

CHAPTER 26

TOURISM

The Ministry of Tourism is making concerted efforts of development of nationally and internationally important destinations and circuits through Mega tourism projects. These projects are a judicious mix of cultural, heritage, spiritual and eco tourism in order to give tourists a holistic experience.

The Visa-on-Arrival (VoA) scheme was started in the country from January 2010 on pilot basis for nationals of five countries, namely Finland, Japan, Luxembourg, New Zealand, and Singapore. A total of 5644 VoAs were issued during January-November 2010. The scheme is being extended to nationals of five more countries, namely Cambodia, Laos, Philippines, Myanmar, and Vietnam from January 2011.

The Ministry of Tourism continued promotional efforts under the 'Incredible India' campaign in overseas and domestic markets. Emphasis was also laid on social awareness campaigns in the domestic market to sensitize the masses and various stakeholders to the importance of tourism.

The Ministry of Tourism, the nodal agency for the formulation of national policies and programmes and for the co-ordination of activities of various Central Government Agencies, State Governments/UTs and the Private Sector for the development and promotion of tourism in the country releases data on Tourism.

The data on Tourism statistics is based on the administrative records of the various agencies involved in the Tourism.

Domestic Tourist Visits (DTVs) Ministry of Tourism compiles data on DTVs based on the information received from the States/ UTs. However, no uniform methodology is adopted by the States/ UTs in collection of these figures. Some of the States/UTs collect data from Tourist Destinations based on the ticket sales, while some of the States/ UTs collect data from Accommodation Units. However, coverage of Tourist Destinations / Hotels is not complete.

However, National Sample Survey Organisation of Ministry of Statistics and Programme Implementation also conducted ad-hoc surveys on Domestic Tourism. The latest survey on Tourism was "Domestic Tourism in India 2008-09". The survey presents the magnitude of the domestic tourism activity as revealed by estimates of number of households and persons making overnight and same day trip during the year. The survey gives findings on (i) incidence and characteristics of trips (ii) Participation of various population groups in various domestic tourism activities (iii) Occurrence of domestic tourism activities among households and persons in a one-year period.(iv) Expenditure related to trips Foreign Tourist Arrivals (FTAs): According to the World Bank, International inbound tourists (overnight visitors) are the number of tourists who

travel to a country other than that in which they have their usual residence, but outside their usual environment, for a period not exceeding 12 months and whose main purpose in visiting is other than an activity remunerated from within the country visited. Ministry of Tourism (MOT) releases the monthly figures of Foreign Tourist Arrivals (FTAs) in India with a time lag of one week.

The figures of FTAs are based on the coverage of immigration data from 8 airports and 1 land check post. Figures of FTAs from these 9 ports for the current month is taken and based upon their contribution in total FTAs during the last year the figure is inflated to get an overall estimate for the current month. These are the advance estimates of FTAs. The Advance Estimates of FTAs are revised once the final figures are available from the Bureau of Immigration, Ministry of Home Affairs.

The Government of India has from time to time introduced tax deductions and incentives for investments in Tourism. In its Union Budget 2010–11, it introduced an investment-linked deduction benefit, for new hotels, in the '2-star' category and above, anywhere in India. It is to figure under Section 30/35 of the IT Act, 1961. Tax deductions is on the 'Profits linked to investments'. This would induce investment in new projects in the hospitality segment, create more hotel rooms, and boost employment rates; a positive development indeed.

India and the World: It is true then, that tourism is an important and flourishing Industry in the World. Economics like Singapur, Dubai, Malaysia, Indonesia, Hong Kong are based on tourism. India is also making its presence through the presence of Incredible India. It accounts for one third of the foreign exchange earnings of India. It also gainfully employs the highest number of employee. According to the World Tourism Organization, by the year 2020, it is expected that India will become the leader in the tourism Industry in South Asia. Of late the Indian tourism economy has been deemed as the second-most rapidly increasing (8.8 %) tourism economy in the world, by World Travel and Tourism.

Highlights:

- The number of Foreign Tourist Arrivals (FTAs) in India witnessed an increase in 2010. It increased from 5.17 million in 2009 to 5.77 million in 2010 registering a growth rate of 11.8 % over 2010. In 2009 the FTA's decreased by 2.2 % as compared to 2008.
- Although an increase in FTA's has been observed in all the Countries in 2010 as compared to 2009 except a decrease in FTA's for smaller countries namely Finland, Ethiopia, Bahrein, U.A.E., Pakistan.

