

GOVERNMENT ROLE IN GROWTH AND DEVELOPMENT OF INDIAN TOURISM INDUSTRY WITH SPECIAL REFERENCE TO TAMIL NADU TOURISM

Dr.R.Rajasekaran

*Prof & Head (Rtd), PG & Research Department of Commerce,
Arumugam Pillai Seethai Ammal College, Tiruppattur*

P.Kasivairavan

Part Time Ph.D Research Scholar, Manonmaniam Sundaranar University

Abstract

India is at present one of the leading growth centers of tourism internationally. The value of tourism is well recognized in India, few policy prescriptions for the growth of healthy tourism have been developed. Tourism industry in India is becoming one of the powerful service industries in the new millennium. It is not only a significant contributor to GDP and foreign exchange reserve of the country but also it provides large employment. Tourism in Tamil Nadu has registered significant growth in the recent years. The study covered central Government and Tamil Nadu government who are acting vital role in developing tourism industry and assess the government's role through five year plan and tourism policy, tourists' arrivals and foreign exchange. The collected information has been complied, grouped and prepared the tables, charts and trend analysis also using the study.

Keywords: Growth, Development, Plan payout, Tourist arrivals.

Introduction

India is at present one of the leading growth centers of tourism internationally. Though, India is one amongst the most sought after destination in the region, India's performance in the sector has been rather poor, compared to other countries in the region. Major causes cited for the low performance are lack of professionalism, unhygienic conditions, poor infrastructure, lack of easily accessible information, lack of safety, poor visitor experience, restrictive air transport policy, inadequate facilitation services, multiplicity of taxes and the low priority accorded to tourism. However, despite its tiny share of world tourist arrivals, tourism in India has emerged the second largest foreign exchange earner for the country even though the mainstay of the Tourism industry in India continues to be domestic tourism. The value of tourism is well recognized in India, few policy prescriptions for the growth of healthy tourism have been developed. Tourism remained an elitist activity for quite a long time, it was nowhere on the list of national priorities. Tourism grew on its own in India.

Justification about Reason for Choosing the Topic

Tourism industry in India is becoming one of the powerful service industries in the new millennium. It is not only a significant contributor to GDP and foreign exchange reserve of the country but also it provides large employment. Tourism in Tamil Nadu has registered significant growth in the recent years. It is an accepted fact that Tamil Nadu has tremendous potential for development of tourism. The variety of Tamil Nadu's natural and cultural richness provides the basis of a wide range of tourist products and experience, which hug business, leisure, culture, adventure, spirituality, and many others. Apart from acknowledging the traditionally recognized advantages of developing tourism for the promotion of national integration, international understanding, earning of foreign exchange and vast employment generation, it can play a major role in further the socio-economic objectives of Tamil Nadu.

What most may think is growth and developments are two different things. Either is a predecessor or dependent of the other. Moreover, it is fairly easy to distinguish them from one another. Rule of thumb is that growth relates to quantitative measurement while development is to qualitative basis.

Growth relates to quantitative measurement therefore, something that increases in it is called growth it's like tourist's arrivals and foreign exchange earnings through year by year from tourism developmental activities.

Development is to qualitative basis. Therefore, tourists expect some basic needs and infrastructure facilities, that expectation are implementing by governments in tourism industry through tourism policy and planning is called development.

The study has tremendous scope for the growth and development of tourism. Simple statistical tools were applied to analyse the data and accordingly the findings are discussed and furnished.

Objectives of the Study:

1. To assess the government's role through five year plan and tourism policy
2. To analysis the flow pattern of tourists arrivals
3. To analysis the foreign exchange earnings from tourism industry

Scope and Methodologies of the study

The study covered central Government and Tamil Nadu government who are acting vital role in developing tourism industry. In the present study fully based on Secondary sources of data are used. Source of data include existing policy notes, journals and Ministry of tourism statistic. The information related to tourist arrivals, plan payout, foreign exchange earnings have been collected from above secondary sources in government records. The collected information has been complied, grouped and prepared the tables, charts and trend analysis also using the study.

