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## **GRT** A REVIEW OF TOURISM DEVELOPMENT IN INDIA

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**Abstract:-**The Indian Tourism Industry has flourished in the past few years, significantly contributing to the nation's Development, Gross Domestic Product, Foreign Exchange Earnings and Employment. India with her enriched beauty is unambiguously one of the most viable candidates for promoting tourism. Since the past few years, Government of India has undertaken various measures to promote tourism. Tourism is growth oriented industry with its impact on the employment and foreign exchange potential of the country. This paper analyses the changes in number of tourist arrivals from 1997 to 2012, increase in economic growth and the development of tourism. The number of tourist arrivals is directly proportional to the economic growth. India witnessed a grand total of 6.58 million Foreign Tourist Arrivals with annual growth rate of 4.3% in 2012. It is the second largest foreign exchange earner in India recording estimated earnings of 94487 Crore in 2011-2012. With world tourist arrivals expected to increase by 43 million every year on an average from 2010 to 2030. The domestic tourism is also a major factor which is contributing to the growth in tourism sector.

**Keywords:**Tourism, Tourism Development, Gross Domestic Product, Foreign Exchange Earnings, Economic Growth and Tourist Growth.

### **INTRODUCTION :-**

Tourism is travel for recreational, leisure or business purposes. The Word "Tourism" defines tourists as people who "travel to and stay in places outside their usual environment for more than twenty-four (24) hours and not more than one consecutive year. Among the various service industries, tourism in India is the largest and fastest growing in the country. It has a vast impact on creation of jobs and national economy that plays a major role in other aspects of the country's growth and development.

It is widely accepted that tourism is among the world's fastest growing and largest industries on the basis of its economic benefits. Asia leads the growth in tourism industry with +8%, Europe +4%, Americas +5% and Africa +7%. Undoubtedly, the growth in international tourist arrivals and receipts will continue in the future. Many developing countries have seen tourism as the major source of foreign exchange earnings. According to the World Tourism Organization (UNWTO), tourism is 'number one in the international services trade', accounting for 40 per cent of global trade in services and 6 per cent of total world trade. The tourism industry directly provides approximately 3 per cent of global employment, or 192 million jobs – the equivalent to one in every twelve jobs in the formal sector.

In developing countries like India tourism has become one of the major sectors of the economy, contributing to a large proportion of the National Income and generating huge employment opportunities. It has become the fastest growing service industry in the country with great potentials for its further expansion and diversification. However, there are pros and cons involved with the development of tourism industry in the country. Over the decades, tourism has experienced continued growth and deepening diversification to become one of the fastest growing economic sectors in the world. Tourism has become a thriving global industry with the power to shape developing countries in both positive and negative ways. No doubt it has become the fourth largest industry in the global economy (Lalnunmawia, H). Tourism Industry has flourished in the past few years, significantly contributing to the nation's Gross Domestic Product, foreign exchange earnings and employment. India with her enriched natural beauty is unambiguously one of the most viable countries for promoting tourism (Dhariwal R). From the western perspective, it is a land of spirituality with astonishingly diversified culture and tradition.

India's rich history and its cultural and geographical diversity makes its international tourists appeal large and diverse.

It presents heritage and cultural tourism along with medical, business and sports tourism. The tourism sector in India has seen a tremendous growth in the last few years. The Foreign Tourist Arrivals (FTA's) in India have increased from 5.58 million in 2010 to 6.58 million in 2012. The Annual Growth Rate of the tourism sector in India is around 21.8% INR, 7.1% in terms of \$US. Tourism contributes 6.23 per cent to the national GDP and 8.78% of the total employment in 2012 estimated foreign exchange earnings at US\$ 17737 million (India Tourism, Annual Report, 2012 and UNWTO). Despite the recession the tourism industry has shown notable growth in the number of foreign tourist arrivals. India is 42nd in the world rankings as per foreign tourism arrivals in the country.

The World Travel and Tourism Council (WTTC) have named India along with China as one of the fastest growing tourism industries for the next 10 to 15 years. Tourism today is the most vibrant tertiary sectors and strong hold of the economy. The Travel & Tourism Competitiveness Report 2007 ranked tourism in India sixth in terms of price competitiveness and 39th in terms of safety and security. The WTTC has said that India's competitive advantage lies in its mystical attractions with its ancient civilization and culture. The country has much to offer with attractions ranging from the world's highest mountains, vast coastline with excellent beaches, rich tropical forests, captivating wild life, desert safari, lagoon backwaters, ancient and majestic monuments, forts and palaces, diverse culture, colorful fairs, folk arts, unique hospitality etc. (Nielsen, AC and ORG-MARG).

