

Corporate Governance in Indian Adventure Tourism Sector: A Review

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The increase in the number of adventure tourists over the years has led to more academic research in the area. In India, adventure tourism is at a very nascent stage and is currently fragmented and informal. This study provides an insight into Corporate Governance (CG), adventure tourism in India and the legislations implemented in the industry. The tourism industry plays a very important role in the economic and sustainable development of a region. A thorough review of literature was conducted and the current state of CG in tourism sector and the challenges to its implementation are discussed. The study found that to adopt the best governance practices in the tourism industry, firms need to follow the principles of disclosure, fairness, accountability and corporate responsibility. The role of the government in the process has also been highlighted.

Introduction

The tourism sector is the third-largest foreign exchange earner in India, while contributing 7.5% to the GDP. It has been growing at a rate of 15% globally (Buckley, 2007; and Williams and Soutar, 2009). There has been a steady growth in adventure tourism in the country over the past few years. There has been an increase in activities such as trekking, mountaineering, bungee jumping and extreme water sports, to name a few. Adventure tourism is a concept that scholars use to define activities that normally occur outdoors and appear exciting to the consumer (Buckley, 2007). These activities have elements of risk, exploration and danger (Beedie and Hudson, 2003). These elements of risk attached to some of these activities contribute to the excitement for the consumer (Ewert, 1989). Adventure is reflected in the adrenaline rush from risk-taking and any knowledge or insight that is gained from the activity (Walle, 1997). Among all tourism activities, the number of tourists involved in adventure tourism is a mere fraction, though the number has been steadily growing over the years. India has huge scope for adventure tourism, which includes the Himalayas and the coastal regions. In 2018, a 170-page guideline was provided by the Ministry of Tourism, Government of India. It provided

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