

Problems and Prospects of Tourism Industry in India

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Abstract: India is a land of rich history, cultural and geographical diversity. Being the home of one of the Seven Wonders of the World, India also has huge plethora of flora and fauna spread across its national territories. Such appealing features about the Indian culture and its diversity make India one of the best international tourist destinations. India presents heritage and cultural tourism along with medical, business and sports tourism. Tourism is expanding the fastest and is the most rewarding industry of the modern world. International tourism constitutes the invisible export trade. No wonder then that some more enterprising countries have turned this flourishing industry into a means of spinning money. In recent years, India too has woken up to this great reality and concerted efforts are being made to develop and promote this foreign exchange earning industry in a big way. India, with her rich cultural heritage, ancient monuments, world famous temples, architectural masterpieces, wild animal sanctuaries and scenic spots, holds a great attraction for the tourists on the move. This paper tries to know the problems and prospects of tourism industry in India and government initiative for the development of tourism industry.

Key words: Tourism, problems, prospects, foreign exchange and Tourist.

Introduction:

Tourism industry is the largest service industry prevailing in the Indian economy and contributes as high as 6.4% to the national GDP. Apart from this, the industry plays a huge role in the employment of the people of India and contributes almost 8.1% to the total employment in India. Revenue generated from the industry we see that the country generated as high as 200 billion US dollars in 2008 from the industry, which is expected to increase to 375.5 billion US dollars by the end of year 2018. This expectation would result in a growth of almost 9.5% annually for the industry. According to World Travel and Tourism Council, India will be the one of the most hot-spot for tourism from the year 2009 to 2018, having the highest 10-year growth potential. Tourism revenue is expected to surge by almost 42% by the

end of 2017 as compared to the year 2007 irrespective of the fact that the industry faces major setbacks during peak times due to the *shortage of hotel rooms and infrastructure*. In current time, when the world economy is becoming more globalized with every passing day, it is still a long way to go for the Indian economy to achieve sustainable tourism.

In India, the travel and tourism industry has really come of age. But India's share in world's tourism earnings of \$ 3.5 trillion is just 0.37 per cent and receipts are 0.51 per cent of the world receipts. Tourism is presently India's third largest export industry after gem and jeweler and ready-made garments. The foreign exchange earnings from tourism during 1997-98 were about Rs. 300 crore. In 1995-96, India received 2.1 million foreign tourists.

Objectives of the study:

- To role of tourism industry in Indian economy.
- To assess the problems faced by tourism industry
- To know the tourism industry in Indian scenario
- To evaluate the future opportunities of prospects of tourism industry
- Suggestions and government initiative for development of tourism industry

Research Methodology:

The data and information has been collected through secondary sources such as published articles, magazines, periodicals and books and e-sources etc. The research is completely based on descriptive in nature and theoretical one.

Problems of India's Tourism Industry:

Some of the major road blocks or hurdles for the proper development of the industry are:

1. Lack of proper infrastructure which includes non-availability of good roads and poor connectivity to the tourist destinations.
2. Lack of aggressive online and other marketing strategies to promote India as a must-visit location
3. Too many points of differentiation available but not cashed upon (such as rare animal sanctuaries, religious pilgrimage tours and extreme Himalaya tours)
4. Lack of funds due to which a long list of heritage monuments that are still sitting in squalid environments etc.

On the other hand, India is at the threshold of looming opportunities. Tourism in India is one of those sectors which are currently witnessing widespread growth. Thanks to the increasing inbound tourism by the burgeoning Indian middle class. Rising inflow of foreign tourists into the Indian Territory along with successful government campaigns for promoting 'Incredible India' stature has done a lot to develop the Indian tourism industry.

- Another problem of recent origin is that Indian tourists have started travelling abroad rather than travelling within the country. In 2004, as many as 6.2 million Indian tourists went abroad in contrast to only 2.9 million foreign tourists visiting India.
- The main cause of outflow of Indian tourists is high aviation cost in the domestic sector. When a tourist in North India can get cheaper return tickets to Sri Lanka or Thailand than to Goa or Kerala, he will obviously go abroad.
- Our foreign exchange earnings from tourism is getting neutralized because of large number of Indians going abroad. It is estimated that by 2007-08, as many as 8 million Indian tourists will be going abroad. Majority of them will be visiting Cambodia (15%), Hong Kong (15%), Australia (13%), Malaysia (13%), Singapore, and Pakistan.
- The" unplanned and unrestricted growth of tourism has a detrimental effect on environment. The origin and growth of tourism in India as elsewhere in the world, is distinctly urban oriented rather than being spread over the countryside. This is due to the fact that urban centers provide the necessary infrastructure and wider choice of facilities and price ranges for accommodation, food, entertainment, etc.
- There is lack of appreciation of the holistic approach to tourism development which takes into account the linkages between environment and pressure of tourists. The result is that, almost all the popular tourist centers are groaning under the pressure of annual visitors and quite often facing difficult situation.
- The unplanned and unchecked growth of tourist centers deprives them of their original charm and ultimately proves disastrous. This is what is happening to some of the famous tourist centers like Shimla, Mussoorie, Darjeeling, etc. where sometimes even drinking water is not available to cater to the needs of the tourists.

