government has started a single-window clearance desk

States	Fiscal benefits
	<p>to help filmmakers scout locations and provide them with logistic support.</p> <ul style="list-style-type: none"> • It is working on a policy to attract more film shoots to the state and seeks to ease the procedures for film-makers. It also plans to provide discounts on government accommodation at shooting locations.
Andhra Pradesh	<ul style="list-style-type: none"> • Andhra Pradesh is the first to earmark 7% of the Entertainment Tax it collects to use it to develop films and arts in the state. • According to the Andhra Pradesh Government’s Animation, Media and Entertainment policy (2014–2019), the Government will offer incentives, including reimbursement of INR 500,000, lease rentals, power subsidies, etc., to makers of animation films. • The State Government has provided 7% concession on Entertainment Tax for low-budget Telugu films and 15% for high-budget ones.
Karnataka	<ul style="list-style-type: none"> • The Karnataka Government has increased the award for national award-winning Kannada films from INR 300000 to INR 500000. • Karnataka’s Animation, Visual effects, Gaming & Comics policy (AVGC) aims to attract investors and provide employment in the state with various initiatives such as creating skilled labour at its training institutes and providing various tax incentives. The Government also plans to set up an AVGC Centre of Excellence with funding from The Central/State Governments and private players. • The Government has decided to raise its subsidy to the Kannada film industry. The subsidy will now be given for 100 films instead of 75.
Tamil Nadu	<ul style="list-style-type: none"> • The Tamil Nadu Government will provide 100% exemption from entertainment tax exemption on films with Tamil names, which have been given U certificates. • The Government has spent INR 80 million on upgrading infrastructure at the M.G.R. Film City by setting up an animation and visual effects studio, renovating dubbing theaters, constructing hostels, etc.
Uttar Pradesh	<ul style="list-style-type: none"> • Hindi films that are shot at least 75% in Uttar Pradesh will be eligible for a grant amounting to 25% of their production cost or INR 10 million (whichever is less). • Films in the local dialects of Awadhi, Braj, Bundeli and Bhojpuri

States	Fiscal benefits
	<p>are to be given the same sops.</p> <ul style="list-style-type: none"> • Film directors selected for awards under this policy will be eligible for a grant of INR 12.5 million if they produce their next film in the state. • The Uttar Pradesh Government gave INR 10 million to the producers of “Dedh Ishqiya” and “Bullet Raja” to attract other producers to the state. It has exempted “Dedh Ishqiya” from Entertainment Tax in the state.
West Bengal	<ul style="list-style-type: none"> • The West Bengal Government is planning to introduce a single clearance window that will process requests for films to be shot in the state • New cinema halls will be given an Entertainment Tax subsidy for up to two years. • New multiplexes will be given an Entertainment Tax subsidy for up to four years. • The Government provides various subsidies for cinemas/multiplexes. • The Government has reduced Entertainment Tax on Bengali films (from 10% to 2%) to ease the financial burden on the Bengali film industry.
Jammu & Kashmir	<ul style="list-style-type: none"> • The Jammu & Kashmir Government has decided to waive taxes for filmmakers while they shoot films in the state • The Kashmir Film Festival is held to support local Kashmiri films and promote tourism in Jammu & Kashmir. • Films recently shot in Kashmir include “Yeh Jawaani Hai Deewani” and “Highway”.
Rajasthan	<ul style="list-style-type: none"> • Films that are 75% shot in Rajasthan and have been given U certificates will get a 100% exemption from Entertainment Tax for one year. • Rajasthani films with U certificates are provided aid of INR 5,00,000 if they are shot extensively in Rajasthan. • New cinema halls and drive-in theaters have been exempted from Entertainment Tax for three years – 75% in the first year, 50% in the second year and 25% in the third year. • Foreign films shot in Rajasthan include “The Dark Knight Rises” and “Darjeeling Limited”.
Goa	<ul style="list-style-type: none"> • The International Film Festival of India is held annually at Goa. It sees the participation of various filmmakers from across the world

States	Fiscal benefits
	<p>and India. Goa already has a single window clearance system and permits films to be shot anywhere in the state. The Ministry of Information and Broadcasting has proposed that this system should be adopted by the rest of the country.</p> <ul style="list-style-type: none"> • The State Government is reviewing a proposal that will allow filmmakers to claim up to 5% of the shooting costs incurred by them in Goa. • Goa is one of the most popular locations for shooting films in India. More than 100 films, including “Chennai Express”, “Once upon a time in Mumbai Dobaara” and “Go Goa Gone”, were shot in the state in the recent past.
Punjab	<ul style="list-style-type: none"> • The Punjab Government is setting up a film city and a film institute near Mohali to promote the Punjabi film industry and also help filmmakers shooting films in the state. • The Government gives Punjabi filmmakers a rebate of 5% of the Entertainment Tax to be paid by them, provided 75% of the dialogues are in Punjabi. • The State Government plans to present exceptional filmmakers and actors with awards ranging from INR 1 million to INR 25 million. Additionally, it will set up one or two-screen cinemas in rural locations to enable local people to watch films.
Himachal Pradesh	<ul style="list-style-type: none"> • The Himachal Pradesh Government offers 100% exemption from Entertainment Tax to filmmakers shooting their films in the state. • The State Government is formulating a draft of its film tourism policy, which includes incentives for the film industry, e.g., single window clearance of permission requested to shoot films, facilitation of travel and accommodation during duration of stay, etc.

However the scenario in Assam is totally dissatisfactory. There is a total dearth of incentives and sops for filmmakers to come and shoot their films in Assam, thereby depriving the region from immense possibilities with regards to encouraging tourist inflows.