Limitation of the Study

The study has been conducted only about the government's role in growth and development of tourism industry.

Tourism Development throughout Five Year Plans

In fact tourism planning is the process for tourism development. The tourism planning process involves creating a future that is acceptable to the host community as also to others who would be part of the host community as tourists for a short period of time. Since tourism involves hospitality, planning for various tourism facilities must be based on the guests. Tourism planning essentially attempts to allocate scarce resources between different competing uses with a view to maximizing output, income, employment and to ensure the balanced growth of various sectors. The five year plan is a mirror of the country's perception about the direction of social-economic progress.

Tourism Plan payout

The Plan Schemes of the Ministry of Tourism essentially relate to the Tourism Product/Infrastructure Development, Human Resource Development, Promotion, Marketing and Market Research including Perspective Plan. Since most of the infrastructure components and delivery systems are within the purview of the State Governments or private sector, the infrastructure for tourism is mainly being developed by providing financial assistance to State/UT Governments, and by providing various incentives to private entrepreneurs. Table 1 gives the Plan-wise payout over consecutive five year plans of Ministry of Tourism for the First Five Year Plans (1951-1956) to Twelfth Five Year Plan (2012-2017). Amount sanctioned by Ministry of Tourism to various State/UT Governments during the years and information is also tabulated in the following way;

TABLE 1. Plan -Wise payout of Ministry of Tourism for the Five Year Plans (1951-1956 to 2012-2017)
(in Crores)

Plan Period		Plan payout	Increase/ Decrease
First Plan	1951-1956	NA	NA
Second Plan	1965-1961	3.36	-
Third Plan	1961-1966	8.00	4.64
Annual Plan	1966-1969	10.00	2.00
Fourth Plan	1969-1974	36.00	26.00
Fifth Plan	1974-1979	75.00	39.00
Annual Plan	1979-1980	28.00	-47.00
Sixth Plan	1980-1985	187.00	159.00
Seventh Plan	1985-1990	394.00	207.00
Annual Plan	1990-1991	149.00	-245.00

Annual Plan [*]	1991-1992	176.00	27.00
Eighth Plan [*]	1992-1997	806.00	630.00
Ninth Plan [*]	1997-2002	2481.00	1675.00
Tenth Plan ^{**}	2002-2007	2900.00	419.00
Eleventh Plan ^{***}	2007-2012	5156.00	2256.00
Twelfth Plan ^{***}	2012-2017	15189.73	10033.73

Na :Not Available

Source:

* Indian Planning Experience A Statistical Profile Planning Commission, Government of India January-01, Plan Performance of Tourism, P. 213.

** Tenth Five Year Plan Government of India, 2002-2007, p.828.

*** Ministry of India, Government of India, Market Research Division, India Tourism Statistics 2011, p.126.

The above Table 1 indicates the Plan-wise payout over during the five year plans of Ministry of Tourism for the First Five Year Plans 1951-1956 to Twelfth Five Year Plan 2012-2017. There was also no allocation for tourism development during the First Five Year Plan. It was Rs. 3.36 crores in the in the beginning of the second five year plan and the same rose to 15189.73 crores by the end of 2012-2017. The plan payout had increased 10033.73 crores in Twelfth Plan period over the Eleventh Plan period. The Plan-wise payout throughout the study period had registered a positive trend except in 1979-1980 and 1990-1991 because of political instability.

