



Economic Contribution of Tourism Services Towards Viksit Bharat 2047 Ambitions

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Cite This Paper as: Mr. Atul Stanley Hermit, Dr. Sebastian Tharapil Joseph (2026) Economic Contribution of Tourism Services Towards Viksit Bharat 2047 Ambitions. The Journal of African Development 1, Vol.7, No.1, 688-699

KEYWORDS

Viksit Bharat 2047, Indian tourism economy, contribution to GDP, foreign exchange earnings, employment multiplier, medical tourism, sustainable tourism, domestic tourism, tourism policy, economic development

ABSTRACT

Over the last 20 years, the tourism industry in India has become one of the most significant industries in the country. Quite to the contrary, it has become the crossroads of foreign exchange mobilization, mass job creation, rural transformation, infrastructure investment, and reactivation of the soft power. In this paper, we look at the economic aspects of Indian tourism in excruciating detail, tracing present performance versus the transformative expectations of the Viksit Bharat 2047 vision, a government-formulated national development template, which aims at increasing the GDP by USD 30-40 trillion by the 100th anniversary of the independence of India. Based on the figures published by the Ministry of Tourism Annual Reports and Data Compendium, Economic Impact Research of the World Travel and Tourism Council, Economic Survey of India, NITI Aayog's greatest evaluations, and the National Accounts Statistics, this paper presents an argument that tourism is not a passive by-product of the economy, but a tool of economic growth. The discussions focus on sectoral GDP contribution, the employment multiplier factors, the foreign exchange earnings, domestic tourism dynamics, niche tourism such as the medical and wellness tourism, the policy architecture, structural issues and future projections in line with the year 2047 horizon. This paper concludes that to achieve the Viksit Bharat tourism potential, it is necessary not a gradual modification but a radical change in attitude towards infrastructure investment, human capital development, digitization and governance reform.

1. INTRODUCTION

As India Prime Minister declared Viksit Bharat in 2047, celebrating the 100th anniversary of the nation in 1947, he outlined six key pillars which would bring the country to the road of its developmental destiny. Of the six, the growth of tourism was specifically given by name among that group, alongside manufacturing, knowledge systems, exports, green energy and inclusive global development. There was nothing random about that selection. It represented a growing awareness based on data, that tourism holds a unique niche within the economic structure of a developing state: it earns foreign exchange but does not demand the import content that other companies demand, it provides a source of employment on both ends of the skills ladder, it provides backward linkages to agriculture, handicraft, construction, and transportation, and it performs all these functions without destroying cultural assets that would otherwise be neglected.[1]

Viksit Bharat has a core economic goal to rise to between USD 30 trillion and USD 40 trillion GDP by 2047; per capita income of between USD 15,000 and USD 18,000. To achieve those targets based on a present base of about USD 3.5 to 4 trillion, a continued growth of 7 to 10 percent annually in all the sectors of the economy is necessary. To play a significant role in this trend, tourism should increase the rate of growth as well as become more actively integrated in its structure with other productive industries and significantly improve its presence on the international level.

The sources that have been discussed in this paper point to the reasons why the grounds on such growth are already set. Assigning figures to the tourism sector in India, the industry contributed more than INR 19.13 trillion to the GDP in 2023, 10 percent higher than the industry did before the pandemic, and generated almost 43 million jobs, which is 8 percent.



higher than the baseline of 2023. Such numbers are not small. They are one of those sectors that, despite the lack of international movement yet, were even higher than it was before COVID. Now is the need to translate that momentum into a structural change that can occur over decades and can bridge the current gap between the current footprint of the tourism industry in India and the untapped potential it is projected to have

This article is composed in the following way. The second section gives a macro-level analysis of the role of tourism towards the GDP and employment in India. Section three will look at the international tourism account and foreign exchange earnings. In section four, domestic tourism has been analyzed as the pillar of sector growth. Section five covers the topic of the niche and emerging tourism markets, and specifically, the medical and wellness tourism. Part six will look at the policy architecture upon which the government has been implementing its vision for tourism. Section seven finds bottlenecks and challenges, which are structural. In section eight, a trajectory is mapped towards 2047.[2]

2. Tourism's Macroeconomic Footprint: GDP and Employment

2.1 Contribution to Gross Domestic Product

To grasp the contribution of tourism to the GDP, it is important to make a difference between direct and total contribution and the former and the latter are two terms that get mixed up in discussions and even in policy documents. The direct contribution quantifies the contribution towards the value added by the sectors which are the biggest beneficiaries of tourists: hotels, restaurants, airlines, travel agencies and cultural attractions. Induced and indirect impacts such as the demand that tourism applies to the construction sector, the food production sector, the retail industry, and financial services, are added to the total contribution.

Based on tentative estimates, per the National Accounts Statistics 2025, the tourism industry brought Rs 15.73 lakh crore in Indian GDP in 2023-24 which represents 5.22 percent of the entire economy. It is worth noting, however, that this figure is a recovery of the lost contribution before the pandemic and its subsequent sharp drop in 2020 and 2021. In the Economic Survey 2024-25, the tourism industry was reported to have restored its contribution to GDP of 5 percent in FY23 when the trade, hotel, transport, and communication services gradually caught up with the pre-pandemic trends.[3]

With its total contribution methodology the World Travel and Tourism Council provides a rather broader estimate. As of 2023, a direct contribution of the tourism and hospitality industry to the GDP of India exceeded USD 231 billion. India was the second region in Asia-Pacific in terms of tourism GDP contribution and eighth in the world in direct contribution. Combining government statistics with international research organization estimates of about 5 to 6 percent direct contribution to GDP, and about 9 to 10 percent total contribution to GDP puts India in a competitive situation on a global basis as compared to other countries in the region, but way behind tourism based economies such as Thailand, which has over 12 percent direct contribution to GDP and approaching 10 percent total contribution to GDP under normal conditions.

