

Effect of Development Tourism Industry in Indian Economy

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ABSTRACT

The aim of this paper is know the growth as well as the negative and positive effects of India's tourism industry. Tourism has become one of the main sectors of the economy of developing countries like India, contributing a large share of national income and generating huge employment opportunities. Nowadays, fastest-growing tourism industry in the country with has a lot of opportunities to expand. However, there are negative and positive effects associated with the development of the tourism industry in the country. The article conclude that Tourism in India should be developed in such a way that it supports and sustains the ecosystem while accommodating and entertaining guests in a way that is least disruptive to or damaging to the environment. The local cultures of the places in which it operates. The following study is based on secondary data that has been made available by a number of agencies and organizations. The results of the research on the impacts of the Indian tourist industry conducted by various researchers are presented in the review article that follows.

Keywords:-Travel & Tourism Industry, Economic Growth of Tourism development, Sustainable Economic Development in Tourism Industry

INTRODUCTION

Tourism is the largest service Industry in India. The tourism industry is the total of all businesses that directly provide goods or services to facilitate business, pleasure and leisure activities away from the home environment. It offers tourism for history, culture, business and sports. As per WTTC, India's travel and tourism sector is predicted to expand at an average annual rate of 7.8% over the next ten years, outpacing the country's overall economic growth rate of 6.7%, and eventually account for 7.2% of the country's GDP, or over \$33.8 trillion (U.S. \$457 billion). The prediction also showed that over the next ten years, the industry is predicted to add more than 24 million employment, or an average of 2.4 million new roles annually.

The study of this data and information is based on secondary data that has been made available by a number of agencies and organizations. The results of the research on the impacts of the Indian tourist industry conducted by various researchers are presented in the review article that follows.

In India the major organizations involved in tourism are: TM

- Department of Tourism TM
- India Tourism Development Corporation TM
- Indian Institute of Tourism and Travel management TM
- National Council for Hotel management and Catering Technology and

- Tourism Finance Corporation of India Limited

TOURIST ATTRACTIONS IN INDIA

India is a nation renowned for treating all guests opulently, regardless of where they are from. Tourists were drawn to the country by its welcoming customs, diverse way of life and cultural history, and colorful fairs and festivals. Other tourist attractions include wonderful beaches, forest, and beautiful environments for eco-tourism; Snowy River and mountain peaks for adventure tourism; technical parks and science museums for spiritual tourism; and historic buildings, railroads, and hotels for

heritage tourism. Hill stations with yoga, Ayurveda, and natural health amenities are popular with visitors.

Tourism also helps unknown villages become well-known destinations across the world. These unidentified villages were at first characterized by poor economic activity and populated by conventional rural people. Later, the advent of tourism contributed to increased economic growth and global prominence. As a result, table 5 provides an overview of how much tourism contributes to the economy.

Table 1:-The Economic Contribution of Tourism in 2014

Indicators (in Rs.bn 2014 prices)	Values	Growth (%)
Visitor exports	1224.4	6.5
Domestic expenditure	5362.9	7.4
Internal tourism consumption	6587.3	7.2
Purchase by tourism providers, including imported goods	-4109.1	7.2
Direct contribution to GDP	2478.2	7.4
Domestic supply chain	3794.0	7.4
Capital investment	2107.2	3.6
Government collective spending	128.7	7.1
Imported goods from indirect spending	-2173.5	5.0
Induced	1307.8	6.5
Total contribution to GDP	7642.5	7.3
Direct contribution to employment	23024	2.5
Total contribution to employment	36695	2.7
Expenditure on outbound travel	897.7	20.5

Source: WTTC Travel and Tourism Economic Impact 2015

Initiative by World Travel & Tourism Council, India Initiative (WTTCII)

In 2002, the Government of India issued a Tourism Policy. There are tourism policy statements in several states.

- Budget allocation has been steadily increasing since the Tenth Plan in 2002-03.
- Increased budgets have supported infrastructure development and market marketing initiatives in the tourism sector, which has been recognized for its economic benefits.
- Destination advertising in travel journalism and books on travel, culture, gastronomy, and craft increase interest in India and promote understanding of the destination's evolution, applicability, and use at all levels.

- With an active marketing strategy, India Tourism built a brand identity.
- The Ministry of Tourism's Incredible India campaign has been a huge success. Festivals, performing arts, and traditional crafts are planned to highlight India.
- State governments have recognized the potential of tourism and expanded tourism funding.

IMPACT OF DEVELOPMENT TOURISM INDUSTRY IN INDIA

The tourism industry in India has both positive and negative effects on the economy and society. These impacts are highlighted further below.

Positive Impact

Tourism may help the economy by increasing consumer spending, generating new jobs, and more. Tourism may provide poor and emerging economies a significant economic boost. In reality, this sector pushes those industries and economies to perform better, promoting industry growth.

- Revenue and employment generation
- Cultural growth
- Increase income
- Increase government revenue(tax)
- Source of earnings from foreign exchange
- National Heritage and Environment Preservation
- Improvement in Infrastructure and living standard
- Global Connectivity
- Peace and Stability Promotion

Negative Impacts

Since many local companies depend on things like local tourist visits to earn money, tourism also has a detrimental influence on the local economy. Consequently, a pandemic or other geopolitical event may result in loss of direct and indirect employment. Unwanted Social and Cultural Change

- Adverse effect on Environmental & Ecology
- Commercialization
- Can cause cultures to clash
- Creates leakage through demand for imports
- Increase Criminal activity
- Diverts funds from other economic development project
- Tourism mainly provides low level jobs
- Seasonal Nature of tourism
- Smaller businesses struggle to keep up

DISCUSSION

Global economic growth is largely driven by tourism industry and the tourism industry also has many negative impacts. The expanding Indian middle class, an increase in high-spending foreign tourists, and coordinated government programmers to promote Incredible India are all contributing to the industry's rapid expansion in India. Tourism is the ideal vehicle for a developing nation like India, which is on the way to contemporary economic growth through structural change of the economy. The impressive expansion of the Indian tourist industry has also helped a number of ancillary industries, including navigation, transportation, medical tourism, and sports.

CONCLUSION

After the study of various research papers and review articles it is clear that, what the negative & positive effects are caused by the tourism industry. Tourism increases the income of the economy, creates many jobs, develops the infrastructure of the country. India should promote tourism in a way that accommodates and amuses guests with the least amount of intrusion. or detrimental to the environment, as well as sustain and support the indigenous culture of the regions in which it operates. In order to fully realize the potential of the tourism industry, the government should define

and design regulations related to the growth of the sector as well as the state of tourism education in India.

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