### IMPORTANCE

India comprises the bulk of the Indian subcontinent and lies atop the minor [Indian tectonic plate](#), which in turn belongs to the Indo-Australian Plate. India lies to the north of the equator between 6° 44' and 35° 30' north latitude and 68° 7' and 97° 25' east longitude. India's coastline measures 7,517 kilometers (4,700 Mi.) in length; of this distance, 5,423 kilometers (3,400 Mi.) belong to peninsular India and 2,094 kilometers (1,300 Mi.) to the Andaman, Nicobar, and Lakshadweep island chains. According to the Indian naval hydrographic charts, the mainland coastline consists of the following: 43% sandy beaches; 11% rocky shores, including cliffs; and 46% mudflats or marshy shores. India is the world's second most populous country, with 1,210,193,422 residents reported in the 2011 provisional census. Its population grew at 1.76% per annum during 2001–2011, and 2.13% per annum in 1991–2001. The human sex ratio, according to the 2011 census, is 940 females per 1,000 males. The median age was 24.9 in the 2001 census.

India is known as a land of great spiritual heritage and is a mystery for majority of westerners. Despite numerous myths and misconceptions prevalent in other continents about the country, millions of tourists flock to India all around the year. A trip to India can prove to be an unprecedented and enchanting experience. India being a tropical country, the number of foreign visitors takes a nosedive in summer months and the trend in winter is just the opposite. The tourism industry in India has seen growth in last decade though it is still behind other Asian countries like China and Korea. The issues like prolonged militancy tussle in the country's northernmost part and sporadic incidents of racial violence are the bottlenecks thwarting growth of tourism in India (Travel to India).

Ideally, the best time to visit India for a foreign tourist would be during the winter months. The country has vast opportunities for tourism in all the seasons of the year. During winter the entire India has diverse attractive conditions in the different regions and during the monsoon certain states of the country, including Kerala, Goa and Assam have beautiful scenic experience.

In recent years, the role of tourism in the economic development of a country has been the focus of study and research. It is the general consensus that tourism has been pivotal in social progress as well as an important vehicle of widening socio-economic and cultural contacts throughout human history. Over the past years, many developing and developed countries have considered tourism as an option for sustainable development of their nations. The importance of tourism as a contributor to economic growth is so widely accepted that year after year throughout the world a massive investment continues to pour in its development (Das A.J).

### METHODOLOGY

The research is based on the analysis of relevant reports of Tourism Development Corporation, newspapers, plans, previous studies, and other documentation, together discussions made with tourism authorities and also field visits undertaken in 2011 and 2012.

### TOURISM DEVELOPMENT AND GROWTH

The Ministry of Tourism designs national policies for the development and promotion of tourism. In the process, the Ministry consults and collaborates with other stakeholders in the sector including various Central Ministries/agencies, state governments, Union Territories and the representatives of the private sector.

#### The First Tourism Policy (1982)

The first significant policy initiatives were forged in the early 1980s. With the prospect of hosting the Asian Games of

1982, the Indian Government had to start thinking about accommodating, transporting and entertaining the large number of visitors attracted by the event. This awakened a serious public interest in tourism, which was enhanced by the fact that tourism was India's largest net earner of foreign currency. The public interest was translated into the Tourism Policy of 1982 which provided an action plan based on the development of so called tourism circuits (Singh, 2001). A tourist circuit consists of a number of tourist sights which are geographically and/or thematically grouped together with the idea that the value of their sum is more than an adding up of the values of the parts. The circuit idea was born out of the feeling that 'the Golden Triangle' destinations of Delhi-Jaipur-Agra and the Bombay-Goa shopping-and-beach circuit were grossly oversold.