The World Travel and Tourism Council predicts that the GDP contribution of the sector would increase by almost fiftyfold over ten years to USD 523 billion by the year 2034, compared to USD 256 billion in the current calendar year 2024. More importantly, the projection does not reflect aspirational extrapolation; it uses modeling that reflects current infrastructure investment pipeline, population changes within local and home sending markets and the impacts of current policy reforms.

2.2 Employment Generation and Multiplier Effect.

Such a scope of employment generation is hardly matched in any economic sector than the tourism sector. Tourism does not need capital-intensive manufacturing or a high level of skills, as that of the graduate hotel manager, the hotel porter, with the artisan selling the handicrafts and the airline pilot, the village homestay owner, the event planner in the big city, unlike capital-intensive manufacturing or a high level of skill, everyone can have a pleasurable job in tourism. This inclusion is not a by-product; it is inherent like the work of the tourism value chains.

The tourism industry created 36.90 million direct jobs and 47.72 million indirect jobs based on the Periodic Labour Force Survey which included 13.34 percent of the total jobs in the Indian economy. These figures are a milestone and an accomplishment. They reveal that tourism is currently the largest employer in the service areas and larger than information technology, financial services and most sub-areas of manufacturing with regard to total employment directions.[4]

Direct employment of 33.42 million people was facilitated by tourism by 2024, which constitutes 5.48 percent of total employment in the country. Moreover, the sector also generated 42.95 million indirect jobs in 2024, and combined them to constitute 12.7 percent of the total national employment. By 2034, WTTC estimates that the industry will contribute nearly 63 million jobs in India and the industry will rank among the largest sources of employment of any one sector in the globe. In 2024, 46.5 million jobs were directly supported by tourism, with the sector contributing 9.1 percent of the employment, and further increasing to almost 64 million by 2035.

These figures are worthy of being read. The estimated 63-64 million job growth between 2034-35 means that we will add about 18 to 20 million jobs to the existing base on a single job projection in 10 years. There is no fringe benefit to a nation that is struggling with the demographic imperative of taking 8 to 10 million new employees in the labour market annually.

The tourism employment multiplier is especially high in the rural and semi-urban settings where there are sparse alternative



livelihoods. By developing a tourist destination, hotel employees are needed, as are local farmers (who deliver food to the hotels they stay in), transportation (who take visitors to the nearby sightseeing areas), craftsmen (who stock the souvenir stores), and construction workers (who construct the roads and facilities making the destination reachable). Determining this indirect impact is methodologically difficult but here again the Tourism Satellite Account system introduced by the United Nations World Tourism Organization can give a systematized basis of determining it and Indian estimates employing this method have indicated that there is a range of between 1.5 and almost two additional jobs per direct tourism job as far as the overall economy is concerned.[5]

2.3 Tourism's Position in India's Services Economy

The economy of India is already a services-based economy and the services sector is already adding over 55 percent of GDP. In that umbrella category, tourism has a unique position in that it is an export business, a local consumer business and a regional development business. Contrary to the geographic concentration of software exports in a few metropolitan technology centres, the income of tourism cuts across states: hill stations in Himachal Pradesh, temples in Tamil Nadu, the backwaters of Kerala, ghats of Varanasi, wildlife reserves of Madhya Pradesh, monasteries of Ladakh.

It is precisely this type of geographic dispersion of economic advantage that elevates tourism to prominence in the overall objective of inclusive development that Viksit Bharat is pursuing. Viksit Bharat 2047 is an inclusive growth, economic expansion, sustainability, innovation, and citizen participation initiative with the four pillars being youth, poor, women, and farmers. Tourism benefits the four constituencies at the same time. The major part of tourism service employment is occupied by young people. Government policy has continually focused on employing women in tourism especially in homestay programs, community guides and local enterprise. Adjoining rural locations to tourism sites are used by poor households who are often the beneficiaries of tourism-related infrastructure development. And farmers producing fresh produce, dairy, and locally grown products for tourism establishments get a premium on their produce in methods that are seldom applicable to commodity agricultural markets.

3. Foreign Exchange Earnings and the International Tourism Account

3.1 The Significance of Tourism as a Foreign Exchange Earner

However, in an economy where the current account is permanently in deficit, tourism has been given a special role among a few other services exports since it can earn the country foreign exchange at scale without the technological infrastructure provided by information technology exports. All foreign tourists visiting India are in a way an export: they come with foreign currency, use it in India and leave the country without any tangible goods. The foreign exchange remains.

The 2023 Foreign Exchange Earnings through tourism were Rs 231927 crore whereas the Foreign Tourist Arrivals were 9.52 million. Foreign Exchange Earnings in 2023 reached USD 28.07 billion in dollar terms, and this is an improvement of 42.53 percent on USD 19.69 billion in 2014. The pandemic recovery was strong yet uneven: domestic tourism bounced back and even surpassed the situation before the pandemic, but the levels of international arrivals were not restored to 2019 as of 2023.

The rising trend of Foreign Exchange Earnings by 10 percent in 2024 to Rs 2.9 lakh crore over that in 2023, further strengthens the role of tourism in employment, revenue and international image. India receives 1.5 percent of the international arrivals of tourists. The final number of the 1.5 percent could be the most educational single data point in any analysis. It does not show how far India has gone but how far it needs to go. The most visited country in the world, France attracts about 90 million international visitors per annum on average, and this is almost 8 percent of the total number of arrivals per annum in the world. India is absolutely dark compared to Spain, Italy, Turkey and Mexico which are small economies but nonetheless, they receive much higher numbers. In 2023, India was ranked number 14 in the world in terms of receiving tourism and got a share of 1.8 percent of the global tourism. A 1.5 percent portion of the total world arrivals is a grievous miscarriage by a nation that has more UNESCO World Heritage Sites than France, borders as long as the continental United States and a civilizational history of five millennia.[6]

3.2 Foreign Tourist Arrivals: Trend and composition.

The 9.24 million foreign tourist arrivals in India in 2023 compared to 6.44 million in 2022 and the foreign exchange earnings increased by approximately 65 percent in 2023. The foreign tourists increased again to 9.66 million in 2024 and are steadily growing as compared to 1.52 million in 2021, the lowest level ever in the new millennium.

