



## Role of Travel and Tourism in India in the Context of the Period of 2000-2012

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### Abstract:

*Tourism is emerging industry in India and at a globe. So, this research paper focuses on number of tourist arrivals and foreign exchange earnings during specific period of 2000-2012 which helps to understand framing and implementation of effective tourism policy.*

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**Keywords:** *Effective programs, Foreign exchange earnings, Potentials of Indian tourism, Tourism, Foreign tourist*

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### 1. Introduction

“Tourism” – the term is now more familiar with huge mass of the people in the world by passing time. Fortunately, compared to primitive stage, present generation of people have more time to spend for leisure and recreation accompanying with abundant flow of monetary gain. With stressful life in the society and work burden make people travel to different destinations for relaxation from their scheduled lives and to revitalize themselves. Tourism provides such an opportunity to people to make them more alive and get relished from their journeys.

Definition given by World Travel Organization (W.T.O.),

“Tourism comprises the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes.”

### 2. Objective of the research

Objective of this research paper is to study growth of tourism industry in India during the period of 2000-2012.

### 3. Methodology

Secondary data is used to evaluate the growth of tourism during the specific period of 2000-2012.

### 4. Gross domestic product (GDP)

Between 2000 and 2010, the growth in Travel & Tourism's direct contribution to global GDP was volatile, with economic uncertainties, diseases and terrorist attacks all left their impression. This duration recorded a growth of 9.7% overall, with Travel & Tourism's direct contribution to GDP ending the period at US\$1,770 billion in 2010 based on 2011 prices). However, different regions enjoyed different fruits during this period. Some of the regions all over a globe enjoyed rise in contribution to GDP where as some countries suffered fall in contribution to GDP by Travel and Tourism industry.

### 5. Employment

Globally, direct employment in Travel & Tourism rose 8.3% from 2000 to 2010, equivalent to the creation of an additional 7 million jobs. But annual growth rates fluctuated sharply. The impact of 9/11, in particular, contributed to a decline of 3.1% in 2001, while 2004 saw the fastest growth of the decade, of 4.5%. An employment peak of 98.6 million was reached in 2006, and not exceeded until 2011. The global distribution of growth in direct Travel & Tourism employment was again very uneven. Exactly two-thirds of worldwide growth occurred in Asia, where the number of Travel & Tourism jobs rose by almost 5 million between 2000 and 2010 – 2.8 million of which in China alone.

### 6. Capital investment

During 2000 to 2010, World economy enjoyed a rapid rise in investment across the Travel & Tourism industry, as destinations became more competitive in their pursuit of increasingly prosperous global travelers. Globally, Travel & Tourism capital investment rose by 41.8% between 2000 and 2010 and by 66.3% to 2008 that means before the availability of development finance got hit by the credit crisis due to global recession. The highest percentage growth rates in Travel & Tourism investment have predictably been seen in Asia, some parts of Africa and the Middle East. This includes overall growth of more than 600% in India from 2000-2010, and 230% in the UAE. Thus, overall scenario helps to understand increasing importance of travel and tourism and its contribution in over all development of economy. Even it helps allied sector to have growth and employment generation. Therefore, most economies at a globe have arranged for targeted efforts to realize objectives of economic growth.

**Table 1. Foreign Tourists Arrivals in India (2002-2012)**

Years	FTA (In Million)	Percentage Change over previous year
2002	2.28	-0.6
2003	2.73	14.3
2004	3.46	26.8
2005	3.92	13.3
2006	4.45	13.5
2007	5.08	14.5
2008	5.28	4
2009	5.17	-2.2
2010	5.58	9.3
2011	6.3	13
2012	6.65	5.4

