

# TOURISM AND HOSPITALITY



# Incredible India

The Tourism and Hospitality industry is one of the largest service industries in India. Tourism is an integral pillar of the Make in India programme. Tourism plays a role of significant economic multiplier and becomes critical since India has to grow at rapid rates and create jobs.

India offers geographical diversity, world heritage sites and niche tourism products like cruises, adventure, medical, eco-tourism, etc. Incredible India has spurred growth in Tourists Arrivals and Employment.

India has moved 13 positions ahead from 65th to 52nd rank in Tourism and Travel Competitive Index (WEF); UNWTO Tourism Barometer (2016) currently ranks India at #40 in terms of global tourist footfalls.

Tourism tends to encourage the development of multiple-use infrastructure including hotels, resorts & restaurants, transport infrastructure (aviation, roads, shipping & railways) and healthcare facilities. Five tourism mega economic zones were announced in the previous budget to attract global tourism players to India and also drive tourism sector's contribution to GDP.

By 2028, Tourism & Hospitality is forecasted to earn \$ 50.9 bn as visitor exports compared to \$ 27.3 bn earned in 2017

By 2028, direct contribution to employment is expected to grow to 5.3% of the total employment from the current contribution of 4.9% in 2017

By 2030, India is expected to be among the top five business travel market

100% FDI allowed under automatic route

100% FDI allowed in tourism construction projects, including the development of hotels, resorts, and recreational facilities

For further details, please refer [FDI Policy](#)

# Contribution in Indian Economy

Share in  
World  
Tourist  
Arrivals-  
1.2%

Share in  
World  
Tourism  
Receipts -  
1.9%

Growth in  
Foreign  
Tourist  
Arrival -  
13.4%

Foreign  
Exchange  
Earnings  
growth rate  
- 10.2%

# Highlights



Seventh largest tourism economy in the world



Ninth largest in cultural resources and business travel in the world



14.62 mn jobs created by tourism in last four years (between 2014-2018)

# Industry Scenario

\$ 424 bn contribution to India's GDP by 2027

India ranks first in the world in terms of direct contribution to employment (2016) by Travel and Tourism industry in India. Around 40.3 mn jobs were supported by Travel and Tourism in 2016 which accounted for 9.3% of the country's total jobs. Additionally, 25.9 mn new jobs were created by the industry in 2017.

The industry's total contribution to GDP stood at \$ 230 bn in 2017 accounting for 9.4% and is expected to further grow to \$ 424 bn by 2027.

In 2016, foreign tourist arrival (FTAs) in India stood at 8.8 mn while domestic tourist visits to States/UTs stood at 1.6 bn. A growth of 8.4% was witnessed in FTAs in January 2018 over January 2017. 58.5% growth in FTAs was recorded for e-Tourist Visa in January 2018 over January 2017. By 2027, international tourist arrivals in India is expected to reach 15 mn, according to the World Economic Forum.

# Industry Trends



## Infrastructure development

Destination circuits, resorts , hotels, etc.

## Emerging segments

Rural, Adventure, Medical, Pilgrimage, Film, Sustainable Tourism



## Business segment

Meeting Incentives Conferences & Exhibitions

## Support functions

Packaged tour operators, cab services and recreational facilities etc.



# Growth Drivers

## **Incredible India campaign**

Extending international tourism business in India

## **E-Tourist VISA facility**

e-Tourist VISA, e-Business VISA & e-Medical VISA  
(currently, 163 countries have e-tourist visa facility)

## **Special Tourism Zones (STZ)**

5 STZs in partnership with states to boost tourism in India

## **Medical tourism**

Economical treatment, quality healthcare infra & highly skilled doctors

## **Coastal tourism**

Promote intra-regional trade among Indian Ocean Rim (IOR) countries



# Policies & Schemes

Constitution of National Medical & Wellness Tourism Board

Heritage City Development & Augmentation Yojana

National Tourism Policy

PRASAD (Pilgrimage Rejuvenation and Spiritual  
Augmentation Drive)

Swadesh Darshan Scheme



# Recent Investment

May 25, 2018 - Realty firm **Embassy group** will invest **\$ 197.1 mn** to develop four new hotels in Bengaluru as part of its expansion plan the in hospitality business.