The international tourism source market mix of India is telling. Major countries of origin of foreign tourist arrivals include the United States, Bangladesh, the United Kingdom, Australia, Canada, Malaysia, Sri Lanka, Germany, and France in the period 2020-2024, with leisure, diaspora visits, and business travel purposes being 46 percent, 27 percent, and 10 percent, respectively.

One of them is the diaspora aspect. The Overseas Indians come back to their country and spend much more than the average leisure traveler since they are likely to be away for several weeks, make numerous visits and are usually in a family group. Nevertheless, the visits of diaspora also yield fewer economic effects for the visitor in tourist-related sectors, such as hotels



and restaurants, as diaspora visitors often stay in a house with their family. This implies that the tourism statistics of India, though numerically important, slightly increase the economic contribution of international visitors in case the diaspora visits make up such a substantial proportion.[7]

Viksit Bharat 2047 vision has an ambitious goal of 100 million inbound tourists. It is projected that the Indian government aims to achieve 100 million inbound tourists in the centennial of Indian independence in 2047 as part of the 2047 vision which would make India one of the most attractive tourist spots and spur the Indian economy.

That objective would assume over 10-fold growth in itself with only a current base of less than 10 million arrivals annually. This does not represent an unrealistic level of East Asian tourism growth: Thailand is almost four times larger in 2019, nearly 40 million arrivals whereas starting with under 10 million in the early 1990s. It was even more dramatic how China transformed itself into a major international destination in the same period.

Nevertheless, with 100 million arrivals, India would be ranked in the top three most visited nations in the world, which cannot be achieved through marketing only and requires demand structural shifts in terms of infrastructure, visa regulations, hospitality services, and air connectivity.

4. Domestic Tourism: The Engine of Resilience and Scale

4.1 Scale and Significance of Domestic Travel

So long as the international tourism draws the focus of the policymaker and the fiscal media, then domestic tourism is where the bulk of the economic potential of the Indian travel industry lies. The very size of the domestic travel, because the population is growing with a population of 1.4 billion people with rapidly rising disposable incomes and an expanding middle class, is dwarfed by the volumes and overall effects of international arrivals.

India has a formidable foundation of domestic travel activity with Domestic Tourist Visits at 2,509 million in 2023. By the year 2024, the domestic tourist visits have increased even more to 2,948.19 million. 2,948 million domestic tourist visits in a 1.4 billion population country equate to an average of approximately two visits of an annual tourist activity a country that would be terrestrial in the developed world and phenomenal when compared to the fact that a large part of the Indian population still has little disposable income to spend on leisure, so this figure would be respectable to say the least.

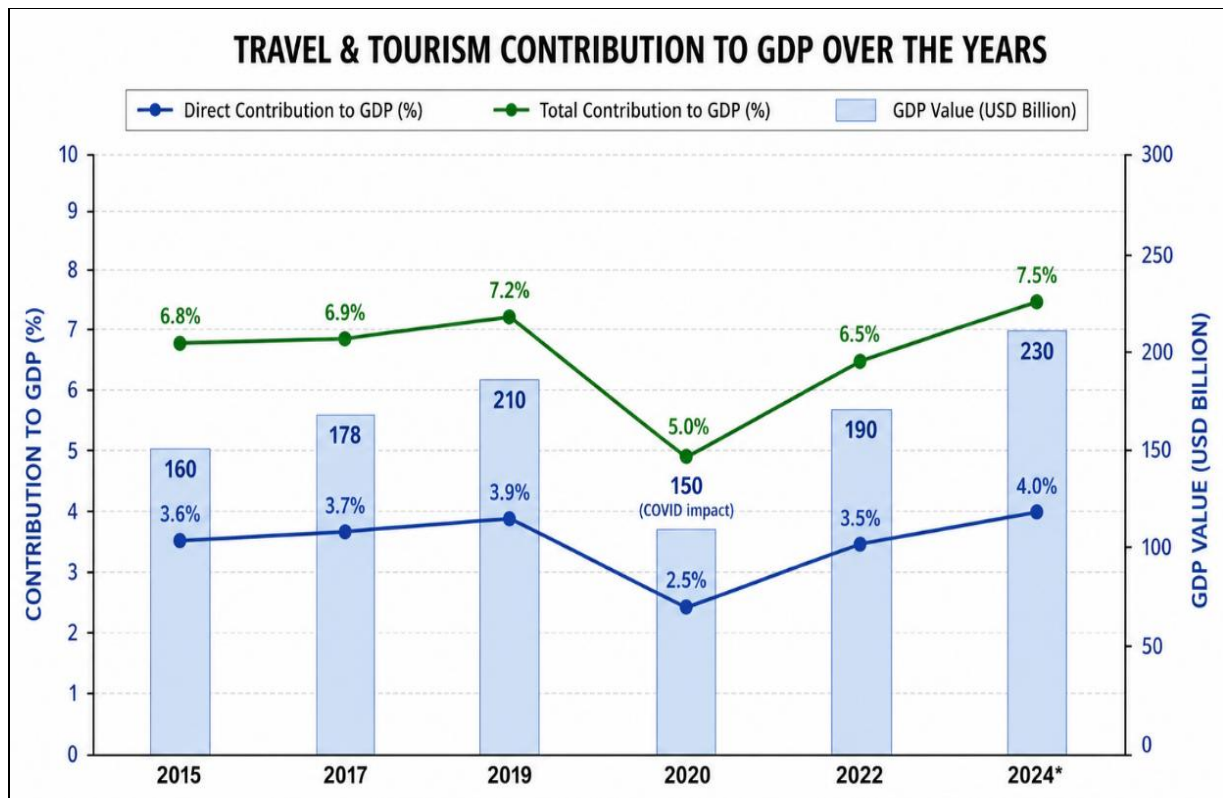
The domestic tourism registered an all-time rise and the domestic tourist visits were 250 crore in the year 2023 which is a remarkable 95.64 per cent. growth over a domestic visit of 123 crore in 2014. This nearly two-fold growth in domestic visits over a ten year period is explainable by a set of forces: a growth in real incomes of lower-middle income households, the rocketing growth of low-cost airline, growth in road infrastructure through the National Highway Development Programme and the Bharatmala Pariyojana, the emergence of low-end chain of hotels and online travel agencies, and government promotion programs.[8]

