



सत्यमेव जयते
Department of Industrial Policy and Promotion
Ministry of Commerce and Industry
Government of India

TOURISM SECTOR OVERVIEW

- India has the world's **7th largest tourism economy**; generated **\$208.9Bn in 2016**
- India has the **fastest growing Travel & Tourism sector amongst G20 countries** growing at 8.5% in 2017
- As per the **World Economic Forum, India ranked 40 in 2017**, up 12 places from 52 in 2015
- **Domestic travel & tourism** accounts for **88% of Tourism sector's contribution to GDP**
- **Incredible India 2.0**, a \$20 billion opportunity with **estimated 1 million jobs generated**
- Travel & Tourism, a **major job creator with 1 out of every 10 jobs in the world generated by the sector**
- **India ranks 2nd in world** in terms of **employment supported by Tourism (2017)**; (40,34 million jobs)
- **Average tourist spending** in India is one of the **highest in the world at \$2,617**
- **\$8 billion by 2020** - potential earnings from **medical tourism in India**.

DEMAND DRIVERS

- The Civil Aviation Ministry launched regional Connectivity Scheme “**UDAN**” during **October 2016**
- **Swadesh Darshan Scheme** was launched for integrated development of tourism infrastructure and facilities
- **400 stations to be taken up under the Station Redevelopment Plan**
- As part of the **disinvestment policy**, it has been decided to lease/sub-lease the hotels / properties jointly with the concerned States

POLICY SUPPORT & INCENTIVES

- **100% FDI allowed** under the automatic route in the tourism and hospitality sector
- **FDI in Tourism and Hospitality sector** accounts for **3% of FDI equity inflows** at around **US\$ 10.15 billion** for the period April 2000 - March 2017
- **The total contribution to GDP was 9.6% in 2016** and is forecast to rise to 10.0% of GDP by 2027
- **HRIDAY** scheme focuses on holistic development of heritage cities. In the initial phase, **12 heritage cities have been identified**
- **PRASAD** scheme was launched to beautify and improve the amenities and infrastructure at pilgrimage centres

RECENT INVESTMENTS

- **Sep2017 - Samhi Hotels** bought out **Premier Inn's (British Chain) 5 hotel properties**

in India for around **INR 220 Cr**

- **May 2017** - Ctrip.com, China's largest travel portal, has bought a stake in India's largest travel portal MakeMyTrip for USD 180 mn
- **Jan 2017** - Louvre Hotels (French Group) buys controlling stake in hospitality chain Sarovar for INR 350 Cr