



A financial study on the tourism sector in Gujarat

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Abstract: The state of Gujarat is economically strong. After independence, the development of the state of Gujarat has increased at a rapid rate. The share of Gujarat state in the country's GDP in the year 2023 will be Rs. 22,03,062 crore has been estimated. Thus, the contribution of the state to the economic development of the country is seen more. This paper is presented to study how much expenditure is spent on the tourism sector of Gujarat state and how much revenue the state receives through tourism. Excluding the period of Covid-19, the state's expenditure on the tourism sector is low. The state has increased expenditure for the development of the tourism industry under several programmes. And the expenditure is expected to increase in the coming years as well. And in future, the state will get more revenue from the tourism sector. So that the development of the state and the nation will be strengthened.

Key Words: Gujarat Tourism Sector, Revenue Receipts, Revenue Expenditure, Capital Expenditure.

1. INTRODUCTION:

The state of Gujarat is known in the world today for its industrial entrepreneurs, industrialization and innovation. Agricultural production, industrial production and service sector production have increased in the state. The state has consistently increased its expenditure on the services sector in its budget intending to increase output. In addition, the state has developed its tourist destinations in many ways. For the development of the tourism sector, the state has announced several advertisements under the 'Khushbu Gujarat Ki' programme and thus has succeeded in attracting tourists from around the world and the nation for tourism purposes. The contribution of the tourism sector to the GDP of the state of Gujarat was estimated to be around 10.2 per cent of the total gross domestic product of the state in the year 2022, which indicates that the contribution of the tourism industry to the state's GDP has been increasing over the past 15 years. And the state and the nation will get more revenue from the tourism sector in the years to come.

2. METHOD:

The researcher chose a secondary data-gathering approach for the current research since it is dependent on material-based inspection research. The study solely relies on secondary sources, such as books, papers, websites, statistics, etc.

Scope of the Study:

Considering the objectives of the present research, the paper presented by the researcher was limited to the revenue and expenditure received from the tourism sector of the state of Gujarat in India.

The present paper was limited to the year 2017 to 2022.

Sources of data:

Secondary Data is taken from Gujarat Tourism Corporation Limited (GITCL), books, articles, journals etc.

3. OBJECTIVE:

- To know about Gujarat Tourism Sector.
- To know about Revenue Receipts of Gujarat's Tourism Sector.
- To get information on the Revenue Expenditure of Gujarat's Tourism Sector.
- To get information on the Capital Expenditure of Gujarat's Tourism Sector.

BASIC CONCEPT:



- **Revenue Receipts** = Revenue Receipts include tax revenue and non-tax revenue received from the Gujarat Tourism Sector.
- **Revenue Expenditure** = Revenue Expenditure includes expenditure incurred under various schemes for the development of the Gujarat Tourism Sector.
- **Capital Expenditure** = Capital Expenditure expenditure is incurred for the development of the Gujarat Tourism Sector. In future, the Government will receive revenue from Gujarat Tourism Sector which is included in Capital Expenditure.

4. ANALYSIS:

TABLE - 1

Gujarat's tourism industry's revenue receipts (in crores Rs.) from 2017 to 2021

Year	Revenue Receipts (INR Crore)	% Change
2017	35.16	-
2018	18.54	-90%
2019	93.37	80%
2020	329.8	72%
2021	88.75	-272%

The above table shows the Revenue Receipts (INR Crore) of the Gujarat Tourism Sector from 2017 to 2021. In the year 2017, the Revenue Receipts of the Gujarat Tourism Sector was Rs 35.16 crore, which decreased to Rs 18.54 crore in the year 2018, which shows a decrease of -90 per cent. Similarly, the Revenue Receipts of the Gujarat Tourism Sector in the years 2019, 2020 and 2021 were Rs 93.37 crore, 329.8 crores and 88.75 crores. Similarly, the percentage change of Revenue Receipts of Gujarat's Tourism Sector from 2019 to 2021 was 80%, 72% and -272% respectively. Thus, the investigation here shows that the percentage change in 2018 and 2021 was negative.