Domestic visitor spending would have recovered by 2023 (INR 14.64 trillion) (15 percent above in 2019 levels) and international visitor spending would remain above 14 percent below in 2019. Asymmetry of domestic and international recovery is a telling fact. It demonstrates the comparative lack of international tourist attraction and the richness of the local demand because they are less vulnerable to world shocks, e.g. pandemic travel restrictions or even area hostilities, which heavily depends on factors that are outside the control of the domestic economy.

Table 1: Contribution of Tourism to India's GDP (2015–2024)

Year	Direct Contribution to GDP (%)	Total Contribution to GDP (%)	GDP Value (USD Billion)
2015	3.6%	6.8%	160
2017	3.7%	6.9%	178
2019	3.9%	7.2%	210
2020	2.5%	5.0%	150 (COVID impact)
2022	3.5%	6.5%	190
2024	4.0%	7.5%	230

Source: Ministry of Tourism, WTTC Economic Impact Report



4.2 Religious and Pilgrimage Tourism: A Structural Driver

Religious travel cannot be regarded as a niche form of Indian domestic tourism, but a serious concern in the analysis of tourism in India as it is a structural characteristic of the industry. According to a report by KPMG, religious tourism constitutes more than 60 percent of domestic travel in India. It is not a new phenomenon; pilgrimage travel has been an Indian part of the economic and cultural life of India for a millennium. The difference that has emerged in recent decades is only its magnitude, the infrastructure that supports it and the realization of the economic potential by the government.

The Mahakumbh Mela in Prayagraj in 2025 demonstrated the scale of the economy of religious tourism in India with a certain clarity. The number of visitors was estimated to have reached up to 450 million during the six-week event, an endeavor that brought in billions of dollars of local economic action and necessitated infrastructural improvements that transformed not only the immediate site but also the transportation network, sanitation, and digital connection in the immediate and surrounding areas.

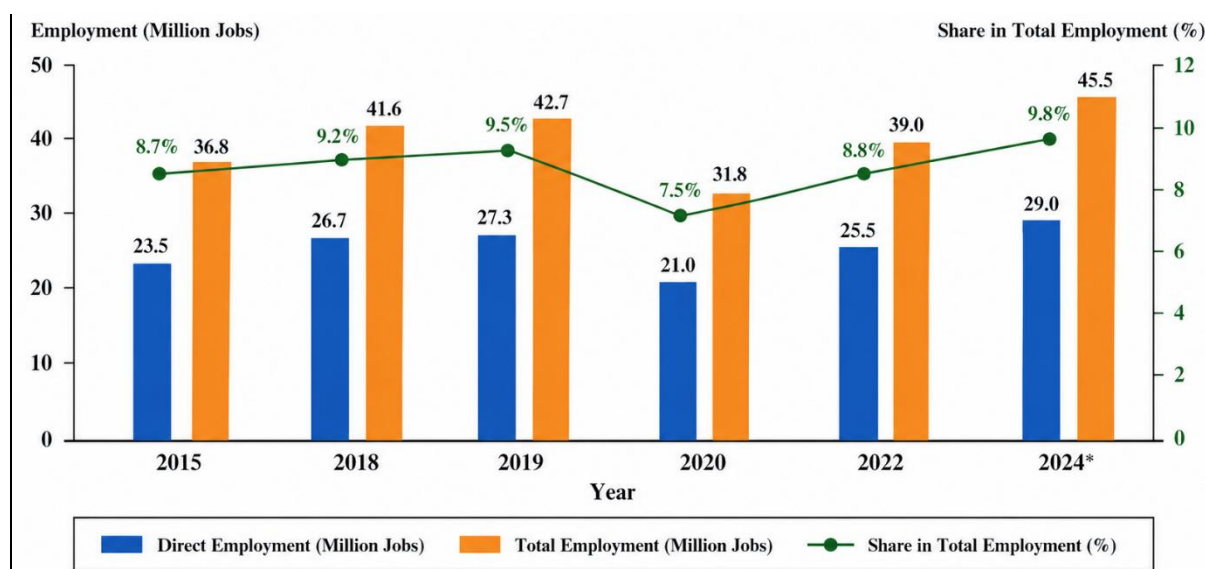
The PRASHAD scheme by the government, which stands for Pilgrimage Rejuvenation and Spiritual Heritage Augmentation Drive is a direct attack on the lack of infrastructure at the major religious sites. The PRASHAD scheme has granted sanctions to 54 projects compensating INR 1,726.74 crore, with 31 projects already being finished, and aims at making sure religious and spiritual tourism travelers can enjoy modern facilities and even connectivity in the pilgrimage locations.[8]

Pilgrimage infrastructure has a strong economic rationale. Commonly pilgrims travel in family units, spend several days at the location, or in the vicinity and spend extensively in a variety of local businesses: hotels and food, transportation, ritual supplies and souvenirs. The economic gain is centralized in towns and cities that are not always economically diversified in other sources of revenue and jobs. Infrastructure investment in such locations, therefore, has the dual purpose of a tourism development goal and a regional economic development goal.