- Maximum growth in FTA's in 2010 over 2009 has been seen in Central and South Africa(34.6%)followed by East Asia(27.6%),Eastern Europe(24%),Africa(24%)and South East Asia(21.8%).
- The share of top 15 Countries in 2010 has come down and is (71.8%),in 2009 the share was (73.2%). The share of other top 15 countries have seen only marginal changes in 2009 as compared to 2008.The rank of top 15 Countries in 2010 is same as that of 2009.
- The share of FTA;s of USA is almost same in 2010 (16%) as compared to 2009.
- The share of FTA;s of United Kingdom has come down from 14.8% in 2009 to 13.1 % in 2010.
- The Share of the FTA;s of Countries namely GERMANY,JAPAN,AUSTRALIA,MALAYSIA,SINGAPORE,CHINA(MAIN), and ,RUSSIA has increased marginally in 2010 as compared to 2009.
- The share of Sri Lanka and Australia has marginally increased from 4.1% in 2008 to 4.7% in 2009 and 2.8% in 2008 to 2.9% in 2009 respectively. The decline in the share of FTA'a are in Bangladesh and Canada.
- The FTA's of Mali has become double in 2010 i.e. from 273 in 2009 to 495 in 2010.
- More than 30% growth has been observed in 2010 over 2009 in Central and South America.
- Among other countries positive growth more than 30% during 2010 over 2009 was observed in Egypt, Nigeria, Sudan, Soudi Arabia, Turkey, Afganistan, Iran, Indonesia, Malaysia, Japan and Korea,
- The decline in FTAs in 2010 over 2009 is observed in Finland, U.K. ,Ethopia, Beherin, Katar, U.A.E., Pakistan and Bangladesh.
- Growth in Foreign exchange earnings from tourism in 2010 (`77591 Crores) over 2009 is more than 19%. This is the maximum growth since 2001
- Maximum growth in Foreign exchange earnings from tourism is observed in the month of Oct,2010 over Oct,2009 i.e. (34%) followed by July,2010(30.7%).

TABLE NO. 26.1

NUMBER OF FOREIGN TOURIST TO INDIA

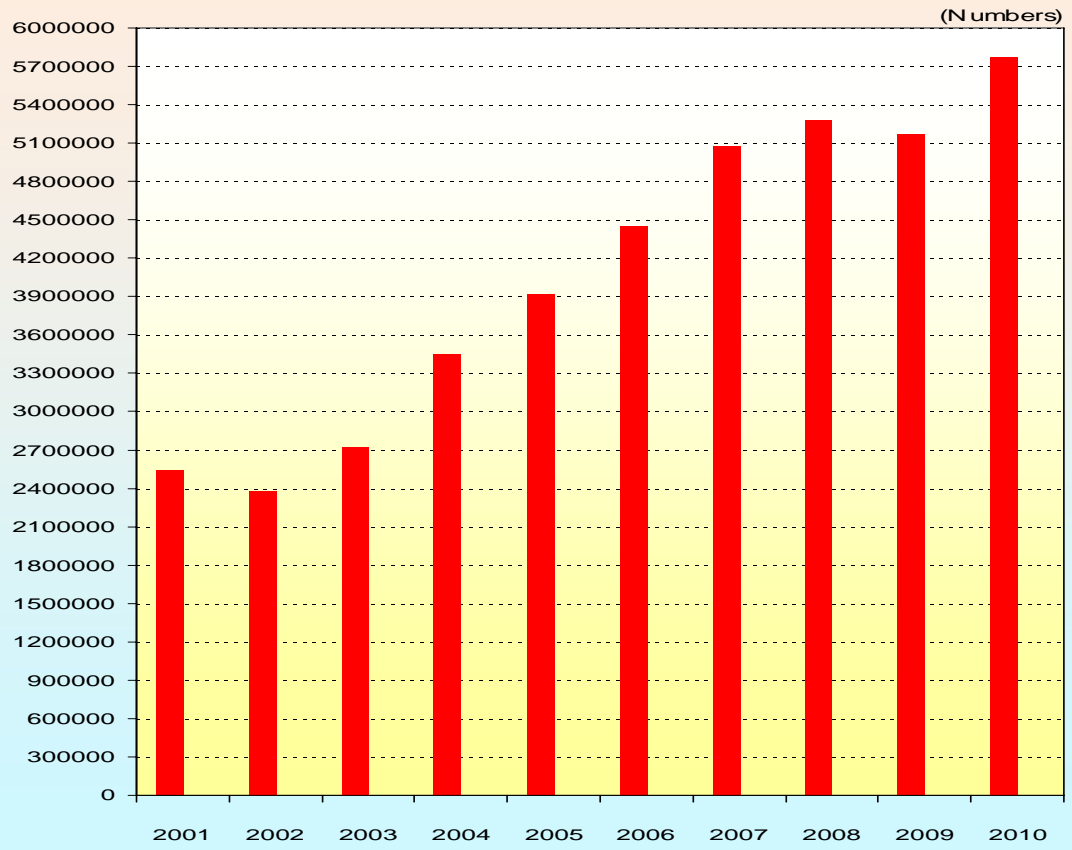


TABLE NO. 26.2

PERCENTAGE DISTRIBUTION OF FOREIGN TOURISTS COMING TO INDIA BY NATIONALITY

YEAR - 2010