Graph - 1

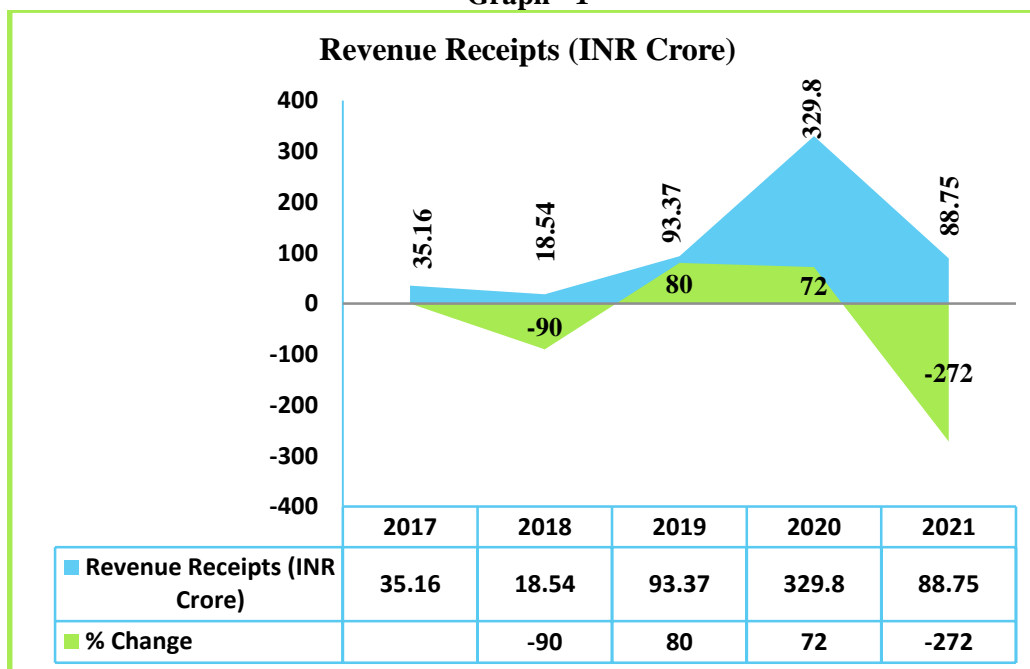


TABLE - 2

Gujarat's tourism industry's revenue expenditure (in crores Rs.) from 2017 to 2022

Year	Revenue Expenditure (INR Crore)	% Change
2017	91.62	-
2018	84.3	-9%
2019	75.15	-12%



2020	109.02	31%
2021	76.87	-42%
2022	82.18	6%

The above table shows the Revenue Expenditure (INR Crore) of the Gujarat Tourism Sector from 2017 to 2022. In the year 2017, the Revenue Expenditure of the Gujarat Tourism Sector was Rs 91.62 crore, which decreased to Rs 84.3 crore in the year 2018, which shows a decrease of -9 per cent. Similarly, the Revenue Expenditure of the Gujarat Tourism Sector in the years 2019, 2020, 2021 and 2022 was Rs 75.15 crore, 109.02 crore, 76.87 crore and 82.18 crore rupees. Similarly, the percentage change of Revenue Expenditure of Gujarat's Tourism Sector from 2019 to 2022 was recorded as -12%, 31%, -42% and 6% respectively. Thus, an examination here shows that the percentage change was negative in the years 2018, 2019 and 2021.

