

## The role of tourism sector and its impact on Uttarakhand state economy

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### Abstract

Tourism sector holds strategic importance in the Uttarakhand Economy. Uttarakhand tourism is considered to be a major source of livelihood. The geographical, cultural and environmental diversity of Uttarakhand has positioned it as one of the most visited states in North India. Uttarakhand is rich in scenic beauty with a healthy climate and ample avenues for adventure sports and eco-tourism. As per Tourist Statistics data shows that in Uttarakhand Indian, foreign Tourist have gradually increased but in the year 2020 tourist arrival decreased due to covid pandemic. The government has approved a new tourism policy to increase tourism investment in Uttarakhand. Under the New Policy, the government will give subsidies on capital investment on the basis of category.

### Objectives

- To examine the trend of Tourism in Uttarakhand
- To Examine Tourism is a major source of Income generation in Uttarakhand
- To Evaluation the Uttarakhand New Tourism Policy 2023

**Methodology:** Paper is based on secondary data which have been collected from various reliable sources, such as; Ministry of Tourism, Tourist Statistics, Directorate of Economics & Statistics, Uttarakhand, www.uttarakhand tourism.gov.in. The analysis has been done by using charts, line diagrams by using excel 2007.

**Keywords:** Uttarakhand, tourism sector, tourism economy, tourism policy 2023, tourist statistics, adventure tourism

### Introduction

The state of Uttarakhand came into existence as the 27<sup>th</sup> state of the Indian Republic on 9<sup>th</sup> November 2000. Uttarakhand is nestled in the foothills of the Himalayas, and shares international borders with Nepal and China. Uttarakhand tourism is considered to be a major source of livelihood. Tourism is the basis of Uttarakhand Economy. Tourism as a service sector is a key contributor to the growth story of Uttarakhand. The geographical, cultural and environmental diversity of Uttarakhand has positioned it as one of the most visited states in North India. The number of tourists visiting Uttarakhand has consistently increased from 22 million in 2014 to 39 million in 2019. Uttarakhand Tourism declined in the year 2020 due to the Coronavirus Pandemic.

In recent years the tourism sector has seen unprecedented changes mainly on the back of technological advances, multiple startups, innovative accommodation models, adventure especially trekking, farm stays, homestays etc. which has transformed the sector.

**Table 1:** Trends in Indian & Foreigner Tourists Arrival in Uttarakhand

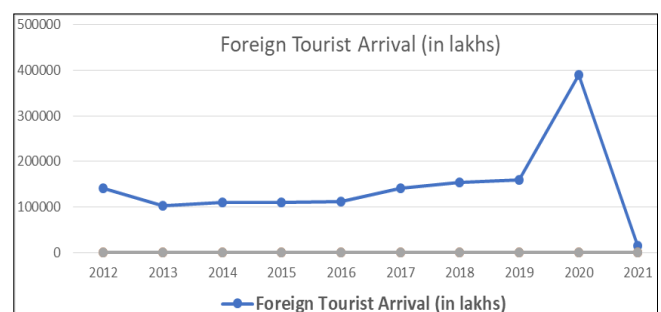
S.No	Year	Indian	Foreigner	Total
1	2012	28329686	140524	28470210
2	2013	21028010	103596	21131606
3	2014	22520097	109948	22630045
4	2015	29295152	111094	29406246
5	2016	31663782	112799	31776581
6	2017	34581097	142102	34723199
7	2018	36697678	154526	36852204
8	2019	39066776	158964	39225740
9	2020	7836002	388763	7874765
10	2021	20002705	15410	20018115

Source: Tourist Statistics From 2012-2021



**Fig 1:** Trends in Indian Tourists Arrivals in Uttarakhand

The above figure 1 show the trend of Indian Tourist arrival in Uttarakhand for the years 2012 to 2021. The trend shows that in Uttarakhand Indian Tourist have gradually increased but in the year 2020 tourist arrival decreased due to covid pandemic.



**Fig 2:** Trends in Foreign Tourists Arrival in Uttarakhand

The above figure 2 show the trend of Foreign Tourist arrival in Uttarakhand for the years 2012 to 2021. The trend shows that in Uttarakhand Foreign Tourist have gradually increased but in the year 2020 tourist arrival decreased due to covid pandemic.

