

## **Contribution of Tourism & Hospitality Sector in Development of Indian Economy**

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**Abstract:** The Indian tourism & hospitality sector is one of the significant components of Indian service sector and is one of the important drivers of growth & development of Indian economy. The Indian tourism & hospitality industry is one of the major foreign exchange earners & contributes highly to national gross domestic product (GDP). The Indian tourism & hospitality industry is also one of the major employment generators in the Indian economy. Tourism and hospitality sector contributes 6.8% in India's Gross Domestic Product. India which has 30 world heritage sites and a rich culture, tourism and hospitality industry has great potential to enhance tourist and accelerate economic growth due to multiplier effect of tourism on job creation. According to NITI AYOJ, the Indian tourism & hospitality sector is responsible for creating more jobs per million rupee of investment than any other sector. This sector also provides varieties of jobs which cater to both skilled & unskilled people in India. The size of market of the Indian tourism & hospitality sector is expanding continuously. A lot of investments have taken place in Indian tourism & hospitality sector recently. The government of India has contributed significantly to the growth & development of the Indian tourism & hospitality sector by implementing initiatives such as providing 100 % foreign direct investments (FDI), flexible tax incentives, flexible policies, better road, rail & air connectivity, ease in availability of e-visas to foreign tourists etc. This research paper focuses on the contribution of tourism and hospitality sector on Indian Economy by analyzing secondary data. This study highlights the weaknesses of Indian tourism and hospitality sector and suggest ways for further improvement.

**Keywords:** Indian tourism & hospitality sector, Indian economy, Gross domestic product (GDP), employment, investments, foreign direct investments (FDI), Indian government etc.

### **INTRIDUCTION**

Indian economic system is classified into 3 sectors — agriculture, industry and service. Agriculture sector consists of agriculture, farm animals, forestry and fishing. Industry region

consists of mining, production, transportation, fuel, water deliver and construction work. Service area includes alternate, tourism and hospitality, delivery, verbal exchange, broadcasting, financial, real estate, public management, protection and other offerings. Service sector is the largest area of India. The tourism & hospitality industry has been universally diagnosed a medium of development and socio-monetary growth.

In the age of globalization tourism and hospitality enhances the economic boom with the aid of task advent, supply of forex and improvement of regions with capacity for tourism. According to international travel and tourism council (2014), the contribution of travel and tourism in global GDP is expected to boom from 9.5% of GDP in 2013 to 10.3% of GDP in 2024 (WTTC, 2014). Tourism and hospitality industry contributes 6.8% of GDP of India, contributes 7.7% in total employment generated and affords foreign exchange of us\$18.thirteen billion (IBEF, 2014). The tourism and hospitality zone is the 1/3 biggest supply of forex for India (make in India, 2015). Market size of tourism and hospitality quarter is anticipated to boom from us\$ 122.1 billion in 2013 to us\$ 418.nine billion in 2022 (IBEF, 2014).

### **TOURISM AND HOSPITALITY**

The terms tourism and hospitality are highly inter-related to each other as one industry. However both terms ‘hospitality’ and ‘tourism’ industries are viewed as two different sectors. There is also overlapping exist between these two sector. Tourism can be defined as the persons travel and goes for the places outside of their usual environment for less than one year to fulfil their business purpose and for leisure; they are not employed there on the place of visiting. Hospitality consist services like accommodations, venues, meals and drinks to those people who are out of their homes. Tourist of other countries as well as domestic tourist enjoy these services and also other non-resident residents. Broadly both of these industries cover the restaurants, accommodations, hotels and other exhibition activities. It can be say that tourism is not the subsector of the Hospitality merely a source of the tourist services. On the bases of above explanation we have made a clear difference between two inter-related industries. Hospitality industry broadly include the following sectors:-

- Licensed clubs
- Food shops
- Catering activities
- In-house catering
- Exhibition and fair organizer’s activities
- Activities of conference organizers
- Other food services

These are the main areas of the hospitality industry which provide the services different ways. Hospitality is considered the focal point in those countries where tourism is the major export industry. Cross border flow of business people as well as capitals has flourished the hospitality industry. The hospitality is the top source of foreign currency exchange and largest employers to employ the workforce. Hospitality also contribute to bring the different cultures together in global community. Countries, which are suffering from trade balances look the hospitality and tourism to close the gap. Hence, the hospitality is not a concept but it is a driving force in the global market. In current scenario Lifestyle and globalization of business is communicated in foreign languages and coping with different political and social systems.