Graph - 2

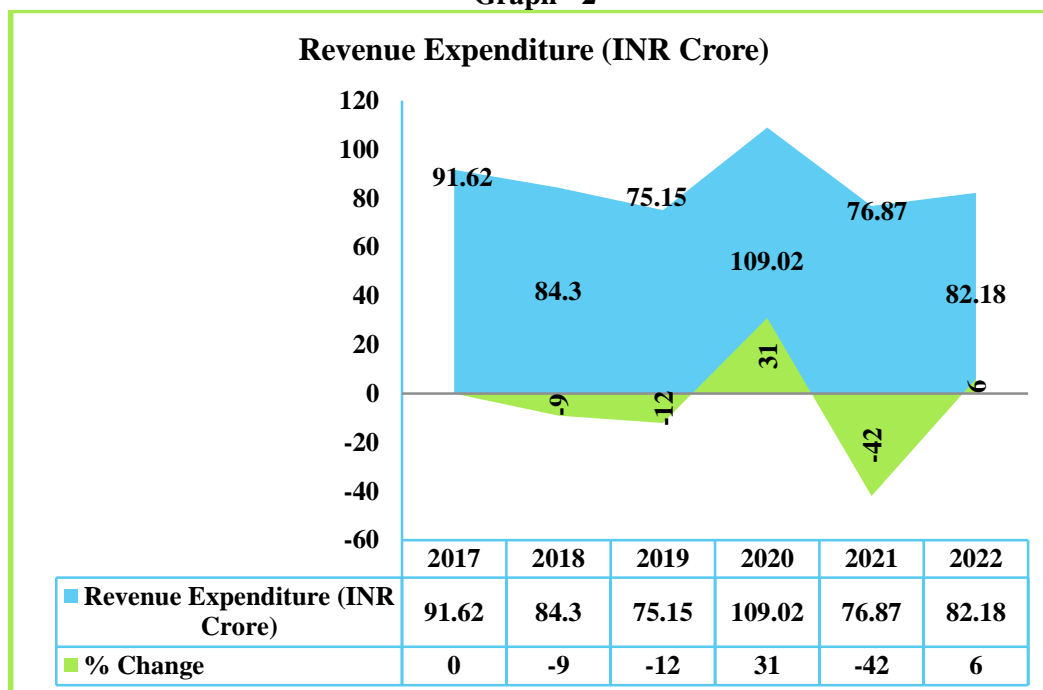


TABLE - 3

Gujarat's tourism industry's capital expenditure (in crores Rs.) from 2017 to 2022

Year	Capital Expenditure (INR Crore)	% Change
2017	440	-
2018	434.37	-1%
2019	557.25	22%
2020	483.05	-15%
2021	875.8	45%
2022	1450.45	40%

The above table shows the Capital Expenditure (INR Crore) of the Gujarat Tourism Sector from 2017 to 2022. The Capital Expenditure of the Gujarat Tourism Sector in 2017 was Rs 440 Crores, which declined to Rs 434.37 Crores in 2018, showing a marginal decrease of -1 per cent. Similarly, in the years 2019, 2020, 2021 and 2022, the Capital Expenditure of the Gujarat Tourism Sector was Rs 557.25 crore, Rs 483.05 crore, Rs 875.8 crore and Rs 1450.45 crore. Similarly, the percentage change of Capital Expenditure of Gujarat's Tourism Sector from 2019 to 2022 was recorded as 22%, -15%, 45% and 40% respectively. Thus, on examination here it is found that the percentage change was negative in the years 2018 and 2020.