May 13, 2018 - **Leisure Hotels Group** to invest **\$ 14.6 mn** to add 8 properties by 2020-end

Apr 15, 2018 - **Specialty Restaurants** to invest **\$ 5.9 mn**, to open 8-12 new outlets

# MAJOR INVESTORS



# Major Tourist Destinations

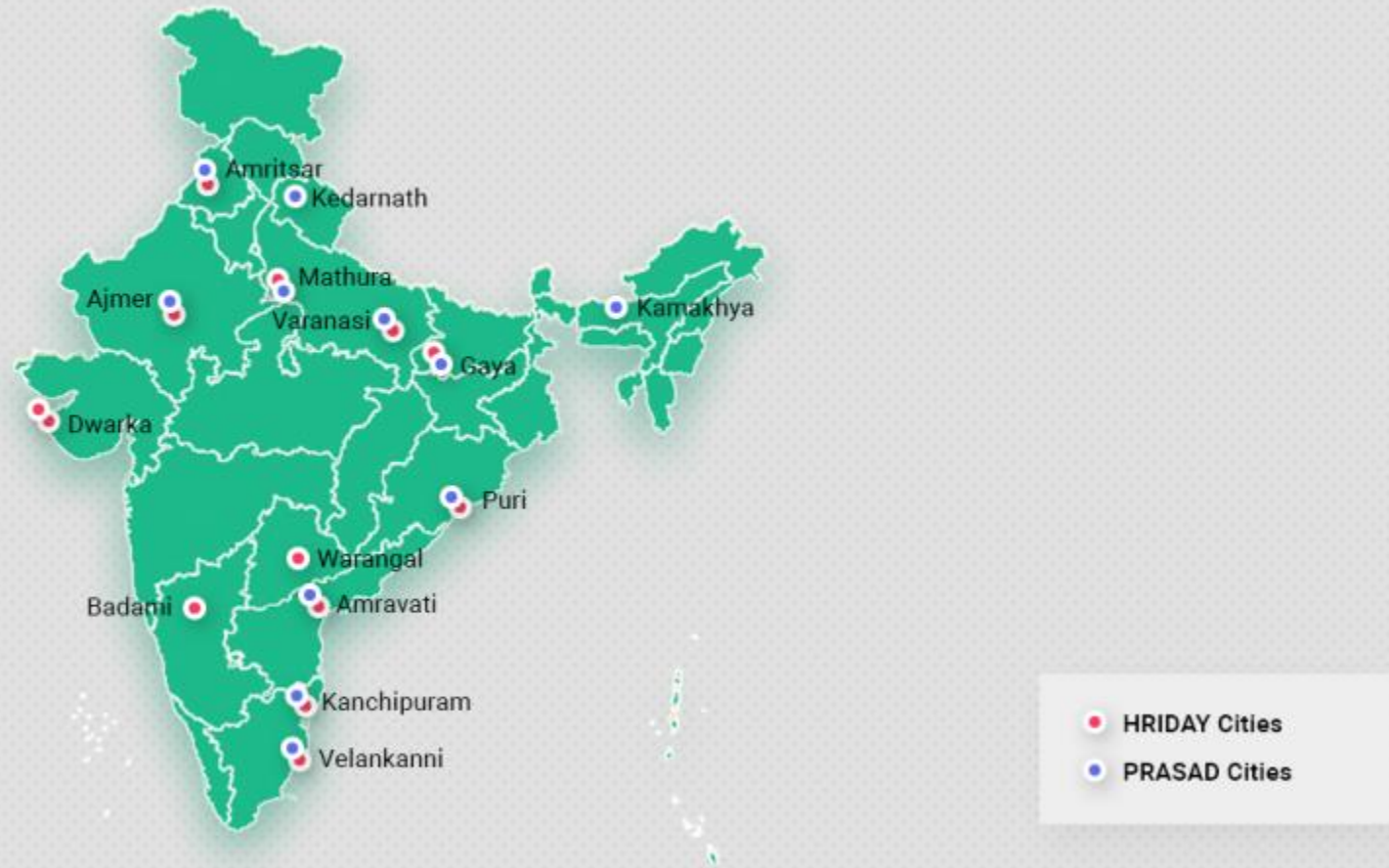


★ Monuments, Pilgrim Centres  
▲ Hill Stations  
≡ Beaches  
● Wild Life and National Parks

# Heritage, Cultural and Natural Sites



# HRIDAY & PRASAD Cities



Disclaimer The data is taken from sites [investindia.gov.in](http://investindia.gov.in), [rbi.org.in](http://rbi.org.in), etc. Please note that this is not a legal report and we do not accept any responsibility arising out of any action taken by any person on the basis of above report, unless expressly agreed by us in writing .