Tourism compares favorably with other economic sectors as an employment generator (Goleman & Boyatzis, 2008). It was estimated by OAS that 1.15 jobs are created for every room in the tourism sector and for every one job created directly within the tourism sector, two other jobs are created in other sectors of the local economy (Vaugeois, 2000; OAS, 2010). The OAS (2010) listed valuable attributes that could result in a successful tourism destination. Table 1 gives a summary of the various attributes.

**Table 1:** Tourism destination attributes for success

| Climate   | Natural resources   | Infrastructure   | Amenities  | Culture  | Socio-economic and political   |
|---|---|--|--|--|--|
| <ul style="list-style-type: none"> <li>• Temperature</li> <li>• Rainfall</li> <li>• Humidity</li> <li>• Sunshine hours</li> </ul> | <ul style="list-style-type: none"> <li>• Beaches</li> <li>• Lakes</li> <li>• Rivers</li> <li>• Forests</li> <li>• Mountains</li> <li>• Flora &amp; Fauna</li> </ul> | <ul style="list-style-type: none"> <li>• Basic essential services such as electricity, water, waste removal and sewer.</li> <li>• Roads</li> <li>• Telecommunication</li> <li>• Railways</li> <li>• Ports</li> <li>• Airports</li> </ul> | <ul style="list-style-type: none"> <li>• Accommodation</li> <li>• Institutions</li> <li>• Restaurants</li> <li>• Shopping</li> <li>• Sports and recreation</li> <li>• Entertainment</li> <li>• Wildlife and zoo's</li> <li>• Health</li> </ul> | <ul style="list-style-type: none"> <li>• Historic features</li> <li>• Theatre</li> <li>• Art</li> <li>• Museums</li> <li>• Festival &amp; event</li> </ul> | <ul style="list-style-type: none"> <li>• Stable government</li> <li>• Political stability</li> </ul> |

Source: OAS, (2010).

## REVIEW OF LITRATURE

1. **Anawade P.A. & Bendale Shilpa K.** (2016) studied on the topic “Recent Trends in Hotel Industry and Its Impact on Individual Spending: A Study for Khandesh Region”. This paper reviews the impact of the spending on hoteling by the individuals. The rural area is being considered in the review. They found that the global hotel industry comes in a rising growth trail since 2000 just because of the accelerated growth in the share market, high performance in the supply chain and demand for luxury facilities and other fundamentals available for the hoteling. Investors have displayed great confidence and interest in the investments in hotel sector.
2. **Mutha, D. A.** (2015). Studied on the topic “Development and Impact of Tourism Industry in India”. He concluded that tourism industry in India is developing with fast rate and it has high potential for creating employment opportunity and generating large amount of foreign exchange besides giving a fillip to the country’s overall economic and social development. In spite of several efforts by the central and state government, the growth of tourism industry is not getting that status which Indian Tourism deserves actually. It is time that India should look for and make efforts on global market to offer the best product mix and adopting right strategies for the promotion and development of tourism in the country.
3. **Vijayaragavan, T.** (2014) studied on the topic “Impact of Tourism in Indian Economy” and concluded that the tourism industry in India is substantial and vibrant and the country

is rapidly growing as a major global destination. Moreover tourism industry contributes up to a great extent to grow horticultures, handicrafts, agriculture, construction, and poultry and so on. Today, tourism has become more inclusive of new concepts which needs the support of the government for development and growth. There is also a need to propagate these concepts with dedicated policies formed for the development of tourism. Effective implementation of the policies will help to boost the growth of the industry overall.