#### **TOURISM DEVELOPMENT IN THE 1990S**

In 1997 the department of tourism published a (new) National Tourism Action Plan. Apart from identifying a few areas for 'integrated tourism development', along the lines of the aforementioned (thematic) tourism circuits, the aim of the plan was to achieve an overall growth and improvement of the tourism sector in India, by stepping up marketing, infrastructure building and human resource development. According to some, the plan didn't present anything new. It just was phrased in a more fashionable development sector jargon (Singh, 2001). Others maintained that the plan was over-ambitious and unrealistic. Funding by no means matched the challenging quantitative targets (Raguraman, 1998). In fact, from independence onwards the budget outlays for tourism have always been very small (less than 0.2%).

The importance of domestic tourism was recognized by public policy makers in the 1990s. They included it as an important issue in the Tourism Action Plan of 1997 and decided that it was a state government (policy) issue. The central government was to take care of international tourists. Traditionally, domestic tourism mainly concerned pilgrimage and work-related travel. From the 1990s onwards there has been a steep rise in modern forms of domestic tourism. This new phenomenon is related to the booming Indian economy and the new susceptibility of the Indian middle and higher classes to rather alien, Western ideas of Holiday making. At present, an ever growing group of Indian tourists travels around the country for rather prosaic, leisure and sightseeing-related reasons. This new trend is underscored by the emergence of Indian travel magazines and the growing explicit attention for domestic tourist destinations in leading newspapers.

#### **The New Tourism Policy (2002)**

In 2002 when the action plan was finally translated into a tourism policy. Tourism policy officially became a joint central-state government concern. The new policy itself, however, was designed by the central government. To a large extent, it concerns old wine in new bottles. It holds the kind of goals and expectations exemplary for the first policy. To start with, the policy document attempts to establish tourism's great contribution to national development and its role as an engine of growth. It suggests that tourism not only generates government revenue, foreign currency, but also provides an optimal use of India's scarce resources, sustainable development, high quality employment (especially to youngsters, women and disabled people), and finally, peace, understanding, national unity and stability (GOI, 2002). The policy starts from the idea that tourism can be used as a development tool, e.g. that it can generate high quality, mass employment and prosperity among vulnerable groups in backward areas.

In more practical terms, the policy aims at increasing the number of domestic and international tourists. In order to do this, the government proposes to diversify the Indian tourism product and substantially improve the quality of tourism infrastructure, marketing, visa arrangements and air travel. The aforementioned tourism as a development tool largely concerns domestic tourism, which in this capacity is conceptually linked to 'sustainable' rural development. As far as international tourism is concerned the Indian Government mainly wants to target the 'high-yielding variety' of tourists.

These major policy aims are derived from three main sources. The idea of tourism as a development tool leading to sustainable rural development is rooted in traditional socialist style Indian Government thinking. An equally important source however, is the ideology of the international development community, represented by organizations such as the UNDP. The idea to specifically target the long haul, high yielding variety of international tourists, on the other hand, is part and parcel of the worldview of lobby organizations representing international airline and hotel companies. The WTTC in particular has played an important role in shaping the Indian tourism policy. Its predictions and suggestions form an integral part of the policy. While it is understandable that organizations such as the WTTC and the UNDP have influenced the Indian Tourism Policy, it is surprising to see how apparently easily and without much adaptation their recommendations have become official policy. This implies that the policy is founded upon rather contrasting ideas (Baken and Bhagavatula).

**Concerted efforts are being made to promote new forms of tourism such as rural, medical, cruise, film and eco-tourism:-**

#### **Rural Tourism**

The scheme of Rural Tourism was started by the Ministry in 2002-03 with the objective of showcasing rural life, art, culture and heritage at rural locations and in villages, which have core competence in art and craft, handloom, and textiles as also an asset base in the natural environment. It aimed to benefit the local community economically and socially, as well as to

enable interaction between tourists and local population for a mutually enriching experience. Under this scheme, the development/strengthening of physical infrastructure at the identified rural site is supplemented by the capacity building of the local population to develop the identified site as a rural tourism product. Rural tourism projects at 186 villages in 29 States/Union Territories have been sanctioned by the Ministry of tourism since the inception of the scheme. Of these sites are located in the North – Eastern region. A total amount of RS 55.40 Crore was sanctioned for Rural Tourism projects during the 11th Five Year Plan. Projects at 90 sites have been completed by December 2012. During the Twelfth Five Year Plan, the present scheme of Rural Tourism is being replaced with the scheme of Rural Tourism Cluster. The modified scheme aims at developing a cluster of villages a tourism product.