Source : Bureau of Immigration and Ministry of Tourism

**Chart 1. Foreign Tourists Arrivals in India (2002-2012)**



**Chart 2. Percentage Change over previous year**

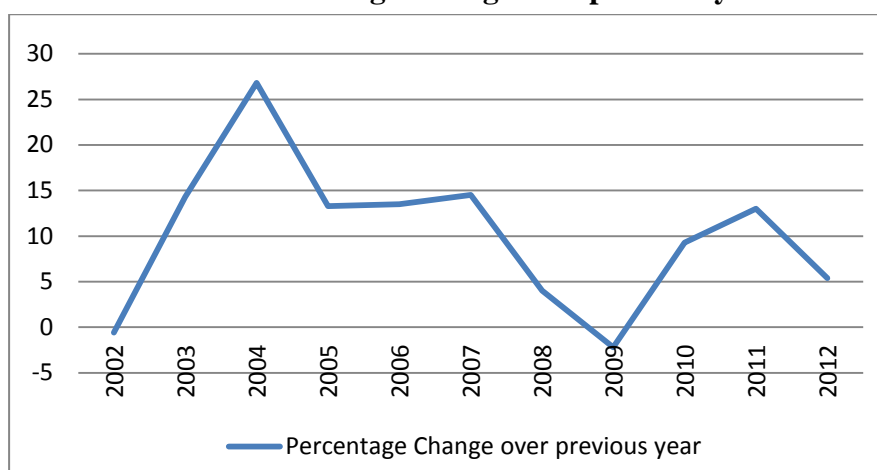


Table no.1 and Chart no. 1 and 2 offer details of number of tourists visited to India during the time period of 2002 to 2012. Undoubtedly there is continuous rise in number of tourists visited to Gujarat during the same period. Highest number of tourists are recorded in the year of 2012 i.e. 6.65 million. Year of 2004 has recorded highest growth in number of tourists i.e. 26.8. Although year of 2009 has recorded a down fall of about 2 per cent in tourists visited to India. Even smaller rise is noted in the year of 2008 at about 4 per cent obviously accompanied with global recession.

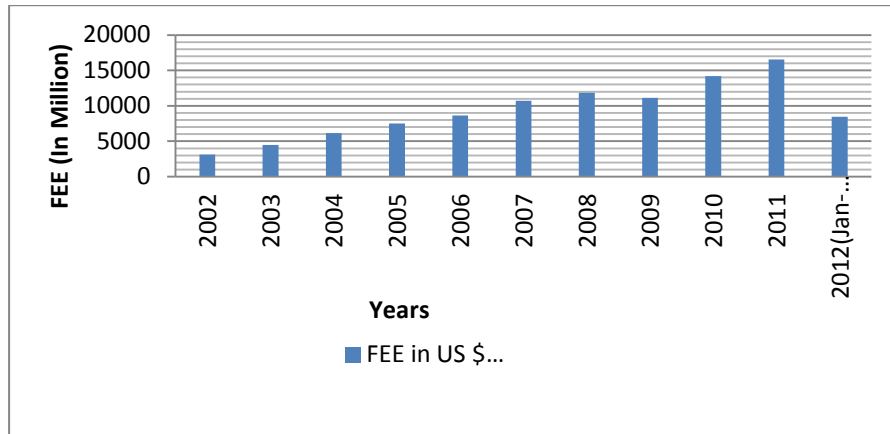
**Table 2. Foreign Exchange Earning from Tourism in India (2002-2012)**

Year	FEE in US \$ million)	Percentage change over previous year
2002	3103	-3
2003	4463	43.8
2004	6170	38.2
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(Jan-June)	8455	8.2

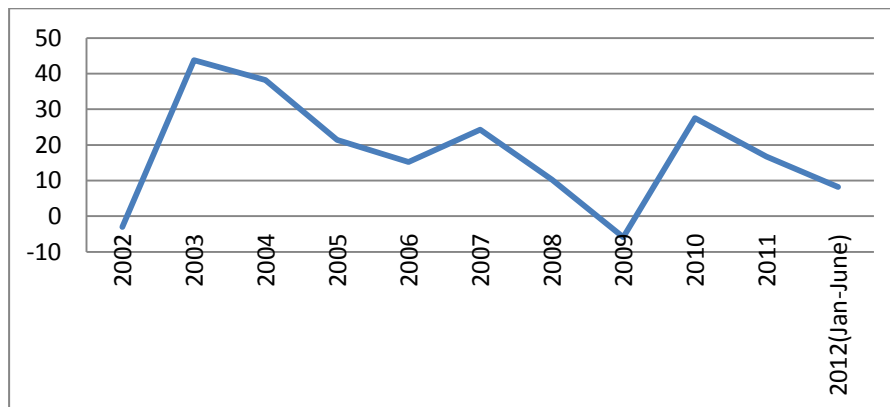
Source : RBI and Ministry of Tourism

Table 2 reveals details of Foreign Exchange Earning received with the help of the tourism industry during the period of 2002 to 2012. Details of foreign exchange earnings are given in Million \$ U.S. Year of 2002 indicates Foreign Exchange Earnings of 3103 Million \$ U.S. Column two of Table no. 7 reveals the data of change in Foreign Exchange Earnings during the same period. Year of 2003 indicates highest rise of about 44 per cent in Foreign Exchange Earning as compared to the year 2002. On the other hand year of 2009 indicates negative growth of about 2.9 per cent. Details of 2012 are only up to June only still it is a rise of 8 per cent which is quite appreciable.