4. **Jaswal Singh, Sultan** (2014) on the topic “Role of Tourism Industry in India’s Development” studied the role and importance of tourism to the generation of national income, expansion of employment opportunities, rising of tax revenue, generation of foreign exchange and transformation of regional economy. Travel & Tourism is a significant economic aspect in most countries around the world. As well as its direct economic impact, the industry has major indirect and induced impacts. Indian Tourism offers a potpourri of variety of cultures, traditions, festivals, and places of interest. India is a country which has rich cultural, religious and traditional diversity. This aspect is also reflected in its tourism. The different parts of the country offer diverse variety of interesting places to explore.
5. **Mathur, Parul & Kumar, Daleep.** (2014). Studied on the topic “Contribution of tourism and Hospitality industry in the Economy of India” and found that the Indian Tourism and Hospitality Industry is expected to show a healthy and rapid growth in the coming years on the base of previous years which provide good and healthy economy to India due to strongly increased FDI, Tourism development program in the country, favorable government policies, 2010 commonwealth games in the country, 2011 Cricket World Cup and other international events, those establish the strong economy.
6. **Lateef Ahmad Mir.** (2014). Analyze the topic “An Economic Evaluation of Indian Tourism Industry” and concluded that tourism industry has emerged as an important instrument in the economic development of Indian economy, particularly in remote backward rural areas in present time. Because of its strong backward and forward linkages it helps in creating employment opportunity in different profiles and thus increases living standard of people who are directly as well as indirectly linked with this economically profitable activity.

## **OBJECTIVES OF THE STUDY**

- To understand the concept and relationship between tourism and Hospitality sector.
- To analyze the trend of growth in Indian tourism and hospitality sector.
- To analyze the impact of tourism and hospitality sector on the economy of India.

## **METHODOLOGY**

Data Collection The data collection is the based on and gathered from secondary sources for this paper like books, magazines, e-journals, magazines, articles, newspapers and websites and

produced it after genuinely and thoroughly study. The collected data analyzed through MS-Excel to find out the result with the help of graphs/figures and tables.

### **LIMITATIONS OF STUDY**

This is a unique study of this type because this type of study is available a few. The data used in the study is related to limited period i.e. 2008 to 2019. One more limitation is that the collected data is related with major players of the hospitality industry.

### **SCOPE OF THE STUDY**

This paper focuses on data of last one decade from 2008 to 2019. The results and findings examine the contribution of Tourism and Hospitality Industry in the development of Indian economy. This paper will help to new researchers/scholars/students of the Tourism and Hospitality Management in India and out of India for future study and also, Indian government to take further decisions, because this is the special and unique study of this type. Also the study will be helpful in the development of economy of the country.

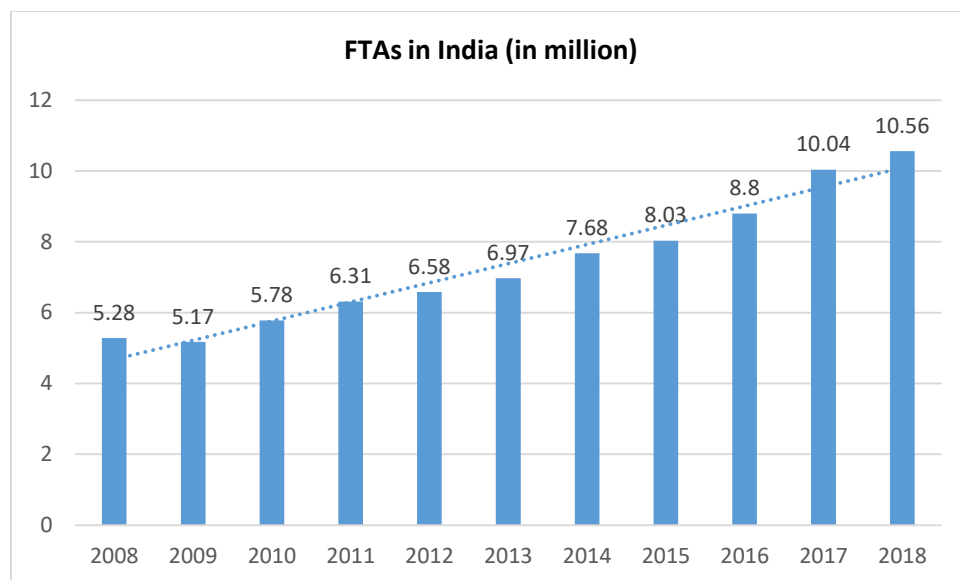
### **INDIAN TOURISM AND HOSPITALITY INDUSTRY ANALYSIS**