Few Global Success Stories

“Life of Pi”

Life of Pi was an American 3D live-action, computer animated adventure film, based on Yann Martel’s 2001 novel by the same name, which was released in 2012. Around 70% of the film was shot in Taiwan, including at Taipei Zoo, an airport in Taichung and at the Kenting National Park. Some parts of it were shot in Puducherry

and Munnar (a hill station in Kerala) in India.

Life of Pi was a hit in Taiwan, generating US\$17.5 million. Hotel occupancy in Taichung increased by 10% where Life of Pi was shot, benefitting from the visits of more than 300 foreigners and locals. After release of the film in 2013, the number of Australians visiting the country increased by a considerable 43% over 2012 figures. Life of Pi was partly shot in Puducherry and Munnar in Kerala. The film has attracted international tourists to these locations. To capitalize on this, India's Tourism Ministry and the Puducherry Government announced their plan to launch a "Land of Pi" campaign across all media channels, including print, online, electronic and outdoor, in 2013 in order to promote Puducherry and Munnar as tourist destinations.

"Krrish"

Krrish is an Indian science fiction film directed, produced and written by Rakesh Roshan in 2006. It is the second film in the Krrish series and is the sequel to Koi... Mil Gaya. More than 60% of the film has been shot in Singapore in prominent locations including the Singapore Zoo, the Gateway building and the Singapore National Library. After the movie was released, the local people enthusiastically visited places with which they were already familiar. In addition, Indian visitors began looking at Singapore as a modern destination that is culturally and economically similar to the "new India" and the lifestyles of its middle-class diaspora. Immediately after the release of the film, annual Indian tourist traffic to Singapore increased from six to seven million.

"Zindagi Na Milegi Dobara"

Zindagi Na Milegi Dobara was an Indian film directed by Zoya Akhtar and produced by Excel Entertainment in 2011. Made on a budget of INR 550 million (US\$9.0 million), the movie was mainly shot in Spain and partly in India, Egypt and the UK. The number of Indians visiting Spain surged after the release of the movie. According to Spain's Tourism Board, within six months of the release of the film, the number of Indian tourists to the country jumped by 65% to more than 1,15,000 in 2011, compared to 75,000 in 2010. There was an increase in the number of enquiries and booked holidays in Spain after its release. According to Spain's Tourism Board, the number of visas issued to Indians after the movie went up by 50%-60%.

Spain's Tourism Board received 600,000 enquiries from Indians on destinations shown in the movie, such as Costa Brava, Seville, Pamplona, Barcelona and Valencia, as well as about one of the sequences in the film, which featured the famous Tomatino Festival, and prompted people to time their visits during the festival. Tour operator SOTC introduced a seven-day Spain package, which included the La Tomatina Festival, to cater to people's demands.

The movie has been included as a case study for a course in marketing management in the country, which focuses on how Spain was marketed and portrayed as a product and how the film increased tourism.

“Dilwale Dulhania Le Jayenge (DDLJ)”

Dilwale Dulhania Le Jayenge (DDLJ) was an Indian film, which was released in 1995. It was written and directed by debutante director Aditya Chopra and produced by his father Yash Chopra. The film was shot in India, London and Switzerland.

The success of DDLJ gave a major fillip to tourism in Europe, particularly to Switzerland. There is a strong co-relation between Indian movies and the number of Indian tourists visiting Switzerland. Between 1993 and 2010, the number of annual overnight stays of Indian tourists in the country increased from 71,000 to 393,000. In 2010, Yash Raj Films entered an agreement with SOTC, a part of the Kuoni Travel Group in India, and Brandinvest AG, a Switzerland-based company. They came together to provide a tour package, YRF Enchanted Journey to enable people visiting Switzerland to see the filming locations of famous Yash Raj films including DDLJ, Mohabbatein, Veer-Zaara, Chandni, Darr and Bachna Ae Haseeno.

Over the past three decades, several Bollywood movies have been shot in the northeast India - *Dil Se* (1998), *Tango Charlie* (2005), *Bum Bum Bole*(2010), *Mary Kom* (2014), *Aisa Yeh Jahaan* (2014), *Koyla* (1997), *Ek Pal* (1986), *Kurbaan* (1991), *Saaya* (2003), *Daman* (2001), *Rock On!! 2* (Releasing 2016) and *Rangoon* (Releasing 2016). Fewer were partially shot in Assam - *Dil Se* (1998), *Ek Pal* (1986), *Aisa Yeh Jahaan* (2014) and *Daman* (2001). These films failed to reflect the beauty or tourism potentials of the state, apart from miserably failing commercially.

Conclusion

The Film industry in Assam is over 80(eighty) years old, but still Assamese films have not been able to create a curiosity or desire in the minds of people, outside the state or outside the country, to visit the state. Moreover national and international filmmakers are also not interested in producing good commercial films in the state. A prominent reason for this indifferent attitude of filmmakers towards Assam can be associated with the total lack of sops or incentives to be provided by the state government to various filmmakers, like the other states in India. Another reason might be the lack of true interest of the state authorities to attract and invite filmmakers across the nation or the globe to showcase the tourism potentials of Assam through their films. Another reason that frequently arises in the minds of anybody having a little knowledge about Assam, is Terrorism. People outside the Northeast India have the notion that the state of Assam is engulfed in terrorist activities and the region is very hostile.

Whatever the reason, there is a lot that the state authorities can do in this

regard. Steps can be taken to attract film productions from national and international filmmakers by offering incentives. Moreover the local filmmakers can also be motivated to produce films propagating the tourism potentials of the state. A positive attitude and a proper understanding of the benefits of film production to a tourism destination are the important factors that can lead to reaping the benefits that other destinations across the world have enjoyed and are enjoying consistently.

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