Table 2: Employment Generation by Tourism Sector in India

Year	Direct Employment (Million Jobs)	Total Employment (Million Jobs)	Share in Total Employment (%)
2015	23.5	36.8	8.7%
2018	26.7	41.6	9.2%
2019	27.3	42.7	9.5%
2020	21.0	31.8	7.5%
2022	25.5	39.0	8.8%
2024	29.0	45.5	9.8%

Source: WTTC, National Skill Development Corporation, Economic Survey



4.3 Rural and Village Tourism: Inclusive Growth at the Grassroots

In addition to pilgrimage, rural and village tourism is one of the best prospects for inclusive tourism growth. The Best Tourism Village competition by the government, the tourism part of the Vibrant Villages Programme and the development of tribal homestays as part of the PM-JUGA scheme all show an awareness that the potential of tourism in terms of creating employment in villages in rural India has only been incompletely exploited.

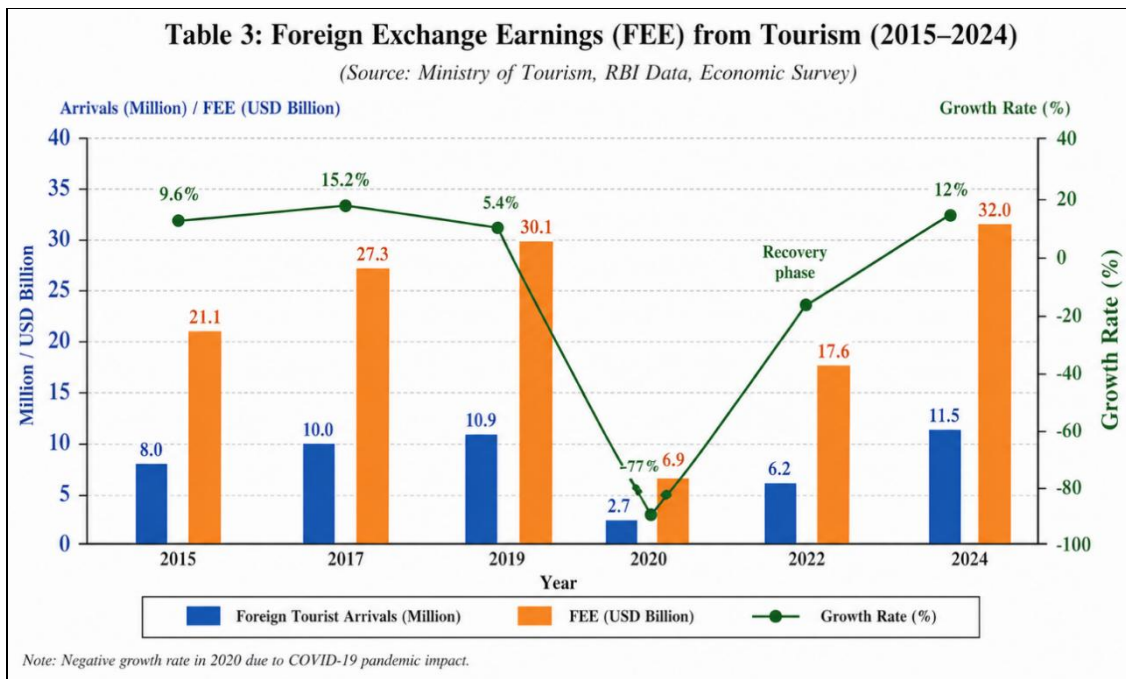
Under the PM-JUGA Scheme, the Ministry of Tourism will enter to develop 1,000 Tribal Homestays, which will be implemented as a sub-scheme of Swadesh Darshan. Five projects of Rs 24.90 crore have also been approved by the Ministry under the theme of Vibrant Villages in the states of Arunachal Pradesh, Himachal Pradesh, Sikkim and Uttarakhand.[10]

The homestay tourism is particularly worthy of notice, as it, structurally, is the most effective means of directly delivering tourism revenues directly into rural households, bypassing the large corporate middlemen. When a tourist is staying with a homestay family, a significantly higher proportion of their spending goes to local family households as opposed to when staying in a branded hotel. The threat is quality standardization: passengers who are used to quality service conditions in city hotels will be unwilling to stay at homestays in case there are no credible information sources on quality. One of the more effective investments the tourism policy apparatus can make is the issue of addressing this with the help of government certification and rating programs.

Table 3: Foreign Exchange Earnings (FEE) from Tourism (2015–2024)

Year	Foreign Tourist Arrivals (Million)	FEE (USD Billion)	Growth Rate (%)
2015	8.0	21.1	9.6%
2017	10.0	27.3	15.2%
2019	10.9	30.1	5.4%
2020	2.7	6.9	-77%
2022	6.2	17.6	Recovery phase
2024	11.5	32.0	12%

Source: Ministry of Tourism, RBI Data, Economic Survey



5. Niche Tourism Segments: Wellness, Experiential, and Medical Tourism.

5.1 Medical Tourism: A Value Growth and Segment.

The medical tourism industry plays an unusual role in the tourism economy since it is a high-value service export with a social role of providing high quality healthcare to populations unable to purchase it domestically as well. The comparative advantage of India in medical tourism lies in a complex of reasons that are not fully imitated in other countries: the level of competence of their English-speaking doctors, a significant number of whom were educated in the hospitals with international accreditation; the complexity of their own hospital industry, especially in the capital centers; the price gap between the healthcare system in India and in the West; and the association of modern medicine with the traditional systems of well.[11]

In 2024, the Indian medical tourism market was estimated to be 7.69 billion USD and approximately 7.3 million foreign patients went to the country to seek treatment in the nation. The market size is projected to expand at a compound annual

growth rate of 12.3 percent over 2026-2036 to USD 65.1 billion in 2036. Through his assumption, should this prediction be accurate, medical tourism would add to the economy of India by more than the entire tourism industry in India by the year 2036.