**Table 2: Inbound Tourism: Foreign Tourist Arrivals (FTAs) in India**

| <b>Year</b> | <b>FTAs in India (in million)</b> | <b>Percentage (%) change over previous year</b> |
|-------------|-----------------------------------|---|
| 2008        | 5.28                              | 4   |
| 2009        | 5.17                              | -2.2  |
| 2010        | 5.78                              | 11.8  |
| 2011        | 6.31                              | 9.2   |
| 2012        | 6.58                              | 4.3   |
| 2013        | 6.97                              | 5.9   |
| 2014        | 7.68                              | 10.2  |
| 2015        | 8.03                              | 4.5   |
| 2016        | 8.8                               | 9.7   |
| 2017        | 10.04                             | 14  |
| 2018        | 10.56                             | 5.2   |

**Source:** Ministry of Tourism

**Fig. 1: Foreign Tourist Arrival in India**



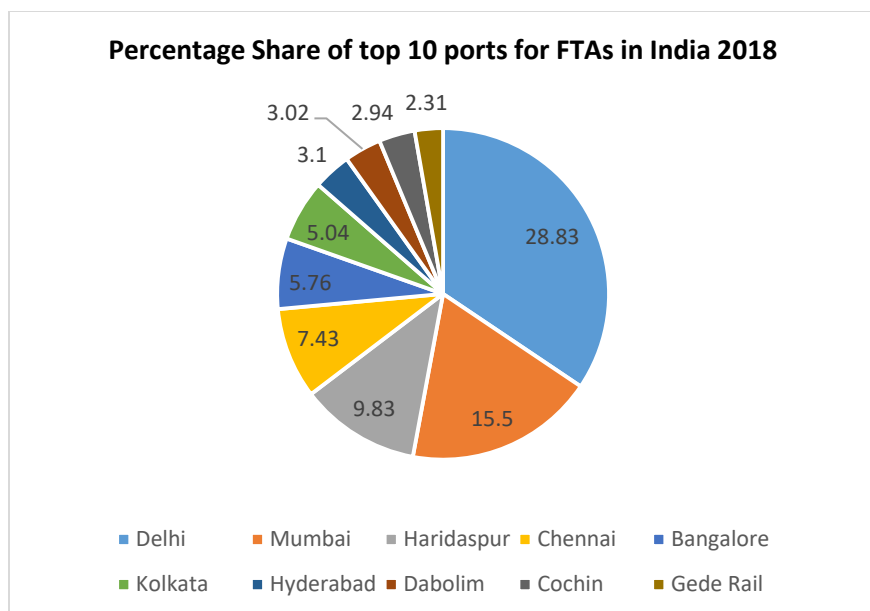
**Interpretation-**Above graph is showing increasing trend line which indicate that foreign tourist arrival in India is increasing with the passage of time. It shows that tourism and hospitality has high potential for growth in future which ultimately result in positive impact on Indian Economy.

**Table 3: Top 10 International Check Posts for Foreign Tourist Arrivals (FTAs) in India in 2018**

| S. No | International Check Posts (ICP) | FTAs     | PERCENTAGE SHARE |
|-------|---------------------------------|----------|------------------|
| 1     | Delhi                           | 3043550  | 28.83            |
| 2     | Mumbai                          | 1636941  | 15.5             |
| 3     | Haridaspur                      | 1037318  | 9.83             |
| 4     | Chennai                         | 784798   | 7.43             |
| 5     | Bangalore                       | 608534   | 5.76             |
| 6     | Kolkata                         | 531743   | 5.04             |
| 7     | Hyderabad                       | 327146   | 3.1              |
| 8     | Dabolim                         | 318580   | 3.02             |
| 9     | Cochin                          | 310229   | 2.94             |
| 10    | Gede Rail                       | 243685   | 2.31             |
|       | Total top 10                    | 8842524  | 83.75            |
|       | Others                          | 1715405  | 16.25            |
|       | Grand Total                     | 10557929 | 100              |

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

**Fig.2: Share of top 10 ports for FTAs in India 2018**



**Interpretation-** Above chart shows that Delhi has the highest percentage of foreign tourist arrival and Mumbai is at the second place. These two places more than 50% of foreign tourist in India and considered as top cities for tourist attraction.