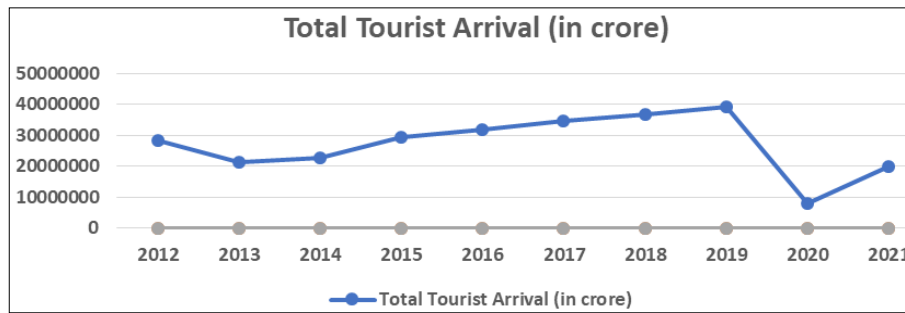


Fig 3: Trends in Total Tourists Arrival in Uttarakhand

The above figure 3. Show the trend of total tourist’s arrival in Uttarakhand.

Table 1.1: Indian Tourist Arrival in Uttarakhand State

S.No	Name of Tourist Destination	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
1	Dehradun	1686745	1718783	1767197	1749930	1783637	2118533	2453998	2875467	592079	286617
2	Rishikesh	804578	370216	328936	434033	589653	673226	656074	855798	170598	291230
3	Mussoorie	1199306	1070925	1391355	2764773	2790511	2794108	2870475	3022774	1016090	1229528
4	Pauri	106604	65473	41715	65151	70661	73484	77823	79186	27108	7350
5	Srinagar	324218	118346	77205	81059	38391	196805	203912	196188	78140	209555
6	Kotdwar (Swaragasram, Chilla)	329562	319529	282799	249672	439034	3501111	415769	441159	175178	108362
7	Rudraprayag without Kedarnath	6377006	393307	85963	196716	308667	484339	273700	334612	78007	46479
8	Kedarnath	572454	333693	40718	153821	309069	470517	730387	998956	135287	242985
9	Gopeshwar (Nandprayag, Mundoli, Tharali)	275058	71901	35436	45345	208840	232901	245228	255320	19231	10163
10	Joshimath (Govind, Ghanghariya)	1444900	418882	173013	220301	18619	236798	435537	488638	193760	167369
11	Badrinath	1046297	476278	159405	366306	654140	920078	1046987	1244100	155009	199406
12	Auli	32209	29345	26172	26126	42888	85019	151560	284489	190070	127487
13	Hemkund Sahib	291303	77785	37678	67840	1088646	213279	158817	239910	8290	19909
14	Valley of Flowers	5059	870	176	4956	11098	13285	14128	16904	906	10383
15	Tehri	964380	482865	553329	1141006	954927	1425732	2071142	2296693	225660	490512
16	Uttarkashi (Harshil, Gangnani)	642459	268573	206530	284224	332568	335122	320796	380230	63674	80593
17	Gangotri	435220	209919	51555	159684	284350	408275	447239	529880	23736	33771
18	Yamunotri	413367	253023	38208	122710	154563	391732	393963	465111	7717	33311
19	Haridwar	15231875	12763650	15456550	19332025	20486775	20985975	21555000	21749425	4016250	12717825
20	Almora	101125	76958	81345	89850	101648	108178	114198	123416	18499	38027
21	Ranikhet	77315	67432	73825	103448	137978	145233	148212	150664	20109	54265
22	Kausani&Bageshwar	77315	63740	75398	76267	76807	77650	87217	104841	11861	45807
23	Pithoragarh	195123	153127	179745	190687	171381	242123	153729	208897	46179	53433
24	Champawat	81044	72494	87799	88552	89241	148812	188703	210522	47259	15704
25	Nainital	898077	737130	750501	808903	866164	910323	924316	924341	212981	325626
26	Kathgodam	129333	118403	141989	146474	150763	150793	151528	152552	37397	107932
27	Corbett National Park	205602	172598	246652	194590	182676	248526	255218	275521	165461	287324
28	Udham Singh Nagar	121552	122765	128903	130703	132515	139140	152022	161182	99466	182262
	Total	28329686	21028010	22520097	29295152	31663782	34581097	36697678	39066776	78366002	20002705