Prospects of Tourism Industry:

- India is gifted with massive diversity in culture, geography, and art which pull in a colossal measure of voyagers to the nation. Different new forms of tourism that are being introduced in recent years are also helping to build up the country's tourism industry. Medical tourism, eco-tourism, adventure tourism, and cruise tourism have also gained a lot of popularity and attention among foreigners now and have the potential for high growth in the near future. The Himalayas are the greatest assets of India in adventure tourism.
- Tourism industry for India is a beautifully prospering and promising field. Taking sufficient measures to confront the difficulties presented and further enhancing the prospects can guarantee unlimited chances and development of the nation

Government Initiative for development of tourism industry:

- With a view to improve tourism and at the same time taking care of the environment, the central and state governments are coming forward with new development plans. Although tourism is the responsibility of the state governments, the Central Government lends all help to develop tourism. India Tourism Development Corporation (ITDC) was established in October 1966.
- The central Department of Tourism is extending financial assistance for improving tourism infrastructural facilities like yatriniwas, tourist lodges, wayside facilities, restaurants, cafeterias, tourist bungalows, etc. It also extends financial assistance for adventure sports activities, tourist transport, tented accommodation, etc.
- Travel Trade and Tourist Service Division of the Department of Tourism is helping the travel trade, both national and international. Department of Tourism has simplified and streamlined the rules from April 1992, regarding the grant of approval to travel agents, tour operators and tourist transport operators so that their services are standardized and are made broad-based, both for domestic and foreign tourists.
- The main thrust during the Eighth Five Year Plan had been, (i) development of selected tourist places/areas, (ii) diversification from culture-oriented tourism to holiday and leisure tourism, (iii) development of trekking, winter sports, wildlife and

beach resort tourism, (iv) exploring new source markets in regions and countries having cultural affinity, (v) restoration of national heritage projects, (vi) launching of national image building and marketing plans in key markets, (vii) providing inexpensive accommodation in different tourist centers, (viii) improving service efficiency in public sector corporations and (ix) streamlining of facilitation procedures of airports.

- Indian railways have also recognized its role in tourism development. The launching of Rajdhani and Shatabdi trains is a step in the right direction. 'Palace on Wheels' is already operational in Rajasthan. Another special tourist train 'Orient Express' has been introduced in Gujarat and one more covering temple towns of Tamil Nadu will become operational soon.
- Five more such luxury tourist trains with private sector participation connecting major tourist centers will soon be on the rails. Lane for about 100 hotels at various railway stations has been set apart to augment accommodation for travellers. Considering the recent development, it is hoped that India will get her due share of tourism and at the same time steps will be taken to preserve the physical and social environment of the country.
- Government as well as private organizations should jointly adventure some plans to attract foreign tourists. Heritage Hotel scheme is one of them. Railways play a crucial role in the development and promotion of tourism. The scheme of Palace on Wheels is a tourism promotion project of Indian Railways. This is a joint venture of Indian Railways with Rajasthan Tourism Development Corporation.

Govt. Initiative for improving the tourism industry:

- It is needless to say that development in **Infrastructure** holds the key to success for any industry and the economy as a whole.
- Infrastructure has a major role to play in the Indian Tourism industry. Ministry of Tourism has made consistent efforts to develop quality tourism infrastructure at tourist destinations and circuits. The Government has allowed 100 per cent foreign investment under the automatic route in the Hotel and Tourism related industry, to improve the quality of tourism and help the industry grow at rapid pace.

- Tourism Industry in India has grown at rapid pace but in order to achieve a sustained growth a lot needs to be done and there exists plenty of ideas, plethora of opportunities for one to make the most of it.
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Conclusion:

Tourism industry is acts as a powerful agent of both economic and social change. It stimulates employment, investment and modifies economic structure and makes positive contributions to the India economy and GDP. The Government has already made a good start in this regard by easing visa processes. The Government must also focus on making India more accessible to the world. There is need to develop linkage between air transportation as well as better rail and road connectivity within the country. The Government also needs to think out-of-the-box to make the most of India's tourism potential. For example, there is a lot that can be done to make religious tourism more attractive. Need to be developed and marketed aggressively. Also, given India's huge coast line, tourism on cruise ship can be promoted. Medical tourism is also a growing sector and is expected to grow in coming future.

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