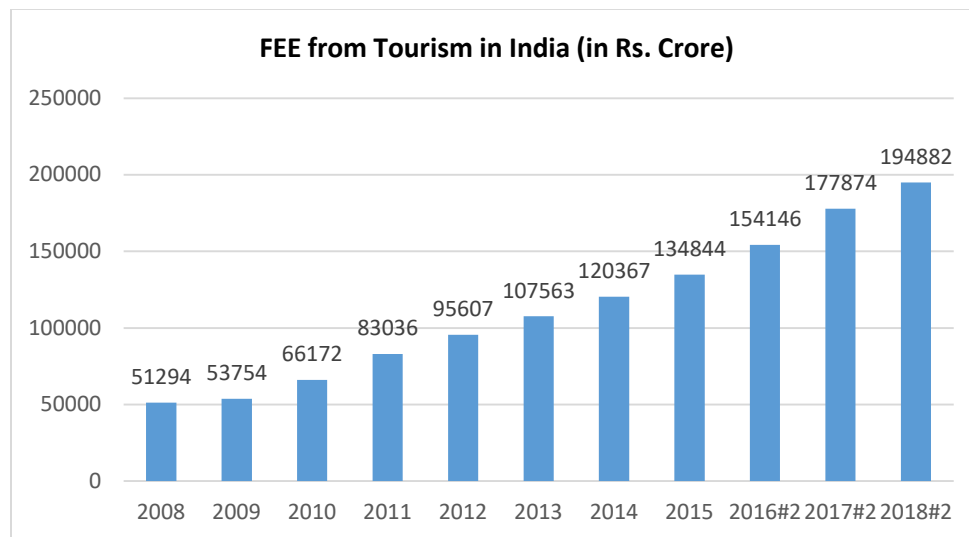
**Table 4: Estimates of Foreign Exchange Earnings (FEEs) in Rs. Crore from Tourism in India, 2000-2018**

| Year   | FEE from Tourism in India (in Rs. Crore) | Percentage(%) change over the previous year |
|--------|--|---|
| 2008   | 51294                                    | 15.6  |
| 2009   | 53754                                    | 4.8   |
| 2010   | 66172                                    | 23.1  |
| 2011   | 83036                                    | 25.5  |
| 2012   | 95607                                    | 15.1  |
| 2013   | 107563                                   | 12.5  |
| 2014   | 120367                                   | 11.9  |
| 2015   | 134844                                   | 12  |
| 2016#2 | 154146                                   | 14.3  |
| 2017#2 | 177874                                   | 15.4  |
| 2018#2 | 194882                                   | 9.6   |

#2: Revised estimates

**Source:** (i) Reserve Bank of India, for 2000 -2015 (ii) Ministry of Tourism, Govt. of India, for 2016-2018.

**Fig 3: Estimates of Foreign Exchange Earning From Tourism in India from 2008-2018**



**Interpretation-** Above graph indicates that the highest amount of foreign exchange earnings is in the year 2018. It shows increasing trend like foreign tourist arrival. It has positive impact on GDP of India.

**Indian Tourism Scenario**

India, with its large geographical and cultural diversity is an emerging hotspot for global tourists the reason is it offers wide range of tourist attractions from the Himalaya to oceans. According to the World Travel and Tourism Council, the rank of India is 7th amongst 185 countries in term of travel and tourism sector’s total contribution to GDP in 2017. Tourism industry in the year 2017 contributed 9.4 per cent of the GDP and generated 8 per cent of the total employment in the country, thus making it a one of the largest industries in service sector.

