



## A journey towards sustainability – Indian tourism sector – prospective contribution to Indian economy

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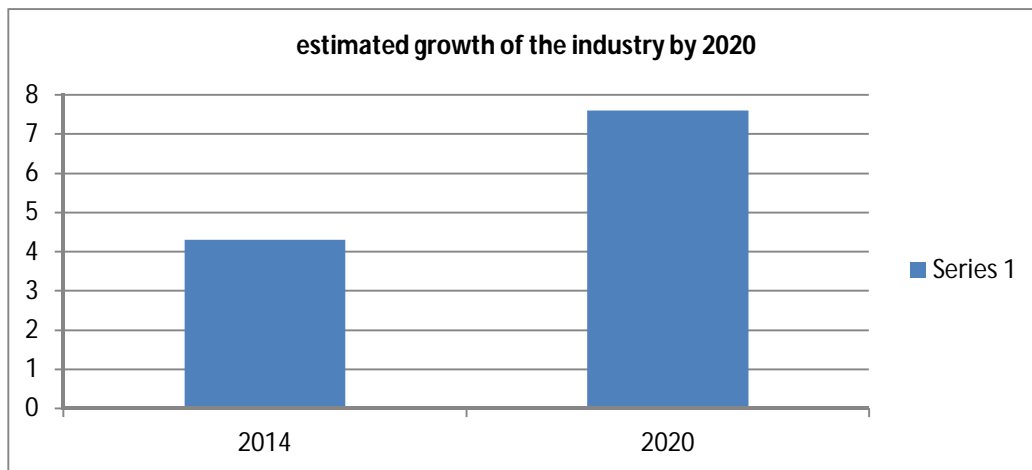
**Abstract:** *Tourism in India is a prospective sector which is expanding at a huge rate. Its contribution to National GDP is increasing as well as the career opportunities maker prospects & the immediate economic support is also expanding. This paper outlines the futuristic growth of tourism sector & streamlines the importance of integrated policy towards the tourism sector.*

**Keywords:** *Tourism , expanding economy , market trends ,policy interventions.*

**Introduction:** Tourism in India is the largest service industry National GDP-6.23 Foreign tourist arrivals-5.5 million Domestic tourism visit-740 million India generated about 100 billion US\$ in 2011 and that is expected to increase to US\$275.5 billion by 2018 at a 9.4% annual growth rate. In the year 2012, 17.9 million foreign tourists visited India.

### Future Prospects

1. The demand for Tourism sector is expected to grow by 8.2 per cent between 2010 and 2019 and will place India at the third position in the world.
2. The Tourism sector is expected to be the 2nd largest employer in the world, employing 40,037,000 by 2019.
3. The Tourism sector Capital investment travel and tourism sector is expected to grow at 8.8 per cent between 2010 and 2019.
4. The Tourism sector will get capital investment worth US\$ 94.5 billion in the travel and tourism sector in 2019.
5. The Tourism sector is projected to become the fifth fastest growing business travel destination from 2010-2019 with an estimated real growth rate of 7.6 per cent. As shown in chart -1





**Indian tourism industry :**

1	INR	6.4 trillion
2	Contribution to GDP	6.6%
3	Generation jobs	39.5 million
4	Total employment	7.7%
5	Foreign exchange earnings	94487 crores
6	International tourists arrival	7.9%
7	domestic tourists arrival	12.29%
8	Foreign tourist arrivals	5.5 million
9	Domestic tourism visit	740 million

**Table -3**

<b>the tourists statistics</b>	
Foreign tourist arrivals	5.5 million
Domestic tourism visit	740 million

It is estimated that foreign tourist arrivals are increasing & it had reached 5.5 million in 2014 at the same time domestic tourists also increased to 740million.