#### **Medical Tourism**

It is also called medical travel, health tourism or global healthcare and is a term used to describe the rapidly growing practice of travelling across international borders to obtain health care. India offering Medical care facilities and promoting Medical Tourism that excels among them for the following reasons:-

- State of the Art Medical facilities
- Reputed health care professionals
- Quality Nursing facilities
- No waiting time for availing the medical services
- India's traditional healthcare therapies like Ayurveda and Yoga combined with allopathic treatment provide holistic wellness

#### **Film Tourism**

In July, 2012 the Ministry of Tourism developed guidelines for extending financial support to State Governments / Union Territory Administrations for promotion of film tourism, as a preliminary step, Central Finance Assistance of INR. 2 lakh per film will be provided to State Governments and Union Territory Administrations, during each financial year for a maximum of five films. The films will be chosen/selected taking inputs from their Film Development Corporations, based on the exposure provided by them to the tourism destinations and locations in the respective States/UTs. The CFA would cover Feature Films, Documentaries, Telefilms and Television Serials, including Reality Television.

#### **Cruise Tourism**

It is fast emerging as a new marketable product. India with its vast and beautiful coastline, virgin forests and undisturbed idyllic islands, rich historical and cultural heritage, can be a fabulous tourist destination for cruise tourists. With the Indian economy developing at a steady pace, middle class growing in number and increasingly possessing disposable incomes which could be spend on leisure activities, Indians could also take on cruise shipping in a big way. It was approved by the Government of India on 26th June 2008. The objectives of the policy are to make India an attractive cruise tourism destination with the state of the art infrastructure and other facilities at various parts in the country to attract the right segment of the foreign tourists to cruise shipping in India and to popularize cruise shipping with Indian tourists.

#### **Promotion of Ecotourism**

Ecotourism (also known as ecological tourism) is responsible travel to fragile, pristine, and usually protected areas that strives to be low impact and (often) small scale. It purports to educate the traveller, provide funds for ecological conservation, directly benefit the economic development and political empowerment of local communities, and foster respect for different cultures and for human rights. The Ministry has been laying a lot of stress on maintenance of environment integrity, considering the importance of developing tourism in an ecologically sustainable manner.

#### **The Ministry also maintains the Incredible India International campaign, Domestic Media Campaign and Other Promotions:**

**Incredible India International Campaigns:-**The Ministry of Tourism commenced its Global Television Campaign 2011-12 in the month of August 2011, A Global Print Campaign 2011-12 was also released in September 2011 and A Global Online Media Campaign was launched on leading websites in January 2012 up to May 2012.

**Domestic Media Campaign:-** Ministry of Tourism undertook various activities for promotion of Domestic Tourism and spread of Social Awareness messages these include:

Social Awareness Campaigns were released on Doordarshan in July, September and October 2012. The themes Atithidevo Bhava, Campaign Clean India and Hunar Se Rozgar were released on Radio Channels. The Ministry released campaigns on Doordarshan to promote tourism in North East Region and the state of Jammu and

Kashmir in September – October 2012.

**Other Promotions:-**

The Ministry of Tourism continued 'Incredible India' branding during the television coverage of the Second Formula One Grand Prix in India in October 2012 on ESPN – Star Sports Network in Asia.

Incredible India branding was also undertaken on Euro-sport Television Channel during the telecast of London Olympics 2012.

The Ministry of Tourism continued the collaboration with the ministry of Information and broadcasting for promotion 'Incredible India' during the International Film Festival of India (IFFI) held in Goa in November 2012 and also during the International India Film Academy (IIFA) Awards 2012 held in Singapore. (Annual Report 2012-13, Ministry of Tourism, GOI).

India's rich history and its cultural and geographical diversity make its international tourism appeal large and diverse. It presents heritage and cultural tourism along with business and sports tourism. Culture Tourism has a special place in India because of its past civilization as India has been considered the land of ancient history, heritage, and culture. Historical and archaeological monuments continue to be the biggest draw in attracting international tourists, Such as HISTORY AND ARCHAEOLOGY (Archaeological Monuments), MUSIC (classical music largely encompasses the two genres – North Indian Hindustani, South Indian Carnatic traditions and their various forms of regional folk music, varieties of popular, pop, and R&B), FESTIVALS (Eid Al-Fitr, Eid Al-Adha, Diwali, Ganesh Chaturthi, Ugadi, Thai Pongal, Holi, Onam, Durgapuja, Christmas, Buddha Jayanti, Moharram , and Vijayadashami, all are religious in origin and are celebrated irrespective of caste and creed), DANCE (From the ancient classical or temple dance to folk and modern styles. There are hundreds of folk dances i.e. Bhangra, Bihu, Ghumura, Sambalpuri, Chhau, Garba etc.), ART AND CRAFT, PILGRIMAGE, CUISINES and CLOTHING. As the tourism industry is growing we should focus more and more on the promotion sustainable tourism. Many of our old monuments are like our lost primary resources. These can be restored to revive our rich art and culture to become sites of tourist attractions.