Central Government Role in Indian Tourism Scenario

India has immense possibilities of growth in the tourism sector with vast cultural and religious heritage, varied natural attractions, but a comparatively small role in the world tourism scene. The tourist organisations of India had their beginning in the report of the Sargent Committee in 1945. Sir John Sargent. The Committee recommended that a separate tourist organization should be set up at the centre with regional offices at the metro cities. It was in 1948 that the independent government under the transport ministry set up ad hoc Committee constituting representatives from tourist, transport and Hotel industries. From time to time, the Government has included in its five year plans, planning & development of travel & tourism. The functions of the ministry cover both promotional and organizational activities like, Planning and Programming, Publicity and conference, Travel trade, Hospitality and accommodation, Supplementary accommodation and wildlife, Market Research and Administration. Indian Tourism Development Corporation (ITDC) was set up in 1966. ITDC performs following activities like;

- Construction, management and marketing of hotels, restaurants and travelers lodges at various places in the country.
- Provision of tourist publicity materials

- Provision of entertainment facilities in the shape of sound and light shows, music concerts etc.
- Provision of shopping facilities in the shape of duty free shops and
- Provision of consultancy cum managerial service in India and abroad.

It would lead to larger foreign exchange earnings and create conditions for more foreign direct investment. So, a New Tourism Policy, which builds on the strength of the national Tourism Policy of 1982.

The Tourism Policy 1982

Tourism emerged as the largest global industry of the 20th century and is projected to grow even faster in the 21st century. India has immense possibilities of growth in the tourism sector with vast cultural and religious heritage, varied natural attractions, but comparatively small role in the world tourism scenario. The government of India announced the first tourism policy in November 1982.

The tourism policy, 1982 was more aggressive statement in marketing than a perspective plan for development. Following measures were suggested by the policy-

- To take full advantage of the national heritage for attracting tourists.
- To increase tourist resorts.
- The status of an export industry to tourism
- To adopt the approach to develop few tourist circuits.
- To invite private sector.

National Committee on Tourism (NCT)

The National Committee on Tourism set up by the Government in 1986 to evaluate the economic and social relevance of tourism in India and to draw up a long term measure for ensuring accelerated growth of tourism. On the basis of these recommendations a package of incentives as made available for the tourist industries and the Tourism Finance Corporation of India (TFCI) was set up to finance tourism projects. In the same year, Tourism was given the status of an 'industry' and became eligible for several incentives and facilities including tax incentives, subsidies, priorities in the sanctioning of loans by the State financial institutions and preferences in providing electricity and water connections. Tourism was made a priority sector for foreign direct investment in 1991 making it eligible for automatic approvals upto 51% of the equity.

National Action Plan 1992

The development plans for tourism during the Eight Plan (1992-97) was based on the National Action Plan 1992. The rapid growth of tourism has raised a number of interrelated issues that challenges the effectiveness and efficiency of government. Notable objective among them are:

- Socio - economic development of region.

- Increasing employment opportunities.
- Development of domestic tourism.
- Preserving national heritage and environment.
- Development of international tourism.
- Diversification of the tourism products.
- Increase in India's share in world tourism.

The new Tourism Policy of 2002

In 2002, 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 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 and foreign currency, but also provides an optimal use of India's scarce resources, sustainable development, and high quality employment especially to youngsters, women and disabled people and finally, peace, understanding, national unity and stability. The new tourism policy is announced in 2002, which incorporates the 7-S mantras which have been identified to provide thrust for tourism development in our country. These are: Swagat (welcome), Soochana (information), Suvidha (facilitation), Suraksha (safety), Sahyog(Co-operation), Samrachan (infrastructure development) and Safai (cleanliness).

State Government Role in Tamil Nadu Tourism Scenario

The Tamil Nadu Tourism Development Corporation (TTDC) was incorporated in 1971 with the main object of promoting tourism in Tamil Nadu by building up adequate tourism related infrastructure facilities on commercial basis. Besides owning the largest chain of 55 hotels in South India, the TTDC also provides facilities such as youth hostels, restaurants, boat houses and other tourist attractions covering all the major tourist destinations in the State. TTDC operates 37 types of package tours ranging from half a day to 14 days.