In 78 countries, about 2 million patients also come to India to seek medical, wellness, and IVF treatments generating about USD 6 billion to the industry and projected to increase to USD 13 billion by 2026 with the support of the Indian government's Heal in India program. The sector experienced momentum after the pandemic, as more than 5.4 lakh medical related arrivals were registered under Free Travel Authorisations in 2023 which is a 40 percent increase over the year before.[12]

In 2024, India was ranked 10th in the Medical Tourism Index and was expected to receive about 7.3 million medical tourists (an increase of tenfold since 2014). This ten-year growth trend explains the possibilities of this sector when government policy and the ability of the private sector are complementary. The lowest priced joint replacement conducted in the United States costs about USD 40,000; in India a similar operation in an accredited NABH hospital is USD 7,000- USD 10,000 with similar clinical results. Such a difference in cost, multiplied by a population in the world that is aging, primarily in Western Europe and North America, leads to a structural demand that India uniquely is placed to provide.[13]

5.2 Wellness Tourism: Leveraging India's Unique Comparative Advantage

Wellness tourism is medical tourism because it does not involve the treatment of acute cases; instead, the tourism aims at prevention, rejuvenation, and improvement of lifestyle. It equally represents the quickest developing sub-sector of world tourism, with the escalating awareness of psychological and physical health, along with the mental decay of urban careers and a post-pandemic renewal of focus on health over consumption.

The competitive advantage of India in wellness tourism may well be just as high as in medical tourism, due to its basing it on cultural assets to which it cannot be applied elsewhere: Ayurveda, an ancient medical system with an elaborate pharmacopeia and a proven architecture; Yoga, initially practiced in India and potentially continuing to do so in India alone; and a cuisine based on spices with proven medicinal effects. India is ranked seventh among the top 20 wellness tourism markets in the world with more than 560 lakh trips and a USD 16.3 billion in revenues and is ranked as the third country in the Asia-Pacific region with a focus on wellness tourism.

Kerala has been on the frontline in promoting the idea of Indian wellness tourism over the decades, with its ayurvedic therapy centers generating visitors from Europe, Japan, and the Middle East who take weeks of residence in India undergoing their treatment regimens which could be merely unavailable in their home countries. However, Kerala is not the only state where the potential of wellness tourism flows. Rishikesh has become the capital of Yoga around the world. Western Ghats, the Himalayas and the Nilgiris areas are hill stations that provide natural settings where wellness retreats can be held. The palace hotels in Rajasthan have integrated luxury hotel services with the traditional health practices in a manner that is attractive to international tourists with a high income.[14]

5.3 Adventure, Ecotourism, and Heritage Tourism

Adventure tourism in India is another significant underdeveloped sector with the natural endowments of this country. Trekking, mountaineering, river rafting and skiing are some of the best in the world in the Himalayas. The Western Ghats offer superior globe bird watching and vacation. The Andaman and Nicobar Islands are considered to have marine ecosystems of unique biodiversity. Rann of Kutch is a scenario that is impossible to find anywhere in this world.[15]

These segments are also a challenge of infrastructure, regulation of safety and environmental management and not demand. International adventure tourists who can afford to pay a significant sum in the state of Nepal, New Zealand, or Costa Rica tend to avoid India not due to the absence of stunning landscape but due to issues of reliability, security level and environmental quality of the places they visit. These perceptions need an investment and regulatory reform to address them, which the government is able to implement.

6. Policy Architecture: Government Initiatives and Their Economic Logic

6.1 The Swadesh Darshan Framework

Swadesh Darshan is the flagship infrastructure programme of the Ministry of Tourism that was launched in 2014-15 and redesigned on a large scale as Swadesh Darshan 2.0. It is the largest investment in tourism infrastructure in the state history. Its approval in 2014-15 to 2018-19 in 76 projects in 31 states and Union Territories at a price of 5,292 crore with 75 projects having been physically completed. The plan was created on the concept of thematic tourism loop: Buddhist loops, Ramayana loops, coastal loops, wildlife loops, etc., which are interconnected selling destinations to support multiple stay tourism as a part of an integrated story of experience.

Swadesh Darshan 2.0 is a revised focus on holistic and responsible management of destinations with 53 plans approved for an investment amount of INR 2,208.27 crore. The conceptual indicators of the transition of Swadesh Darshan 1.0 to 2.0 are significant in the Indian nation policy towards tourism. The initial step was focused on physical infrastructure: roads to destinations, parking stations, complexes of toilets, and viewing platforms. The second level acknowledges that

infrastructural elements in themselves are not what make the tourism experience memorable; what counts is the quality of the experience between the visitor and the destination, which should also consider visitor management, involvement of the local community, sustainability and the use of digital experience planning.[16]

One of these projects, approved under the Special Assistance to States for Capital Investment scheme in the 2024-25 Budget, is the development of an iconic tourist center on a global scale with 50-year-long interest-free loans being offered by the government to states, and 40 projects were approved in 23 states across the country.

6.2 Visa Facilitation and Digital Infrastructure

The expansion and simplification of e-visa is one of the over the last ten years the most consequential policy interventions in the field of Indian tourism. Before its introduction, the procedure of procuring an Indian visa was already a notoriously arduous affair which included visits to Indian missions, long processing durations, and the documentation needs that discouraged on-the-spot and short-lead time travel plans. The e-Visa system that also includes more than 160 countries and a variety of visa types in which tourist, medical, and business are also covered and more has significantly eased the friction that India is a destination to visit.