**Table 5: Forecast for the Indian Tourism Industry**

|   | 2017                     |            | 2028 (forecasted)        |            |
|---|--------------------------|------------|--------------------------|------------|
|   | USD Bn (constant prices) | % of total | USD Bn (constant prices) | % of total |
| <b>India</b>                                |                          |            |                          |            |
| Direct contribution to GDP                  | 91.3                     | 3.7        | 194.7                    | 3.9        |
| Total Contribution to GDP                   | 234                      | 9.4        | 492.2                    | 9.9        |
| Total Contribution to Employment (000 jobs) | 41,623                   | 8          | 52,279                   | 8.4        |
| Visitor Exports                             | 27.3                     | 5.8        | 50.9                     | 5.1        |



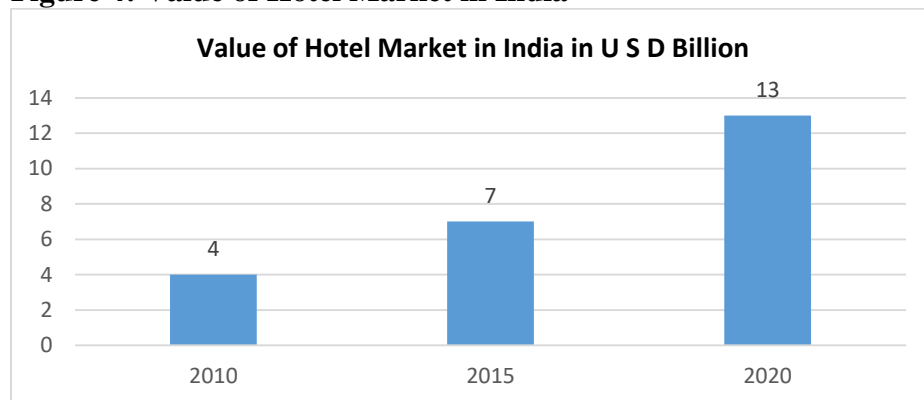
|                    |      |     |      |     |
|--------------------|------|-----|------|-----|
| Capital Investment | 41.6 | 6.3 | 85.2 | 6.1 |
|--------------------|------|-----|------|-----|

**Source:** India Tourism Report 2018

### **Tourism Infrastructure in India: Current Scenario and Opportunities**

Indian hospitality industry has now emerged as one of the important industries driving the growth of the service sector and thereby, the Indian economy. The Indian hotel market is expected to grow to around USD 13 Billion by 2020.

**Figure 4: Value of Hotel Market in India**



**Source:** Source: <https://www.statista.com/statistics/750881/india-hotel-market-size/>

Further, according to the World Travel & Tourism Council’s 2018 report, the industry contribution to capital investment in India was INR 2706.1 Billion in the year 2017 and is projected to grow 6.7 per cent per annum in next ten years to INR 5546.3 Billion by 2028, higher than the global average of 4.5%. Despite boost in private sector investment, Indian hotel industry observed downfall in average room rate and room occupancy in 2016-17 which is largely attributed to lower participation of hotels in the Five-Star Deluxe and Five-Star categories in India.

### **Relationship between Tourism and Hospitality Sector**

The Indian tourism and hospitality industry is considered as one of the major drivers of growth among the different services sector in India. Tourism Industry in India has enormous potential considering the rich cultural and historical heritage, variety in ecology, terrains and various places of natural beauty spread across the country. Tourism is also considered as potentially large employment generator besides being a significant source of foreign exchange for the country. FEEs collected during the period January-November 2019 were US\$ 26.78 billion registering a growth of 3.7 per cent every year.

According to WTTC, the rank of India is third among 185 countries in terms of travel & tourism’s total contribution to GDP in 2018. India was ranked 34th in the Travel & Tourism Competitiveness Report of 2019 published by the World Economic Forum.

### **Market Size**

Now India is considered as the most digitally advanced traveler nation in terms of digital tools being used for planning, booking and experiencing a journey, India's rising middle class and increasing disposable incomes has continued to support the growth and development of domestic and outbound tourism.

During 2018, foreign tourist arrivals (FTAs) in India was 10.56 million, achieving a growth rate of 5.20 per cent year-on-year. During January-November 2019, Foreign Tourist Arrivals (FTAs) was 96,69,633 with the growth of 3.2 per cent.