The first Tourism Policy for the State was released by the Honorable Chief Minister during 1992. The Policy has guided new investments in Tourism and Hospitality sector. Government gave a major fillip to infrastructure development and tourism promotion, which has resulted in Tamil Nadu becoming a leading state in Tourism growth and development of tourist infrastructure. Tamil Nadu State Government has put new policies in place in the last few years with specific targets to increase the tourism revenue and employment in the tourism sector. For instance, as in the Tenth Plan document of the state of Tamil Nadu, one of the main objectives is to make Tamil Nadu the number one tourist attraction centre in the country with the target to double both domestic and foreign tourist arrivals. Consequently, one can see a huge increase in the outlay in the Tenth Plan compared to the Ninth Plan. In Tamil Nadu, the Ninth Plan 1997-2002 outlay was Rs. 30 crore, the Tenth Plan 2002-2007 outlay by the state government has been increased to Rs.

102 crore with additional investments from the central government and the private sector adding up to Rs.1202 crore. “Enchanting Tamil Nadu - Experience yourself” Campaign was launched by the Honorable Chief Minister of Tamil Nadu in October 2003 during the 64th SKAL conference. It represents heritage, history, culture, spirituality and peace which are the core strength of tourism in Tamil Nadu. The emphasis on “Experience” is considered as a powerful message and is in line with modern day tourism. This campaign formed the basis of our marketing efforts during 2004-200¹. Eleventh Plan Outlay during 2007-2012 was Rs.174.95crore and Twelfth Plan Outlay during 2012-2017 will be Rs.364crore². The State targets a foreign tourist’s inflow of 15 million by 2023. Efforts are also made to promote medical tourism, eco-tourism, adventure tourism, heritage tourism and pilgrimage tourism. Of 788 places in the world declared by UNESCO as heritage sites, 26 are in India. Tamil Nadu is bestowed with 5 world heritage attractions. This is the highest for any State. Tamil Nadu Government declared 48 Heritage places in the State. All the important roads leading to the heritage places, high density temples and shrines will become integral part of Cleanliness Drive movement. These stretches will become the focal point for Litter Free Zones/Plastic Free Zones/ Green Zones.

The preparation of the 20-year perspective tourism plan for Tamil Nadu has been principally for identifying development aspects of the tourism industry including identification of new tourism product in the state so that a direction and long-term goals can be evolved for a meaningful and growth oriented tourism in the state. The Department of Tourism, Ministry of Tourism, Government of India, invited offers from reputed Consultancy firms for preparing the 20-year perspective tourism plans for different states in India. The preparation of a Perspective Tourism Plan for the state of Tamil Nadu, assigned by the Department of Tourism of Government of India, has been to identify development aspects of the tourism industry in the state for a long term perspective and produce a meaningful plan report covering all facets of the state tourism so that later on a perspective tourism plan at the country level can be prepared.

Now the “Vision Tamil Nadu - 2023” released by the Hon^oble Chief Minister envisages a major role for Tourism in the overall development of the state. To achieve the targets set in the Vision document, a new Tourism Policy is being formulated. The new Tourism Policy aims to attract more high spending tourists and also investments in tourism and hospitality related infrastructure. The Policy will also ensure employment for skilled and unskilled persons, besides inclusive development for the local people. There are three types of tourists visiting the State, International, Inter-State and Intra- State tourists. Separate strategies have to be evolved to attract each category of tourists. Infrastructure for tourism includes development of hotels and resorts, theme parks, entertainment complexes, improvements to heritage and archaeological monuments, development of

¹ Department of Tourism and Culture, GoTN

² Tamil Nadu State Planning Commission (02.07.2011), Twelfth Plan (2012-2017).pp.31-32.

places of tourist interest and connectivity to places of tourist interest. The state targets a foreign tourist inflow of 15 million by 2023. The estimated total investment in various projects amounts to Rs. 10,000 crore³.