In the case of medical tourism in particular, the specially designed Medical e- Visa has proved to be a game changer as it allows treatment in India, where Indian treatment is especially desired, such as Bangladesh, Afghanistan, Maldives and some countries in Africa, to save a lot of time in getting their visa compared to other countries. The government of India has streamlined the e-medical visa business, reduced the approval time of 7-10 days to 2-3 days in case of emergency need, and has established special medical tourism zones and organized international marketing campaigns to promote the Heal in India initiative.

In 2024, the Incredible India Digital Platform registered 294.76 crore domestic tourist visits and provides information on destinations, attractions, crafts, festivals, travelers' diaries, and up-to-date information with an AI-powered chatbot acting as a virtual assistant to respond to questions and assist travelers with real-time information.

6.3 Human Capital Development

Tourism is a people business. It is the knowledge, skills, and attitude of the frontline workers, in direct contact with the tourist, that makes the difference between the visitor experience: the hotel receptionist, the tour guide, the taxi driver, the restaurant waiter, the monument custodian. The hospitality training infrastructure in India has been experiencing a failure both in terms of its size and capacity to match current trends of employment opportunities alongside the trend of increased quality expectations of international guests.

The Incredible India Tourist Facilitator Certification Program is a nationwide online project that seeks to produce a base of skilled and professional tourist guides and facilitators nationwide and create job opportunities on a local scale. The Capacity Building for Service Providers is a program that trains and upgrades manpower to offer better levels of service provision. This training is extended to community-level persons who engage tourists in their destinations through the Paryatan Mitra and Paryatan Didi programs, which will be launched nationwide on World Tourism Day, 2024.[17]

These programs are on the right track but the magnitude of the task cannot be overemphasized. To supply 63 million people to the tourism sector by 2034 (with many of these individuals becoming new members of the tourism labour market), resource facilities to train them must enlarge not by decimeters, but by factors of ten. Hospitality management curriculum should be changed to accommodate the current realities in tourism such as sustainable tourism practices, the provision of digital services, and cross-cultural communication skills.

7. Structural Challenges and Binding Constraints

7.1 Infrastructure Gaps

Although the situation has greatly improved over the last couple of years, there are still gaps in the infrastructure of tourism that hamper the full potential of India as a travel destination in the world. Internet connectivity is not even, particularly access to tourist destinations over some of the most important transport destinations. Of particular concern is the problem of last-mile access, which tends to bring an inconvenience to traveling. Despite the better sanitation that has been achieved through national efforts, some destinations remain below the expected standards. Likewise, management of heritage sites has no uniformity when it comes to management of visitors, visitor interpretation and conservation management practices.

Patterns of accommodation are also a manifestation of imbalance. In the midst of the growth of luxury hotels, they serve a small niche and at the low-end of the market, informal budget is the dominant type of stay. The preferred category by most international tourists is the mid-range, which is not well developed. To fill this gap and increase tourist satisfaction, strengthening this segment with standardized homestays and franchised models of hotels might be used.[18]

7.2 The Safety and Perception Challenge

The safety perceptions greatly influence the decisions made by tourists. India generally encounters image issues in international markets, where anxieties might not necessarily be in tandem with reality. To deal with this, it will be necessary



not only to make real enhancements in safety infrastructure but also to maintain regular communications to rebrand international perceptions.

The other emerging issue is congestion in the tourist destinations. Too much tourism on iconic sites may create negative effects, such as degrading the environment and the experience of the tourists. To ensure sustainability on a long-term basis, effective management techniques of crowds (controlled access points and diversity of tourist destinations) are necessary.[19]

7.3 Sustainability Imperatives

Sustainable tourism is taking centre stage in the development vision of India. The growth should be sustainable as well as environmentally safe especially in ecologically sensitive areas. Meanwhile, sustainable practices present economic benefits as they entice responsible travelers and higher-spending travelers. The enhancement of the world tourism rankings is an indicator of improvement still further attention to sustainability is necessary to remain in the same direction.

7.4 Digital Transformation and Technology Adoption

Technology is transforming global tourism but India is still lagging in terms of its application. The convenience of digital payments has been enhanced, and innovative technologies, such as virtual reality, are being tried. Nevertheless, the even more substantial integration of the advanced technologies in planning and marketing and visitor management remains underdeveloped, which is also a stark sphere to be developed in the future.[20]

8. Tourism and the Viksit Bharat 2047 Trajectory

8.1 Quantifying Tourism's Contribution to the 2047 Vision

The arithmetic of Viksit Bharat establishes a certain background for assessing the aspirations of tourism. Assuming that India will reach a GDP of USD 30 trillion by 2047, and that the tourism industry keeps its current share of about 5 to 9 per cent of GDP in terms of measurement approach, the industry would have to produce between USD 1.5 trillion and USD 2.7 trillion in any one year by the year 2047. With government plans pegged at 100 million inbound travel expected to the WTTC by 2047, WTTC projects the GDP contribution of the industry to reach INR 21.15 trillion in 2024 with a potential of reaching INR 43.25 trillion in 2034 employing close to 63 million workers. By 2034, the prediction of the INR 43.25 trillion would extrapolate at a conservative growth rate, the sector would be way beyond USD 1 trillion equivalent to 2047.

Such figures are not automatic but can be achieved. They rely on the effective alleviation of the structural constraints defined in the first part, ongoing government investment in infrastructure and human capital, the regulatory environment which encourages rather than impedes the activities of the private sector to invest in tourism, and an effective repositioning of India in the global tourism imagination as something to rather than something to avoid.

8.2 Tourism as a Tool for Regional Balance

The possibility of providing regional economic equilibria is one of the strongest arguments to introduce tourism in the Viksit Bharat framework. Geographical concentration in the economic development of India has seen the coastal states of Maharashtra, Tamil Nadu, Karnataka and Gujarat and the national capital region contributing a disproportionate part of the national economic output. Those that appear to have the least distance of all towards the standards of living in the developed countries, especially in the eastern and northeastern regions, are the ones most rich in tourism resources, which have had almost no exploitation.