India has a distinct image, with strong associations on Palaces and Royal retreats, Place of religious interest, Yoga, Ayurveda and Meditation, Heritage and Artefacts. Cultural heritage tourism can have a tremendous economic impact on local economies like new businesses, jobs and higher property values. The Benefits of heritage tourism creates new opportunities for tourists to gain an understanding of a Cultural Heritage unfamiliar place, people or time.

India Offers a wide range of adventure sports for tourists. Trekking and Skiing in the Himalayas, White Water Rafting on the Ganges and Beas, Camel and Jeep safaris in the deserts of Rajasthan, Paragliding in Himachal, Water sports in Goa and Scuba Diving in Lakshadweep and Andaman are just some of the options available to the adventure seeking tourists, The perennial challenge of the Himalayas for mountaineers. Coniferous forests and flower meadows welcome the trekker. And the rapids of snow-fed rivers are ideal for white water rafting. Lakshadweep offers excellent wind surfing, snorkeling and scuba diving in the crystal clear waters of the lagoons which surround each island. The Ministry of Tourism has formulated a set of guidelines on safety and quality norms on adventure tourism as Basic Minimum Standards for Adventure Tourism Activities. These guidelines cover Land, Air and Water based activities.

**1.1 Tourist Arrivals**

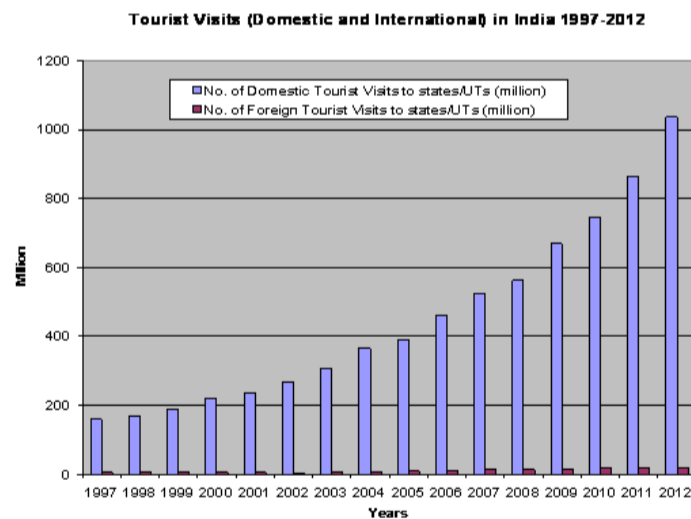
The tourism sector in India has seen a tremendous growth in the last few years. Despite the recession the tourism industry has shown notable growth in the number of Domestic as well as foreign tourist visits.

**Table 1.1: No. of Domestic and Foreign Tourist Visits (in million) / to states/UTs in India**

Year	No. of Domestic Tourist Visits to states/UTs (million)	Percentage(%) change over the previous year	No. of Foreign Tourist Visits to states/UTs (million)	Percentage(%) change over the previous year
1997	159.88	14.1	5.50	9.3
1998	168.20	5.2	5.54	0.7
1999	190.67	13.4	5.83	5.3
2000	220.11	15.4	5.89	1.1
2001	236.47	7.4	5.44	-7.8
2002	269.60	14.0	5.16	-5.1
2003	309.04	14.6	6.71	30.1
2004	366.27	18.5	8.36	24.26
2005	392.01	7.0	9.95	19.0
2006	462.32	17.9	11.74	18.0
2007	526.56	13.9	13.26	12.9
2008	563.03	6.9	14.38	8.5
2009	668.80	18.8	14.37	-0.1
2010	747.70	11.8	17.91	24.6
2011	864.53	15.6	19.50	8.9
2012	1036.35	19.9	20.73	6.3