Tourism and Marketing

As a measure to attract large number of tourists and to reach out to them, the Department of Tourism has launched the following initiatives:-

Cultural Festivals and Fairs

Tamil Nadu's ancient and rich cultural legacies and heritage and a variety of living traditions and cultures spread over throughout the State have high marketability. It is proposed to identify new festivals and showcase them throughout the country and also abroad. A calendar of the above programmes prepared and distributed well in advance to all concerned through departmental offices across the country and also the Government of India tourist offices abroad will enable dissemination of the required information to the prospective tourists. One of the competitive advantages of Tamil Nadu is its year-round festivals. Since foreign tourists are attracted by the cultural richness of the state, the government sponsors several of these festivals throughout the state, in order to fulfill tourist aspirations:

- Summer festivals in May and June
- Harvest festivals in January and June
- Cultural fairs in February-March, December-January

The calendar of festivals is released in the form of a brochure, with the aspiration that tourists will prepare their itinerary around festivals of particular interest to them. For instance, and as noted above, 52 percent of international tourists to Tamil Nadu reside in the one of 6 countries: UK, USA, Japan, France Germany and Sri Lanka.

Brand Promotion

“Discover Tamil Nadu Campaign”. As an opening gambit, a special campaign Discover Tamil Nadu 2012-2016 is being rolled out. The Department will arrange for Fairs & Festivals and special events during this period in India. Art & craft will be given fillip by organizing sale-cum-demonstration events making it interesting for the tourists to participate. To promote the cuisine of the State, like Chettinadu, Kongunadu, Madurai and Tirunelveli varieties, to name a few, food festivals will be organized. All these events will be held in the backdrop of important tourist destinations and adequate multi-lingual publicity will be given to attract international as well as domestic tourists. According to the Tamil Nadu Department of Tourism, these pilgrims are for the most part domestic

³ Vision Tamil Nadu 2023: Strategic Plan for Infrastructure Development in Tamil Nadu.P.60.

tourist, of budget level. Therefore, pilgrimage tourism strategy should encompass cheap guest houses and food near religious sites, luxury tax abatements, etc.

Tourist Information Centres

In order to disseminate information about tourism in Tamil Nadu, the State Government has opened 19 tourist information centers - 16 at local railway station and airports and 3 in other states. It is very important to make these centers truly available to tourists. Tourist offices should be opened 24 hours - 7 days a week - at airports and possibly railways.

Development Strategies for Tourism Promotion for 2013-2014

1. Identifying and developing lesser known tourist centres to decongest the popular destinations
2. Creating employment opportunities through tourism growth
3. Improving the tourist infrastructure facilities at the existing tourist centres through Government and private sector investments
4. To promote high end tourism by encouraging adventure tourism, cruise tourism, chartered flights and caravan services
5. To enhance the quality of experience by ensuring cleanliness through waste management and awareness campaigns at the tourist destinations.
6. Provision of well maintained toilets of acceptable standards.
7. Provision of waiting shelters and infrastructure at temples and tourist places.
8. Developing Tamil Nadu as a MICE (Meetings, Incentives, Conventions and Exhibitions) destination to attract group tourists.
9. Tamil Nadu is already an important medical tourist centre. This segment called Health and Wellness Tourism will be given emphasis considering that the in-patient, out-patient treatment in Allopathy, Siddha and Ayurveda is very advanced.
10. Publicity blitzkrieg for tourism promotion in India and abroad to realize the potential.
11. To make extensive use of advancements in information technology for the fast effective reach to potential tourists⁴.

Domestic Tourist Arrivals in India

The growth of domestic as well as foreign tourist's arrivals in India over the period under consideration is given in Table 2.

⁴. Tourism, culture and religious endowments department demand no.29, Tourism policy note 2013 - 2014.p9-10.