**Chart 3**



**Chart 4. Percentage change over previous year**



**Table 3. Share of India in International Tourist Arrivals in World, Asia & Pacific Region (2000-2010)**

Intentional Arrival (in Million)	Percentage share of India in Asia & Pacific		Percentage Share of India in World		
	World	Asia & Pacific	FTA in India (In Millions)		
2000	683.3	109.3	2.65	0.39	2.42
2001	683.4	114.5	2.54	0.37	2.22
2002	703.2	123.4	2.38	0.34	1.93
2003	691	111.9	2.73	0.39	2.44
2004	762	143.4	3.46	0.45	2.41
2005	803	154.6	3.92	0.49	2.53
2006	846	166	4.45	0.53	2.68
2007	894	182	5.08	0.57	2.79
2008	917	184.1	5.28	0.58	2.87
2009	882	180.9	5.17	0.59	2.86
2010	940	203.8	5.58	0.59	2.74

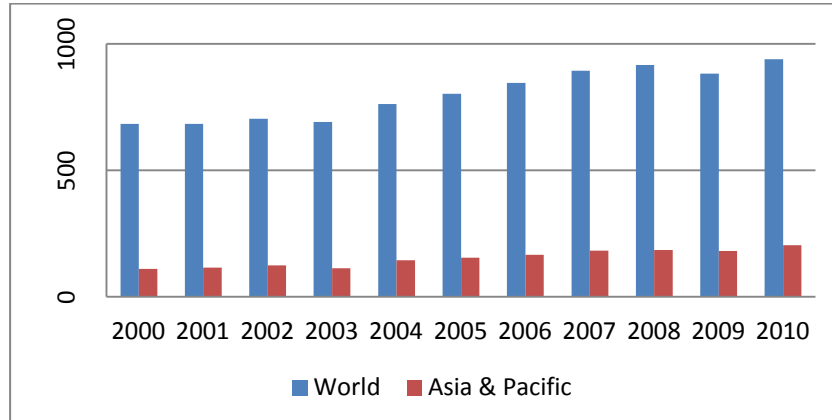
Source: 1. UNWTO Tourism Market trends 2007 Edition for the years up to 2005  
2. UNWTO Barometer June 2010 for 2006 and January for 2007 and UNWTO Tourism Highlights 2011 Edition for 2008, 2009 and 2010.

Table 3 offers the details regarding number of tourist arrivals all over world as well as in specific region of Asia and Pacific. These details help to compare number of tourists all over world and in India. This offers to know the stand of India in tourism industry in world. Number of tourists arrived in world is about 683 million and about 109 million in the year of 2000 in Asia and Pacific region. It is to be noted that number of tourists visited to India is 2.65 million during the same period. It means India enjoys only 0.39 per cent share in number of tourists in global tourism industry where as India enjoys about 2.42 per cent portion in tourism industry in specifically Asia and Pacific region. Chart no. 8.1 indicates the data of tourists arrivals in world as well as in Asia and Pacific region.

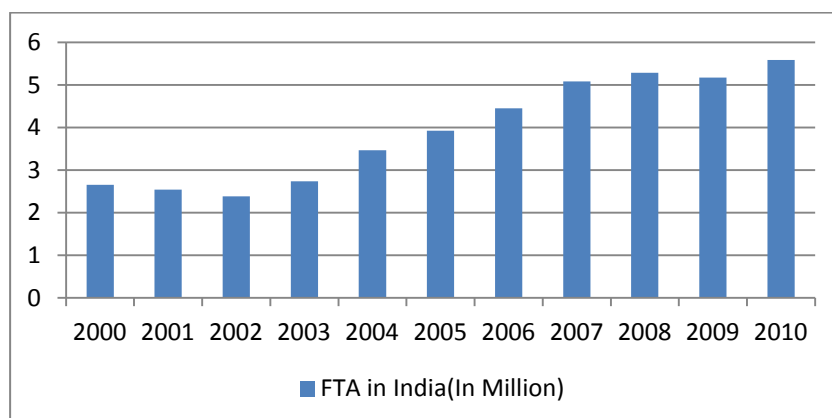
World tourism faced down fall in number of tourists in the year of 2003 to 691 million from 703.2 million in the year of 2002. On the other hand India faced down fall in number of tourists in the year of 2002 to 2.38 million from 2.54 million in the year of 2001. India enjoys continues rise in number of tourists from 2003 onwards. Moreover, India succeeded to maintain their share or contribution in tourism industry of world as well as Asia and Pacific. In the year of 2008 India attended highest number of tourists i.e. 5.28 million. Moreover, India contributed highest in the year of 2008 in tourism industry of Asia and Pacific during 2000 to 2012 i.e. 2.87.