Source: Tourist Statistics From 2012-2021

Table shows Indian tourist arrival in the year 2012 to 2021 on Uttarakhand various tourist destinations like Dehradun, Rishikesh, Mussoorie, Pauri, Kodwar, Rudraprayag, Kedarnath, Joshimath, Badrinath, Auli, Hemkund Sahib, Uttarkashi, Gangotri, Yamunotri, Haridwar, Almora, Ranikhet, Pithoragarh, Champawat, Nainital, Kathgodam, Corbett National Park and Udham Singh Nagar etc. Table shows that Tourist have gradually increased but in the year 2020 tourist arrival decreased due to covid pandemic.

**Tourism is a major source of Income generation in Uttarakhand**

In 2022, The Ministry of Commerce & Industries declared Uttarakhand the country’s Startup leader. Many big companies have signed a Business MOU of 3.5 Lakh Crore

with the Uttarakhand govt. In the last 3 years Uttarakhand became one of the top 5 startups in the country. Uttarakhand adopted the strategy of HomeStay Initiative. This policy has become so successful, that a reverse Migration trend has now started in Uttarakhand. The culture of Homestay has become quite popular in Uttarakhand. People develop their home in the concept of Homestay in such a way that tourists prefer to stay at a common man's home instead of a hotel to stay. People also benefit because they become micro entrepreneurs by staying at their homes. This trend is spreading rapidly in Uttarakhand today.

**Uttarakhand New Tourism Policy 2023**

The government has approved a new tourism policy to increase tourism investment in Uttarakhand. Under the New

Policy, the government will give subsidies on capital investment on the basis of category. In this 25% subsidy will be given in category-A areas, 35% in selected areas in category-B and up to 50% subsidy will be given for investment in the tourism sector of category-C areas.

Financial incentive will be given for investment in Helium, Hot Air Balloon, Cab operator, Cruise Boat, House Boat, Yacht Adventure, Trekking, Rock Climbing, Water Sports, Vote Race, Fishing, Ropeway, Floating Resort, Wellness resort, Art Gallery etc.

### Targets For 2030

- Tourism to contribute USD 10 billion to Uttarakhand's economy annually and at least 15% of the states' GSDP.s
- Uttarakhand to attract investment of INR 40,000 Crore in Tourism and take up minimum 100 PPP projects before 2030.
- Tourism and its supporting industries to employ 20 lakh people in Uttarakhand hand with women accounting for at least 30% of the workforce.
- To facilitate skill development of 10 lakh workers in tourism and its supporting industries.
- To increase average length of stay of tourists in Uttarakhand to 4-5 days.
- To increase foreign tourist visits as a proportion of total non-religious tourism visits in Uttarakhand to 5%.
- To reach 50 lakh followers on official social media handles of Uttarakhand Tourism Development Board.
- To ensure that New Tourism projects coming up in the State adopt sustainable in development and operations.

### Conclusion

Analysing the above data and studying various reports make it clear that the tourism sector performed a positive result in the economy of Uttarakhand. In the year 2020 Coronavirus badly affected the Uttarakhand Tourism. After 2020 the Reverse Migration trend has started in Uttarakhand. To attract tourists, the Homestay initiative has become quite popular in Uttarakhand and this trend is spreading rapidly in Uttarakhand today. Government has approved a new tourism policy to increase tourism investment in Uttarakhand. Government has also set the targets 2030 to increase tourism in Uttarakhand

### Suggestions

1. Promoting Homestay concept not only increase tourists but also generate revenue as well as employment.
2. Quality Tourism can play a vital role in the development of Uttarakhand Economy.
3. Uttarakhand local Cuisine can also boost the Economy.
4. Govt. can arrange the proper facilities to explored tourist destination.
5. Wide publicity can also play an important role to increase tourism in Uttarakhand.
6. Investment in infrastructural facilities such as transportation, accommodation and other tourism related services lead to overall development in the economy of Uttarakhand.
7. Air service facility can also play an important role in promoting tourism.

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