Table 2. Domestic and Foreign Tourist Arrivals in India (in Millions)

Year	Tourist Arrival (In Millions)		Increase/decrease (In Millions)		Growth (in percentage)	
	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign
2002	269.04	2.38	-	-	-	-
2003	309.04	2.73	40.00	0.35	14.87	14.71
2004	366.27	3.46	57.23	0.73	18.52	26.74
2005	392.01	3.92	25.74	0.46	07.03	13.29
2006	462.32	4.45	70.31	0.53	17.94	13.52
2007	526.32	5.08	64.00	0.63	13.84	14.16
2008	563.03	5.28	36.71	0.20	06.97	3.94
2009	668.80	5.17	105.77	-0.11	18.79	-2.08
2010	747.70	5.78	78.9	0.61	11.80	11.80
2011	864.53	6.31	116.83	0.53	15.63	9.17
2012	1036.35	6.58	171.82	0.27	19.87	4.28
Compound Growth Rate					13.85	10.22

Source : India Tourism Statistics at a Glance 2012.

Ministry of Tourism, Govt. of India, for 2013

The above Table 2 indicates the Indian domestic travel profile and the statistics on domestic tourist visits to various states and union territories during the years 2002 to 2012. The total number of domestic tourists in the beginning of the study 2002 was 269.04 million and the same rose to 1036.35 million by the end of 2012. The arrival of domestic tourists had increased 171.82 million in 2012 over 2011 and compared with study period 4.2955 times increasing domestic arrival trend during this period. The arrival of tourists throughout the study period had registered a positive trend. There has been a continuous increase in domestic tourist visits from 2002 to 2012, with the compound annual growth rate of domestic tourist visits to all states and union territories form 2002 to 2012 being 13.85 per cent.

The total number of foreign tourists in the beginning of the study 2002 was 2.38 million and the same rose to 6.58 million by the end of 2012 and increased 2.7647 times compared with study period. The arrival of tourists throughout the study period had registered a positive trend except in 2009. That there has been a continuous increase in foreign tourist visits from 2002 to 2012, with the compound annual growth rate of foreign tourist visits to India form 2002 to 2012 being 10.22 per cent.

Trend Value of Domestic Tourist Arrival in India

$$Y_c = a + bx \quad \text{Since } \sum fx = 0$$

$$a = \frac{\sum y}{N} = \frac{6205.41}{11} = 564.13$$

$$b = \frac{\sum xy}{\sum x^2} = \frac{7857.09}{110} = 71.43$$

$$Y_c = 564.13 + (71.43 x)$$

The equation to the straight line trend is

$$X = (2018 - 2007) = 11$$

$$Y_{2018} = 564.13 + (71.43 \times 11) = 1349.86$$

Million

It is observed from the above calculation that flow of domestic tourist to India during 2002 is 269.04 million. It has increased to 1036.35 million during 2012. Using trend line, it is estimated that the next eleventh year the flow of domestic tourists to India during the year 2018 would be 1349.86 million.

Trend Value of Foreign Tourist Arrival in India

$$Y_c = a + bx \quad \text{Since } \sum fx = 0$$

$$a = \frac{\sum y}{N} = \frac{51.14}{11} = 4.65$$

$$b = \frac{\sum xy}{\sum x^2} = \frac{45.61}{110} = 0.415$$

$$Y_c = 4.65 + (0.415 x)$$

The equation to the straight line trend is

$$X = (2018 - 2007) = 11$$

$$Y_{2018} = 4.65 + (0.415 \times 11) = 9.215$$

Million

It is observed from above calculation that the flow of foreign tourist to India during 2002 is 2.38million. It has increased to 6.58 million during 2012. Using trend line, it is estimated that the next eleventh year the flow of foreign tourists to India during the year 2018 would be 9.215.