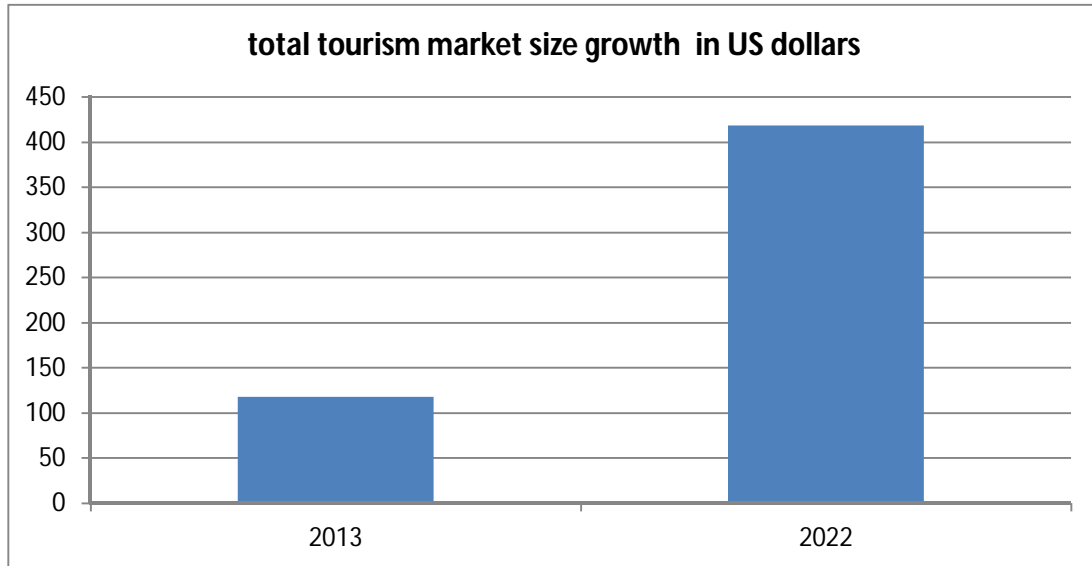
1. Tourism industry generated INR 6.4 trillion 6.6% of nations GDP
2. 39.5 million jobs have been created by this industry i.e. 7.7% of the total employment
3. The sector is predicted to grow at an average annual rate of 7.9% from 2013 to 2023
4. India ranks third among countries with the fastest growing tourism industries over the next decade
5. India ranks 41st in the world in terms of foreign tourist arrivals
6. Foreign exchange earnings in terms of INR amounted to 94487 crores.
7. Number of Indian national departures from India during 2012 was 14.92 million
8. International tourist arrival in India is expected to grow at a Compounded Annual Growth Rate of 7.9%
9. Indian outbound tourist departure is expected to reach 20.5 million by the year 2015.
10. Domestic tourist visits is expected to increase by a Compounded Annual Growth Rate of 12.29%.



11. Indian tourism foreign exchange earnings is also expected to grow at a Compounded Annual growth rate of 7.9%

1. The total market size of Indian tourism and hospitality sector stood at US\$ 117.7 billion in 2013 and is expected to touch US\$ 418.9 billion by 2022.

**Future of Tourism in India**



India is expected to receive nearly half a million medical tourists by 2015, implying an annual growth of 30 per cent. The number of medical tourists coming to India has registered a growth of 40 per cent in the past six months. The inflow of medical tourists is expected to cross 45 lakh by 2015 from the current level of 25 lakh.

medical tourism annual growth	30%
number of medical tourists	40%
inflow of medical tourists	45 lakh

**Future of Tourism sector in India :**

- 1. Role of FDI-** The Tourism sector has a great prospect in India as the Government has allowed 100 per cent FDI in the hotel , hospitality and tourism related industries.
- 2. Role of bilateral agreements/ memoranda of understanding (MoU)-**

The Ministry of Tourism, Government of India, has signed bilateral agreements/ memoranda of understanding (MoU) with 47 countries, a tripartite agreement between India, Brazil and South Africa and a multilateral agreement between India and Member States of Association of South East Asian



Nations (ASEAN) for cooperation in the tourism sector.

3. **Role of Cruise shipping-** Cruise shipping is one of the most dynamic and fastest growing components of the global leisure industry. India with a vast coastline, and undisturbed idyllic islands can be a potential tourist destination for cruise tourists.
4. **improving medical tourism** -World tourist arrivals expected to increase by 43 million every year on an average from 2010 to 2030.

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