During January-November 2019, a total of 25, 51,211 tourist arrived in India on e-Tourist Visa registering a growth of 23.8 per cent.

The travel & tourism sector in India contributes for 8 per cent of the total employment opportunities generated in the country in 2017, providing employment to around 41.6 million people in the same year. The number is expected to rise by 2 per cent per annum to 52.3 million jobs by 2028.

International hotel chains are increasing their presence in the country, as it will contribute for around 47 per cent share in the Tourism & Hospitality sector of India by 2020 & 50 per cent by 2022

### **Investments**

India is also the third largest country in terms of investment in travel & tourism with an investment of US\$ 45.7 billion in 2018, accounting for 5.9% of national investment.

During the period April 2000-June 2019, the hotel and tourism sector attracted around US\$ 12.99 billion of Foreign Direct Investment, as per the data released by Department for Promotion of Industry and Internal Trade (DPIIT).

### **Government Initiatives**

The government of India has realized the country's potential in the tourism industry and has taken many steps to make India a global tourism hub.

Some of the important initiatives planned by the Government of India to give a boost to the tourism and hospitality sector in India are as follows:

- Ministry of Tourism decided to launch Audio Guide facility App called Audio Odigos for 12 sites of India (including iconic sites).
- Prime Minister of India, Mr Narendra Modi urged people to visit 15 domestic tourist destinations India by 2022.
- Statue of Sardar Vallabhbhai Patel, also called 'Statue of Unity', was inaugurated in October 2018. This is the highest standing statue in the world at a height of 182 metre. It is expected to flourish the tourism sector in the country and put India on the world tourism map.
- The Indian Government is working to achieve 1% share in world's international tourist arrivals by 2020 and 2% share by 2025.
- Under budget 2019-20, government introduced a Tax Refund for Tourists (TRT) scheme similar to the scheme in countries such as Singapore to encourage tourists to spend more in India and boost tourism.

- Under budget 2019-20, the government granted Rs 1,160 crore (US\$ 160.78 million) for development and growth of tourist circuits under Swadesh Darshan.
- Under Union Budget 2019-20, US\$ 82.27 million was allocated for promotion & publicity of different programs & schemes of the Tourism ministry.
- In September 2019, Japan joined a band of Asian countries, including Taiwan and Korea among others to get in the Indian tourism market.

## **Achievements**

Following are the achievements related to tourism of the government during 2019-20:

- During 2019-20, more funds of Rs 1,854.67 crore (US\$ 269.22 million) are sanctioned for new projects under the Swadesh Darshan scheme.
- Ministry of Tourism allotted fund for 18 projects covering all the North Eastern States for Rs 1,456 crore (US\$ 211.35 million) for development as well as promotion of tourism in the North Eastern Region under the Swadesh Drashan and PRASHAD Schemes.
- Statue of Sardar Vallabhbhai Patel, also called ‘State of Unity’, was inaugurated in October 2018 and the total revenue generated till November 2019 is Rs 82.51 crore (US\$ 11.81 million).



## **FINDINGS**

1. India is a large market for travel and tourism point of view. It provides a diverse portfolio of niche tourism products - cruises, adventure, medical, wellness, sports, MICE, eco-tourism, film, rural and religious and cultural tourism. India has been recognized as a destination for spiritual tourism for domestic as well as international tourists. In Independence speech from Red Fort, Prime Minister of India ‘Narendra Modi’ urged

people to visit 15 domestic tourist destinations in India by 2022 to promote tourism. India was at the 34th place in the Travel & Tourism Competitiveness Report 2019 published by the World Economic Forum.