Graph - 3

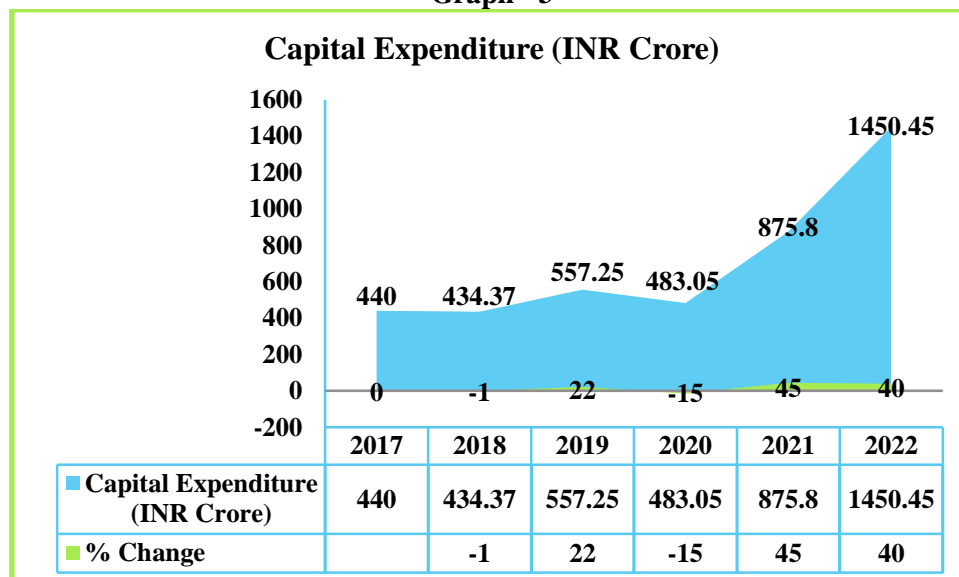


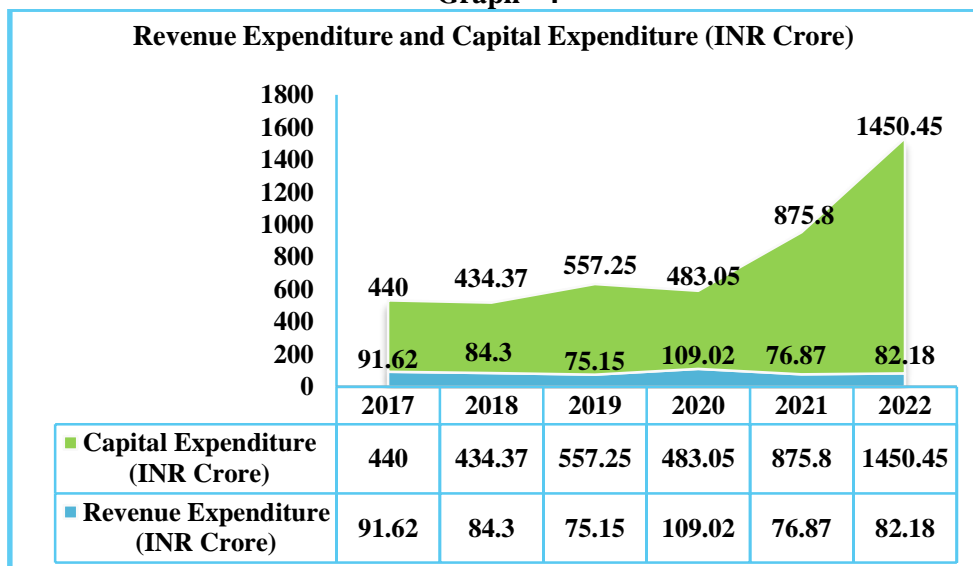
TABLE - 4

Gujarat's tourism industry's revenue expenditure and capital expenditure (in crores Rs.) from 2017 to 2022

Year	Revenue Expenditure (INR Crore)	Capital Expenditure (INR Crore)
2017	91.62	440
2018	84.3	434.37
2019	75.15	557.25
2020	109.02	483.05
2021	76.87	875.8
2022	82.18	1450.45

The above table shows the Revenue Expenditure and Capital Expenditure (INR Crore) of the Gujarat Tourism Sector from 2017 to 2022. In the year 2017, the Revenue Expenditure of the Gujarat Tourism Sector was Rs 91.62 crore while the Capital Expenditure was Rs 440 crore, which was seen more than the Revenue Expenditure. Similarly, the Revenue Expenditure and Capital Expenditure of the Gujarat Tourism Sector in 2019, 2020 and 2021 respectively are Rs 75.15 and 557.25 crore, 109.02 crore and 483.05 crore, 76.87 crore and 875.8 crore in 2022. Revenue Expenditure was Rs 82.18 crore and Capital Expenditure was Rs 1450.45 crore. Thus, the Capital Expenditure of the Gujarat Tourism Sector was seen as more than Revenue Expenditure.

Graph - 4





5. CONCLUSION:

Today, the importance of tourism in the world is increasing in many ways. Humans travel for many reasons, such as religious tourism, economic tourism, business tourism, medical tourism, nature tourism, adventure tourism, heritage tourism, etc. This means that when a person travels to a place, the local people get income and employment in various ways. Therefore, the tourism industry plays an important role in the economic development of the state. Therefore, the state of Gujarat has also allocated a lot of budget for the development of its tourism sectors. The state has taken the help of various advertisements to attract tourists from the nation and the world. So we can see that the state has set its Capital Expenditure at 1450.45 crores in the year 2022 which shows an increase of 40%. Thus, the state has increased its total expenditure on the tourism sector.

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