Ministry of Tourism, Govt. of India, for 1997-2012

**Fig. 1**



(Table 1.1) The number of foreign tourist visits to Indian state/UTs which was around 5.50 million in 1997 rose to 20.73 million in 2012 and domestic tourist visit from around 159.88 million to around 1036.35 million. Domestic tourists visited the states Uttar Pradesh, Andhra Pradesh and Tamil Nadu most frequently. India has not only doubled its tourism promotion budget but has also chosen the indigenous path. Globalization and modernization should be taken as positive strokes for managing and marketing tourism –“democratization of Leisure’ is already happening, as in the case of sports and games such as cricket, boating, trekking, underwater swimming etc. (Bhatia, 2001). So also is the case with political tourism (e.g. resort politics). India as a tourist spot is rising but its growth is comparatively very slow as compared to rest of the countries.



**A Review Of Tourism Development In India**

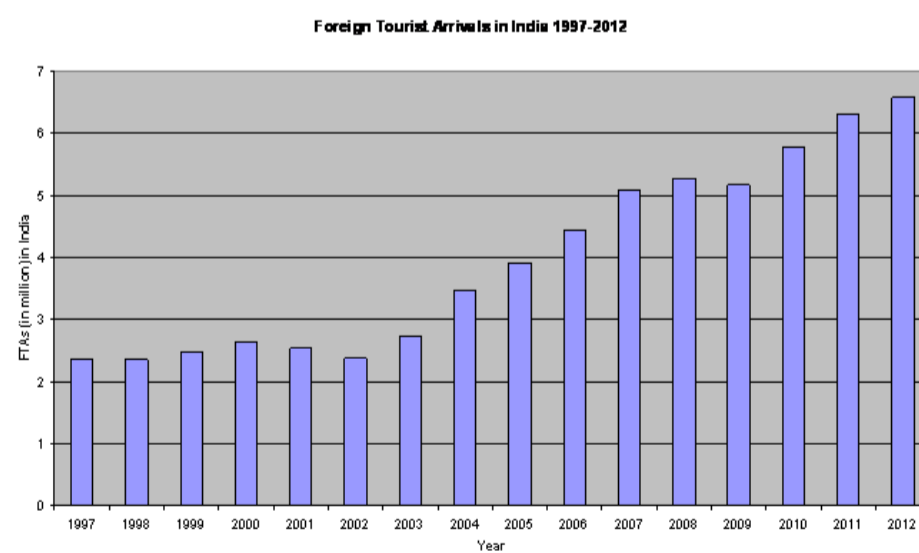
India has a lot of attraction like culture, history, architecture, food, warm people, scenic beauty, temples, festivals, colors. A major boost to India which serves as a great attraction to it is TajMahal which is one of the Seven Wonders of the World. Domestic tourism is also a major factor which is contributing to the growth in tourism sector. India is believed to be one of the top most tourism spot from 2009–2018, having the highest 10 year growth potential according to the World Travel and Tourism Council (WTTC). Above (Fig.1) shows the graphical representation of number of domestic and foreign tourist visits to Indian state/UTs.

**Table 1.2: Foreign Tourist Arrivals (FTAs) in India, 1997-2012**

Year	No. of Foreign Tourist Arrivals (million)	Percentage(%) change over the previous year
1997	2.37	3.8
1998	2.36	-0.7
1999	2.48	5.2
2000	2.65	6.7
2001	2.54	-4.2
2002	2.38	-6.0
2003	2.73	14.3
2004	3.46	26.8
2005	3.92	13.3
2006	4.45	13.5
2007	5.08	14.3
2008	5.28	4.0
2009	5.17	-2.2
2010	5.78	11.8
2011	6.31	9.2
2012	6.58	4.3

Ministry of Tourism, Govt. of India, for 1997-2012

**Fig. 2**



The most represented countries are the United States (16%) and the United Kingdom (12.6%). Maharashtra, Tamil Nadu and Delhi were the most popular states for foreign tourists. The five metro cities like Agra, Delhi, Chennai, Mumbai and Bangalore are the entry for the arrival of foreign tourists in India; therefore these cities play an important role in attracting foreign tourists to India and have been most visited cities of India by foreign tourists during the year 2011. India however faces competition from a number of developing nations such as Malaysia, Thailand, France, turkey, etc. Table 1.2 and fig. 2 shows the foreign tourist arrivals in India for 1997 to 2012.