2. Total contribution by travel and tourism sector in the GDP of India is expected to increase from Rs 15,24,000 crore (US\$ 234.03 billion) in the year 2017 to Rs 32,05,000 crore (US\$ 492.21 billion) in 2028. According to WTTC, India is at 3rd place among 185 countries in terms of travel & tourism's total contribution to GDP in 2018. International Tourists arrival is expected to raise up to 30.5 billion by 2028. Foreign tourist arrivals for medical purpose increased from 427,014 for the year 2016 to 495,056 in 2017. During January-September 2019, a total of 18, 98,655 tourist arrived on E-Tourist Visa registering a growth of 20.4%.
3. During January-September 2019, Foreign Tourist Arrivals (FTAs) were 76, 33,454 with the growth rate of 2.3%. FEEs during the period from January to September 2019 were Rs 1, 51,480 crore (US\$ 21.53 billion). During 2019 (till September 2019), 7.63 million foreign tourists arrived in India.
4. Under the Swadesh Darshan and Prashad scheme many projects has been sanctioned of worth Rs 550 crore.
5. As of 2017-18, 81.1 million people are employed in the tourism industry in India which was 12.38% of total employment in the country. Indian Government has set a target of 20 million foreign tourist arrivals (FTAs) by 2020 and double for the foreign exchange earnings as well.
6. The launch of various branding and marketing initiatives by the Government of India like 'Incredible India!' and 'Athiti Devo Bhava' has provided a focused impetus to growth. The Indian government has also released a new category of visa - the medical visa also called M visa, to encourage medical tourism in the country. Incredible India 2.0 campaign was started in September 2017. In September 2018, the Indian government initiated the 'Incredible India Mobile App' to assist the traveler in India and showcase major experiences for travelling. The Government of India is working to achieve 1% share in world's international tourist arrivals by 2020 and 2% share by 2025.
7. In October 2018, Statue of Sardar Vallabhbhai Patel, also known as 'Statue of Unity', was inaugurated as a tourist attraction in Gujrat. It is the tallest statue in the World standing at a height of 182 metre. It is expected to flourish the tourism sector in the country and put India on the world tourism map. In February 2019, the visiting hours for tourist has been increased by two more hours and also has been equipped with e-bike tours.
8. The Government has also been making serious efforts to increase investments in tourism sector. In the hotel and tourism sector, 100% FDI is allowed through the automatic route. A five-year tax holiday has been offered for 2, 3- and 4-star category hotels located around UNESCO World Heritage sites excluding Delhi and Mumbai. Hotel & Tourism sector has received cumulative FDI inflows of US\$ 12.96 billion for the period during April 2000 to June 2019.
9. An online Public Service Delivery System (PSDS) had been started by the Ministry of Tourism to enable all the applicants seeking approval for hotel projects and track their applications online on a real time basis. Tourism Ministry is also developing various theme-based tourist circuits of Swadesh Darshan Scheme for the growth and promotion of tourism.

10. Under Union Budget 2019-20, government also introduced a Tax Refund for Tourists (TRT) scheme similar in countries such as Singapore to motivate tourists to spend more in India and flourish tourism. The Government of India will certainly develop 17 iconic tourist sites in India into world-class destinations, as per Union Budget 2019-20.
11. India is a huge market for travel and tourism. It offers a diversified portfolio of niche tourism products - cruises, adventure, medical, wellness, sports, MICE, eco-tourism, film, rural and religious tourism. India has been recognized as a destination for spiritual tourism for domestic as well as international tourists

## **CONCLUSION**

The Tourism and hospitality industry is considered very sensitive to economic cycles and is therefore essentially linked to the state of the economy. It's totally similar to agriculture industry of India because the Tourism and Hospitality Industry is also effected by nature up-down similar to agriculture sector As per the last one decade data is witnessed of the Indian economic downturns and a historic growth period during this time. After analyzing all the information and data collected from various sources, it can be concluded that the Indian Tourism and Hospitality Industry is expected to show a healthy and tremendous growth in the up-coming years on the base of previous years which provide strong and healthy economy to India due to strongly increased FDI, Tourism development program in India, favorable government policies, 2010 commonwealth games in the country, 2011 Cricket World Cup and other international events, have established the strong economy. "India is an extremely significant market for hotel industry, one that we are always looking for the right opportunities to invest in. With international tourism increasing year-on-year and the continued strength of domestic tourism, incredible opportunities for growth can be seen," said Mr Jan Smits, Chief Executive Officer, Inter-Continental Hotels Group (IHG) in Asia, Middle East and Africa, who took part in a trade mission to India with Mr David Cameron, the British Prime Minister, to develop trade ties between the two countries.

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