The northeastern states, the 7 sister states and Sikkim enjoy an out-of-this-world natural and cultural wealth: primeval forests, rivalling the Amazon, biodiversity, indigenous cultures of extraordinary variety and the scenery that would wake up gigantic international attention should they be available. The Vibrant Villages programme of the government and the northeastern tourism promotion activities indicate the acknowledgement of this opportunity. However, to turn such a potential into economical fact, long-term investments in air and road transportation, safety infrastructure, accommodation, and marketing are essential, but whose payoff is longer-term but whose developmental imperative is now.[21]

Likewise, the eastern Odisha, Jharkhand and West Bengal states have globally competitive tourism products like the temple complexes, tribal cultural heritage and the natural environments but they have not been internationally marketed. Even connecting these states into coherent tourism loops providing the international visitors with excellent and meaningful reasons to visit more than Delhi, Agra and Jaipur may shift the local distribution pattern of tourism income significantly.

8.3 Tourism and India's Soft Power

Tourism and soft power are worth noting in the discussion of Viksit Bharat ambitions, as one of the most direct objectives of the framework is to increase the level of global influence and prestige of India. The most appropriate soft power that any nation has is tourism. By the time a foreign visitor has spent two weeks in India, having added their own impressions of its culture, cuisine, hospitality and heritage, the impact created is virtually stunning and often results in the formation of positive attitudes about India as a partner in trade, a diplomatic partner and a reference source of culture.

Prime Minister Modi has put forth six pillars of Viksit Bharat, which include transforming India into a global manufacturing



hub, restoring the greatness of Indian knowledge systems, making Indian products visible all over the world, making India a source of green energy, increasing global tourism, and making global development inclusive. The fact that tourism is being included in the system together with manufacturing and green energy is an indication of behind-the-scenes sophistication around the fact that tourism has a multidimensional value that cannot be merely attributed to its contribution to GDP.[22]

The culinary diplomacy of India, promoting Indian cuisine as a cultural export on a global scale, has a tourism aspect that is not exhaustively exploited. Gastronomy tourism, where the destination is selected by the tourists especially due to the food culture has emerged as one of the fastest emerging branches of tourism in the world. An India with as varied and advanced a food culture as the tandoor cooking of Punjab, the coconut-based curries of coastal Karnataka, the Mughal food heritage of Lucknow, and the seafood culinary of Bengal has an exceptionally rich gastronomic tourism product that is under-marketed to the world.[23]

2. 9. CONCLUSION

The data collected in this paper lead to a definite conclusion: the tourism industry in India is not a fringe part of the national economic growth, but rather a core part, and its potential in comparison to actual performance is, perhaps, even greater than in any other economic sector. In 2023-24, the tourism industry contributed 5.22 percent to India's overall economy by contributing to the GDP of India to the tune of Rs 15.73 lakh crore and had a total of 36.90 million direct jobs and 47.72 million indirect jobs that generated a total of 13.34 percent of total employment, besides attracting foreign exchange.

These are noteworthy figures. They, however, are perhaps one-third to a quarter of what the tourism industry in India ought to be earning, given the resource endowment of this country. It is not that it is a demand problem that creates a gap between actual and potential. The world desires to come to India. The Incredible India brand resonates on an authentic international level. When asked about their travel destinations, international travelers always mention India as a place they wish to go, yet only a fraction of those intentions are translated into actually going, a phenomenon attributed by researchers to the existence of the intention-behavior gap, as explained by fears of infrastructure, security and ease of movement.[24]

Filling that gap is essentially a supply-side issue and hence can be resolved by conscious policy and investment decisions. Some of that supply-side challenge is dealt with in the Swadesh Darshan program, the PRASHAD program, and the SASCI investments in iconic tourism centers, the e-Visa program expansion, the airport development program, the UDAN regional connectivity scheme, and the various human capital development programs discussed in this paper. Rather than new policy ideas, additional and more widespread application of the existing ones is what is needed.

In the case of Viksit Bharat 2047, tourism is one of the sectors in which India has a good argument to act on and the means to do so. It would not be a tourist figure to reach 100 million international arrivals by 2047 but it would be a symbolic figure that would affect the economy far beyond what direct income is received by those visitors. It would authenticate the larger change of development that Viksit Bharat is: a nation that has invested in the beauty of her own domain, that has organized her own complexity in a form accessible and rewarding to a visitor and that has placed its own depth of civilization as a resource of the new global century rather than a historical puzzle.[25]

The trend is favourable. The architecture of policy is emerging. Demographic dividend. The millions of young Indians flooding into the labor market, in search of livelihoods in the services sector, are willing to be tapped by the tourism industry. The market of the domestic middle class, which is expanding in size and demand for travel will continue to form the main load of demand that makes the industry commercially viable despite the increased rate of international arrivals. Niche markets, especially medical and wellness tourism are experiencing growth rates which indicate structural demand as opposed to recovery cycles.

All that is left is to execute the same at a scale and knowing that tourism is not merely an industry that can be taken care of but rather a country asset that must be nurtured. The mountains, rivers, temples, forests, coasts, cuisines, classical arts, folk traditions and urban cultural landscapes of India are a heritage of inestimable worth. That patrimony may be translated, year after year, into livelihoods, foreign exchange, rural development, and the soft power of which a globally consequential India will continue to need. That is the mechanism of what may be called the conversion of patrimony into livelihoods, foreign exchange, rural development, and the soft power of which a globally consequential India will come to need more and more. That is the ambition of Viksit Bharat which should command at least such strategic weight in the thinking, planning and execution of tourism

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