### 1.2 Economic Growth

The World Travel and Tourism calculated that tourism generated \$121 billion of the nation's GDP in 2011. The GDP of the tourism sector has expanded 229% between 1990 and 2011. The sector is predicted to grow at an average annual rate of 7.7% in the next decade. In a 2011 forecast the World Travel and Tourism Council predicted the annual growth to be 8.8% between 2011 and 2021. This gave India the fifth rank among countries with the fastest growing tourism industry. India has a large medical tourism sector which is expected to grow at an estimated rate of 30% annually to reach about INR 9,500crore by 2015. The hotels and restaurants sector with a 1.5 per cent share in India's GDP in 2011-12 is an important sub-component of the tourism sector.

The objectives of tourism policy focus on providing employment, generation of foreign revenue, contribute to infrastructural development, revive cultural traditions and art, contribute to sustainable development, improve quality of tourism product and reduce seasonal nature of tourism.

Tourism is presently the largest economic grosser for countries after manufacturing and exports. With strong economies, technological advancements tourism growth is here to stay. The flexibility of tourism sector depending on market needs is advantage as well as a disadvantage. Most countries understanding the benefits of tourism and little side effects are being driven to promote and enhance tourism opportunities respectively. Tourism nowadays is something which cannot be avoided and with the amount of profits, it is bringing to the economies of various countries. More and more countries are trying to shift their attention to boost up this upcoming sector.

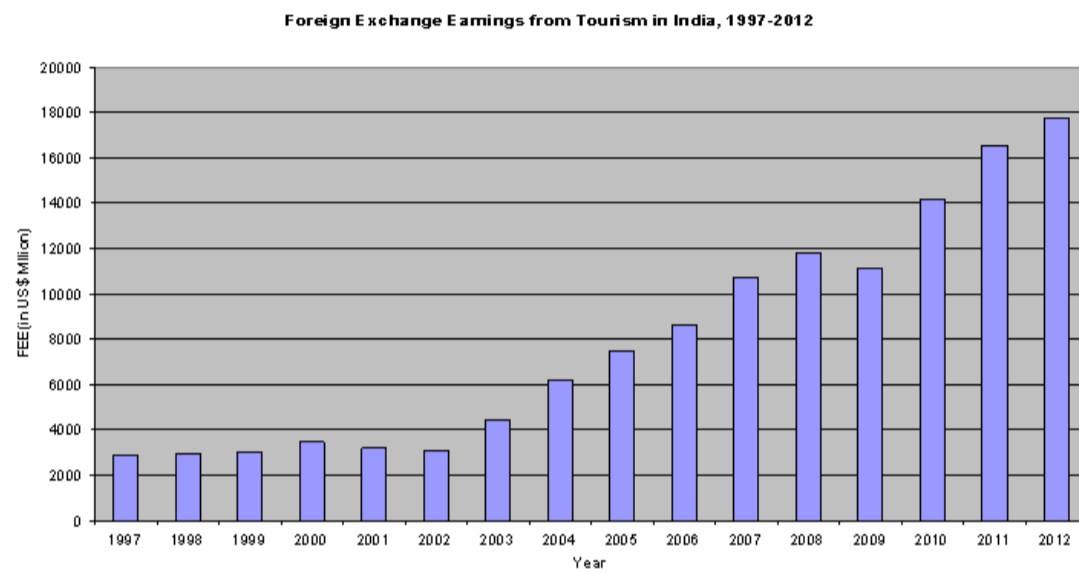
To promote tourism, the government has taken many policy initiatives including a five-year tax holiday for two-, three-, and four-star hotels located around all UNESCO World Heritage Sites (except Delhi and Mumbai) which started with effect from April 1, 2008 to March 31, 2013.