Figure 1

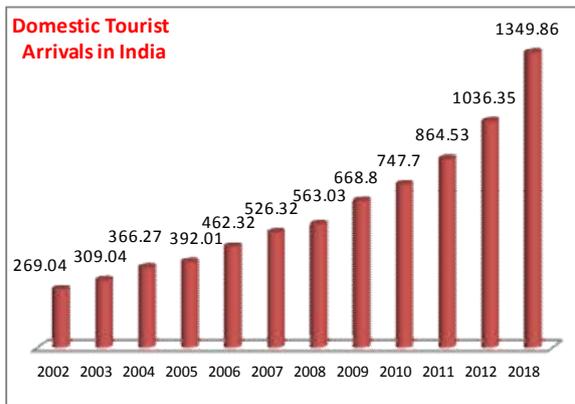


Figure 2



Foreign Exchange Earnings from Tourism in India

The foreign exchange earnings in India over the period under consideration are given in Table 3.

Table 3. Foreign Exchange Earnings from Tourism in India (in crore)

Year	Foreign tourist (Rs. In crore)	Increase/decrease (Rs. In crore)	Growth (in percentage)
2002	15064	-	-
2003	20729	5665	37.61
2004	27944	7215	34.81
2005	33123	5179	18.53
2006	39025	5902	17.82
2007	44360	5335	13.67
2008	51294	6934	15.63
2009	53700	2406	4.69
2010	64889	11189	20.84
2011	77591	12702	19.57
2012	94487	16896	21.57
Compound Growth Rate			18.02

Source : India Tourism Statistics at a Glance 2012.

Ministry of Tourism, Govt. of India, for 2013

The revenue through foreign exchange is analyzed in respect of growth of exchange earnings from tourism over a period of time and percentage of exchange earnings from

tourism. Tourism is one of the important sectors in India for foreign exchange earnings.

The above Table 3 depicts the foreign exchange earnings from tourism in India, from 2002 to 2012. The foreign exchange earnings from tourism in India in the beginning of the 2002 study was Rs. 15064 crore and the same rose to Rs.94487 crore by the end of 2012. The foreign exchange earnings had increased to Rs.16896 crore in 2012 over 2011.

It is observed from above Table 3. There has been a continuous increase in foreign exchange earnings from 2002 to 2012, with the compound annual growth rate of foreign exchange earnings from 2002 to 2012 being 18.02 per cent.

Trend Value of Foreign Exchange Earnings from Tourism in India

$$Y_c = a + bx$$

$$\text{Since } \sum ix = 0$$

$$a = \frac{\sum y}{N} = \frac{522206}{11} = 47473.27$$

$$b = \frac{\sum xy}{\sum x^2} = \frac{788821}{110} = 7171.1$$

$$Y_c = 4747.82 + (7171.19 \times x)$$

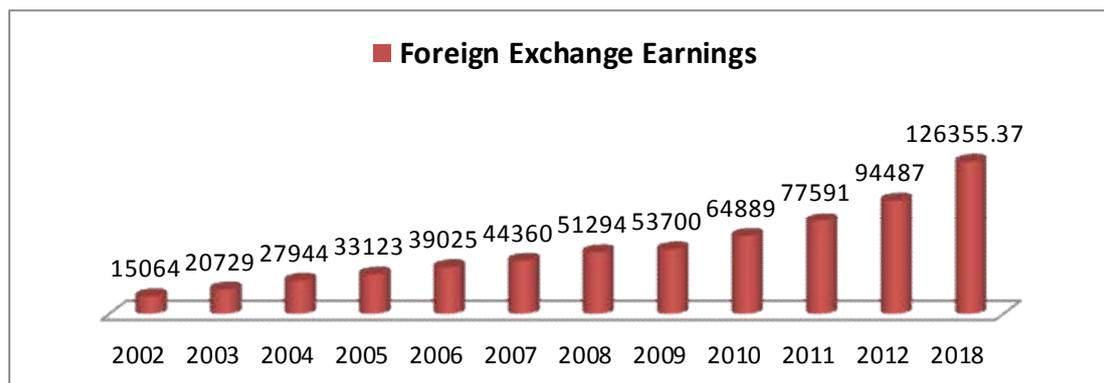
The equation to the straight line trend is

$$X = (2018 - 2007) = 11$$

$$Y_{2018} = 47473.27 + (7171.1 \times 11) = 126355.37$$

crore

It is observed from above calculation, that flow of foreign exchange earnings to India during 2002 is 15064 Crore. It has increased to 94487 Crore during 2012. Using trend line, it is estimated that the next eleventh year the flow of foreign exchange earnings to India during the year 2018 would be 126355.37 Crore is given in Figure 3.



