

A Review on Pre And Post Covid-19 Scenario of Indian Tourism

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Abstract

Tourism is a limitless industry with immense growth potential having clear remarkable positive impact on economic and social aspects of Indian economy. The span of two years period is one of the worst crises ever to hit the Indian tourism industry. As the news of the virus start picking up from November 2019, the percentage of cancellation started going up in this segment exponentially and is reaching peak of almost 80 per cent now in March 2020 in many Indian locations. The value of risk from this segment will be in multiples of tens of thousands of crores. The industry made some fundamental changes in the services of travel and hospitality. The tourism sector in India needs a redoubled and renewed push for its revival in the post-covid world and tourism scenario in India is back in the groove. The paper is based on the secondary data, particularly Government of India reports.

Keywords: Covid-19, Internal Tourism, National Tourism, International Tourism.

1. Introduction:

Tourism Industry has emerged as an important instrument in the economic development of Indian economy, particularly in remote backward rural areas. The Indian tourism industry is playing an important role in economic development of many sectors of our economy by generating employment both for skilled and unskilled labor force, by improving living standard, particularly of remote rural areas, foreign exchange earnings, infrastructure development, and boosts the world famous Indian traditional art and craft [1]. Tourism is an important catalyst in the socio-economic development of both rural and urban areas since the last two decades, contributing in several ways and strengthens the inter-connected processes. Tourism industry has potential to strengthen the inclusive economic development. It is a limitless industry with immense growth potential having clear remarkable positive impact on economic and social aspects of Indian economy [2]. Indian tourism is expected to grow by 8.2 per cent between 2010 and 2019 and will place India at the 3rd position in the world.

2. Effect of the Pandemic:

Much of the impact of the pandemic is on the mind of the traveler. It has created a fear which cannot be wrestled with without a vaccine. Yet, if we are to specular about the recovery of the sector, it must

make some fundamental changes in the way the industry works in various aspects of service. industry in to heavy loss in terms of poor revenue generation. This is one of the worst crises ever to hit the Indian tourism industry. As the news of the virus start picking up from November, the percentage of cancellation started going up in this segment exponentially and is reaching peak of almost 80 per cent now in March in many Indian locations. The value of risk from this segment will be in multiples of tens of thousands of crores [3]. Rea of the virus must be strongly countered by instilling measures which make the traveler feel safe without being foolhardy, for this to happen, certain conditions must be met [4].

2.1 Post Covid-19 era:

However, the history suggests that this is one industry which could see a faster turnaround than many other sectors and still play a pivotal role as a growth engine of the economy. Instead of attempting to narrowly forecast and control outcomes, we need to design systems that are robust and adaptable enough to weather a wide range of possible futures in the post-covid era. The industry should try to make some fundamental changes in the way the industry works in various aspects of service, the tourism sector in India needs a redoubled and renewed push for its revival in the post-covid world. In a sector that is so intricately connected with so

many other sectors of the economy, such as, agriculture, transport, health, small, medium and large level export industries and also human resources across the chain with forward and backward linkages, there must be a focused and detailed assessment of its sustenance of recovery [5].

2.2 State Initiatives:

Twenty lakh crore rupees economic recovery package announced by the Prime Minister has assuaged some apprehensions, some sectors that have been more affected than others, and sectors that could help with economic recovery have been overlooked. Tourism, is one such industry which has been ignored in this recovery package. Government must give certain relaxation on taxes imposed on tourism industry, or to provide certain soft loans with minimum interest rates and must issue additional funds for the betterment of tourism industry in the near future. To handle this situation and for the upliftment of tourism industry government should come forward. Without government intervention it would be difficult to overcome the present situation and financial crunch [6].

2.3 Tourism Influence on Indian Economy before and After the Crisis:

India's tourism and travel industry has been growing at 4.9 percent is higher than the global tourism and travel industry at 3.5 percent and contributed USD 194 billion to the country's economy in 2019. This helped India gain the 10th spot globally, in terms of contribution to the global industry GDP. Tourism creates immense opportunities for inclusive growth and sustainable development through job creation, the industry also created about 40 million jobs i.e. eight per cent of its total employment, according to data by WTTC.

Third TSA of India was prepared in 2018 for the reference year 2015-16 (using figures of National Accounts Statistics with base years 2011-12 of CSO). As per estimation in accordance with Third PSA per intervening years and subsequent years, the following table contributes tourism to GDP and employment of the country.

Year	Share in GDP (in percentage)			Share in Jobs (in percentage)		
	Direct	Indirect	Total	Direct	Indirect	Total
2013-14	3.06	2.62	5.68	5.19	6.72	11.91
2014-15	3.14	2.67	5.81	5.30	6.84	12.14
2015-16	2.65	2.44	5.09	5.40	6.98	12.38
2016-17	2.62	2.42	5.04	5.32	6.88	12.20
2017-18	2.61	2.41	5.02	6.44	8.34	14.78
2018-19	2.61	2.41	5.02	6.48	8.39	14.87
2019-20	2.70	2.49	5.19	5.89	7.61	13.50
2020-21	0.55	0.51	1.06	5.63	7.28	12.91

Source: Annual Report of 2013-14 to 2020-21, Ministry of Tourism, GoI, (Based on Estimates of National Accounts Statistics).

Table 1: Tourism Contribution to GDP

Table 1 is representing the influence of tourism on Indian GDP and employment opportunities. The direct share of GDP is constantly decreasing year by year from 2013-14 to 2019-20 with the share of 3.06 to 2.70, simultaneously Indirect GDP is representing the same i.e., 2.62 to 2.49. Among the employment sector reversed the situation cumulative increasing is appeared both direct and

indirect contribution of job creation. In the year of 2013-14 total job share is increased from 11.91 to 2018-19 total job share 14.87, and both trends are appeared in the statistical analysis. However, the Covid-19 effect is shown in the later years, the decreased situation is observed in the years of 2020 and 2021.

Direct and Indirect Jobs Relating to Tourism Sector (in million)							
2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
67.19	69.56	72.26	75.71	72.69	75.85	69.44	68.07

Source: Annual Reports of 2013-14 to 2020-21, Ministry of Tourism, GoI, (Based on Estimates of National Accounts Statistics).

Table 2: Jobs in Millions

Table 3 is showing the stamina of Indian tourism scenario after the world-wide crisis. Annual growth rate of FTAs is increased three hundred per cent, INDs are nearly one hundred and fifty per cent and also domestic tourists are above one hundred and fifty per

cent. India is stood 14th place in world tourism receipts. According to the Annual Economic Survey 2023, with the waning of the pandemic, India's tourism sector is also showing signs of revival. Foreign tourist arrivals in India in FY23 have been growing month-

on- month with resumption of scheduled international flights and the easing of Covid-19 regulations. Yet, the arrivals are below the pre-pandemic level [8].

5. Conclusion:

The tourism sector in India will be retain and become a potential source of income for the country. All states and union territories have taken necessary steps to overcome the pandemic hurdles. The country is strongly believed now the tourism industry will generate huge business and employment in nearby future. The development of technology in transportation infrastructure has made tourism affordable and convenient for inbound and domestic tourists. The sale of tourism products on the internet, besides the aggressive marketing of the tour operators and travel agencies, has also contributed to the growth of tourism. India seems to be well-poised to take good advantage of the coming boom in the tourism and hotel industry. The need of the hour is to take early steps to overcome the present slowdown in tourism industry by analyzing its long-term impacts at the earliest.

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