Number of tourists all over world was 917 million in the year 2008 but the year of 2009 has recorded decline in number of tourists to 882 million. Global recession can be responsible for the decline in number of tourists at a global level because year of 2009 has recorded decline even in number of tourists in Asia Pacific region as well as contribution of India in tourism industry of World and Asia Pacific region.

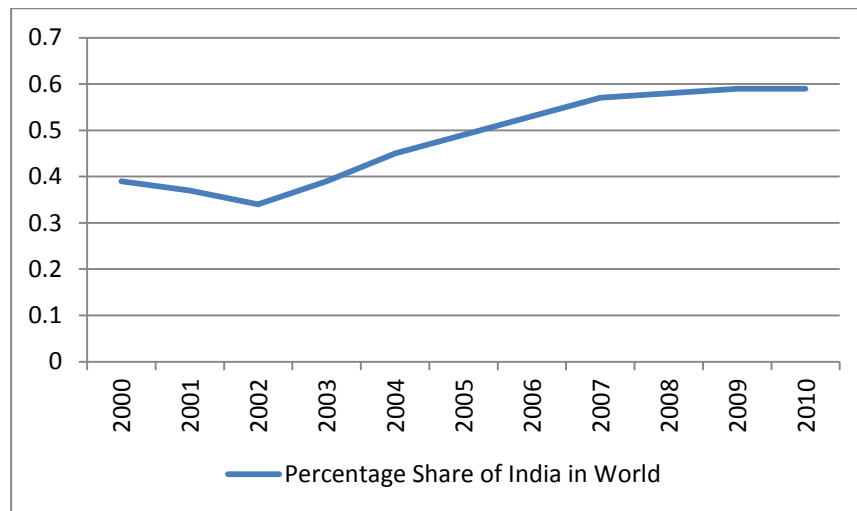
**Chart 5. International tourist arrivals (In Million)**



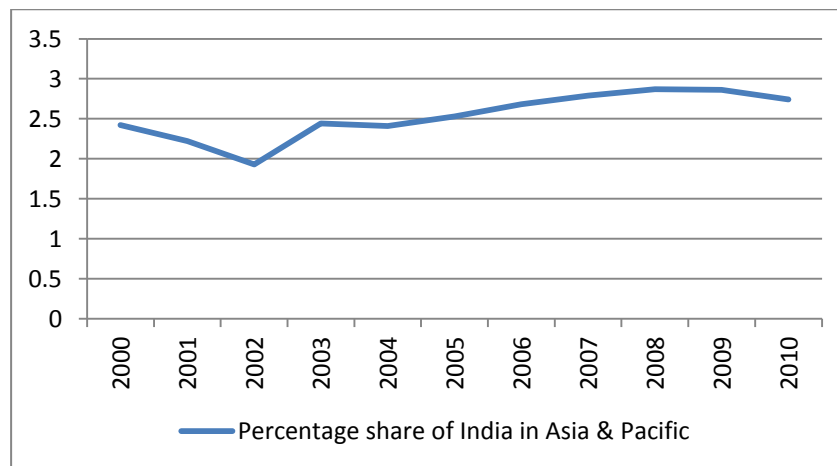
**Chart 6. FTA in India(In Million)**



**Chart 7. Percentage Share of India in World**



**Chart 8. Percentage share of India in Asia & Pacific**



## 7. Conclusion

This research paper concludes that tourism is one of the most emerging industries not in India but at a world level too. So, government of India and state government can jointly undertake effective programs to attract foreign tourists to India and can have a better source of foreign exchange earning. Its better to have happy ending, as its not possible to go back to make new begging. India with its vast novelties of resources can make better utilization to give heavy push of tourism industry of India.

## References

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2. Sharma, K.K. (2004). Tourism & Economic Development. New Delhi: Sarup & Sons.