**Table 1.3: Foreign Exchange Earnings (FEE) (in US\$ million) from tourism in India, 1997-2012**

Year	FEE from tourism in India (in US\$ million)	Percentage(%) change over the previous year
1997	2889	2.0
1998	2948	2.0
1999	3009	2.1
2000	3460	15.0
2001	3198	-7.6
2002	3103	-3.0
2003	4463	43.8
2004	6170	38.0
2005	7493	21.4
2006	8634	15.2
2007	10729	24.3
2008	11832	10.3
2009	11136	-5.9
2010	14193	27.5
2011	16564	16.7
2012	17737	7.1

Reserve Bank of India/Ministry of Tourism

Fig. 3



The above (table 1.3& Fig. 3) shows the foreign Exchange Earnings (FEEs) from tourism in India in terms of US Dollars 17737 Million, which marked a 7.1% growth rate, In terms of INR 94487Crore as annual growth rate of 21.8%. The Economic Survey 2012-2013 said. Global tourist arrivals are expected to increase by 43 million every year on an average from 2010 to 2030.

Table 1.4: top 10 Source Countries for Foreign Tourist Arrivals in India in 2012

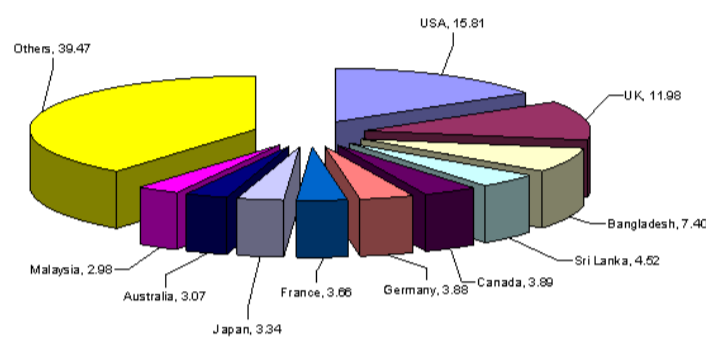
S No.	Source Country	FTA (in millions)	Percentage (%) share
1	USA	1.040	15.81
2	UK	0.788	11.98
3	Bangladesh	0.487	7.40
4	Sri Lanka	0.297	4.52
5	Canada	0.256	3.89
6	Germany	0.255	3.88
7	France	0.241	3.66
8	Japan	0.220	3.34
9	Australia	0.202	3.07
10	Malaysia	0.196	2.98
	Total of top 10 countries	3.982	60.53
	Others	2.595	39.47
	All Countries	6.577	100.00

**Bureau of Immigration, Govt. of India**

(Table 1.4, Fig. 4) shows the majority of foreign tourists come from USA 15.81% share and UK 11.98% share followed by Bangladesh 7.40%, Sri Lanka 4.52%, Canada 3.89%, Germany 3.88%, France 3.66%, Japan 3.34%, Australia 3.07%, Malaysia 2.78% and Others 39.47% share.

Fig.4

Percentage share of Top 10 Countries for FTAs in India in 2012



## CONCLUSION

Tourism appeared as a clean industry associated with a higher economic multiplier as a service sector. It is for this reason that development of tourist facilities and recreational opportunities has normally been viewed as a positive contribution to the national balance of payments (Mathieson, A., and Wall, G. 1982). Moreover, tourism seems to be more effective than other industries in generating employment and income. International tourism is an invisible export and creates a flow of foreign currency that contributes directly in the balance of payments. This flow has an influence into the economy of a destination country. As other export industries, this inflow creates business turnover, household income, government profits and employment. Domestic tourism has also an economic effect upon the host regions of a country.

The Indian Tourism Industry has flourished in the past few years, significantly contributing to the nation's Gross Domestic Product, Foreign Exchange Earnings and employment. India with her enriched natural beauty is explicitly one of the most viable countries for promoting tourism. The Indian tourism industry can act as a major contributor for the development of balanced economy through its contribution to the foreign exchange reserves. It is the second largest foreign exchange earner in the India. This phenomenal growth is not due to any particular factor but only the result of evolutionary process. This process should continue to reap the benefits of tourism to the society in the years to come. The hope and pray for this vision to become reality at the earliest possible time for the benefit of the industry and the society at large.

The Indian tourism sector needs an urgent image makeover and higher investment in development, growth and infrastructure including through Public-Private Partnership (PPP) mode to capitalize on opportunities provided by overall growth in world tourist arrivals, The Survey tabled in Parliament also said that there is also a need to address issues like high Luxury Taxes on hotels by states and ensure greater cleanliness and safety for tourists, which can help in giving a big boost to this sector. "With world tourist arrivals expected to increase by Foreign Tourist Arrivals in emerging countries expected to grow faster than in advanced economies, a goldmine of opportunity in tourism is waiting for India.

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