

## **INDIAN TOURISM INDUSTRY- AN INCLUSIVE GROWTH IN SUSTAINABLE DEVELOPMENT**

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### ***Abstract***

*Indian tourism industry has grown at a rapid pace and has enormous potential to generate employment and earn large amounts of foreign currency. So researching the growth and development of the Indian tourism industry is imperative. The growth and development of Indian tourism industry was studied in the present paper. Data was obtained for this purpose from secondary sources such as Bureau of Immigration, Ministry of Tourism, Govt. of India and World Council on Travel and Tourism. Analyzing the data obtained, Calculation of the Compound Annual Growth Rate ( CAGR). Results showed that tourism is India's largest service sector, contributing US\$ 34.0 USbillion to national GDP and 7.4 percent to the total employment in the year 2011. Throughout the year 2011, India experienced over 5 million annual international tourist arrivals and over 740 million domestic tourist visits. This is further suggested that the central and state government will take steps in India to grow tourism.*

### **Introduction**

The wide-ranging growth of tourism means the gradual development of tourism as a productive factor for the economy of one country. In 1945 a committee was set up by the Government of I, headed by Sir John Sergeant, Educational Adviser to the Government of India ; the first deliberate and coordinated attempt to promote tourism in India. (Krishna, 1993). Then in 1956, with the second five year plan, tourism was established in a planned manner. In 1982 the sixth strategy was the launch of a new age tourism has been considered a significant weapon for economic growth and social inclusion and national policy. Earlier in 1988, a detailed plan for sustainable tourism development was drafted by the national committee. An action plan was developed in 1992 and a national tourism promotion strategy was adopted in 1996 as well as a new tourism policy. In terms of foreign arrivals to the Asia pacifist region and 40th in 2010

(WTO, 2010), the policy has recognized the rolls of central and state enterprises, government companies and the private sector in tourist production. Through 2019 it is estimated that the Indian tourism industry will be the second biggest in the world (WTTC, 2009). The Indian tourism industry is growing and has large amounts of employment and exchange profits. Travel and tourism not only have become one of the biggest industries in the world but also are consistently increasing year after year (Gupta and Gupta, 2007). In 2000, international tourist arrivals continuous growth of 683.3 million to 940 million in 2010 was demonstrated. The income from international tourism rose to US\$ 919.0 million in 2010, from US\$ 475.3 million in 1990. The tourism sector accounts for 6.23% of the country's GDP (WTO, 2010).

### **Review of Literature**

Sandeep Das (2011) in his paper "Tourism Contribution towards Employment Generation" analyzed that tourism industry has lot of potentiality in generating employment opportunities, forced earning to achieve higher economic growth. In the 11th five-year plan period number of programmes, incentives have been taken by the Govt. to develop tourism industry under Incredible India Revolution scheme.

Bhatia A.K. (2010) in his book "Tourism Development Principles and Practices? Gives complete picture of historical dimension of tourism and its economic significance. Tourism income multiplies infrastructure, regional development, employment multiplier etc.

### **Objectives of the Study**

1. To study the growth and development of tourism industry in India.
2. To study the contribution of tourism sector in GDP and employment in India.

### **Research Methodology**

Secondary sources such as the Ministry of Culture, Culture, the Immigration and Govt websites have been used for data collection. Pakistan, World Travel and Tourism Organization (WTO), WTTC and the Ministry of Tourism, Pakistan, annual reports. Over a period of 21 years, i.e. 1991 to 2011, statistics on international tourism arrivals (FTAs) and exchange income (FEEs) have been collected from the World Tourism Organisation's website. Data have been obtained from the Immigration Office, Govt, for visits to domestic and international visitors. Asia. India. The World Travel and Tourism Council (WTTC) has collected GDP and jobs data. Table presents direct and total contribution of travel and tourism industry in GDP of India.

### **The growth and development of tourism industry in India**

**Table: 1 Domestic and Foreign Tourist Visits to India (Numbers), 2007-2015**

Year	Total Contribution to GDP(US\$ Billions)	Total Growth (%)	Direct Contribution to GDP(US\$ Billions)	Direct Growth (%)
2007	100.74	37.9	27.72	10.1
2008	68.17	-32.3	29.15	5.1
2009	67.28	-1.2	29.31	0.5
2010	73.31	8.9	31.28	6.7
2011	79.67	8.70	34.00	8.71
2012	80.23	8.63	35.00	8.98
2013	81.63	9.01	37.21	9.12
2014	83.25	9.25	39.54	10.15
2015	86.34	10.63	42.36	10.69

*Source: Bureau of Immigration, Govt. of India, 2015*

GDP contribution directly refers to GDP generated by industry, which deals with tourists directly, including hotels , travel agencies, airlines and passenger services, as well as restaurant and leisure activities that deal with tourists directly. In the year 2007, 100,744 billion was the largest. In the 21 years , the average real growth rate ranged from -32,3% to 37,9%. Direct GDP contributed from – 17.8% to 19.6% in 2015, a total of 86.34 (US\$ trillion) GDP contributions and an rise of 10.63 percent. The 42,36 (US\$ trillions) direct contribution to GDP is 10,69 percent.

#### **The contribution of tourism sector in GDP and employment in India**

**Table: 2 Total and Direct Contribution of Travel and Tourism Industry to Employment, 2007-2015**

Year	Total Job Opportunities (000)	Total Real Growth (%)	Direct Job Opportunities (000)	Direct Real Growth (%)
2007	47955.4	14.1	23569.8	-3.3
2008	38713.8	-19.2	25458.8	8
2009	36740.9	-5	24590.3	-3.4
2010	36783.2	0.1	24335.1	-1

2011	37654.7	2.36	24931.3	2.44
2012	40236.8	3.12	25136.1	3.12
2013	41236.6	3.26	26523.5	4.25
2014	45367.8	4.96	28648.6	5.12
2015	48956.7	5.36	29154.2	6.12

*Source: World Travel and Tourism Council Statistics, 2015*

Total employment contribution refers to the number of jobs created directly in the tourism sector plus the indirect and induced contributions. By 47955.4(000) to 48956.7(000) by 2007 to 2015 the overall contribution to work from the travel and leisure sector has risen. In 2015, that's 48956.7(000) that was the largest.

### **Conclusions and Suggestions**

In order to facilitate and entertain visitors, tourism in India should be built in a way that is minimally invasive or environmentally harmful. Since the tourism sector is multi-dimensional and is basically a service industry, then, if India was to become a tourist industry world player, it would be important for all the wings of the Central, State, private sector and voluntary organisations. The Commonwealth Games and the Cricket World Cup have played a significant role in tourism promotion in India. One policy implication from this study is that India will boost its performance of economic growth by strategically harnessing the tourism industry's contribution and strengthening its governance.

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