Domestic Tourist Arrivals in Tamil Nadu

The growth of domestic tourist arrivals in Tamil Nadu over the period under consideration is given in Table 4.

Table 4. Domestic and Foreign Tourist Arrivals in Tamil Nadu (in lakhs)

Year	Tourist Arrival (in lakhs)		Increase/decrease (in lakhs)		Growth (in percentage)	
	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign
2002	246.61	8.05	-	-	-	-
2003	270.59	9.02	23.98	0.97	9.72	12.05
2004	300.77	10.58	30.18	1.56	11.15	17.29
2005	323.39	11.79	22.62	1.21	7.52	11.44
2006	392.14	13.35	68.75	1.56	21.26	13.23
2007	506.47	17.53	114.33	4.18	29.16	31.31
2008	626.18	20.4	119.71	2.87	23.64	16.37
2009	780.38	23.69	154.2	3.29	24.63	16.13
2010	1030.1	28.05	249.72	4.36	32.00	18.40
2011	1367.51	33.08	337.41	5.03	32.76	17.93
2012	1841.37	35.62	473.86	2.54	34.65	7.68
Compound Growth Rate					22.65	17.12

source :1) 20 year perspective tourism plan for the state of Tamil nadu, final report,march 2003,chapter-4,pp.1-27

2) TamilNadu,Tourism and culture department. Tourism policy note : 2009-2010,2010-2011,2013-2014

Table 4 shows that the shares of domestic tourists visit in Tamil Nadu, during the years 2002 to 2012. The total number of domestic tourist in the beginning of the 2002 study was 246.61 lakhs and the same rose to 1841.37 lakhs by the end of 2012. The arrival of domestic tourist had increased to 473.86 lakhs in 2012 over 2011 and compared with study period 7.4667 times increasing domestic arrival trend during this period. That the arrival of tourist throughout the study period had registered a positive trend. There has been a continuous increase in domestic tourist visits in Tamil Nadu from 2002 to 2012, with the compound annual growth being 22.65 per cent. It is clear that growth in the arrival of foreign tourists increased regularly. This is because of the policy matters of the respective countries. However, the above table indicates the statistics on foreign tourists' visits to Tamil Nadu during the years between 2002 and 2012. The total number of foreign tourist in the beginning of the 2002 study was 8.05 lakhs and the same rose to 35.62 Lakhs by the end of 2012 and increased 4.425 times compared with study period. The arrival of tourist

throughout the study period had registered a positive trend. That there has been a continuous increase in foreign tourist visits from 2002 to 2012, with the compound annual growth rate of foreign tourist visits to Tamil Nadu from 2002 to 2012 being 17.12 per cent.

Trend Value of Domestic Tourist Arrival in Tamil Nadu

$$Y_c = a + bx$$

$$\text{Since } \sum fx = 0$$

$$a = \frac{\sum y}{N} = \frac{7685.51}{11} = 698.68$$

$$b = \frac{\sum xy}{\sum x^2} = \frac{15697.49}{110} = 142.70$$

$$Y_c = 698.59 + (142.70 \times x)$$

The equation to the straight line trend is

$$X = (2018 - 2007) = 11$$

$$Y_{2018} = 698.59 + (142.70 \times 11) = 2268.38 \text{ lakhs.}$$

It is observed from above calculation that flow of domestic tourist to Tamil Nadu during 2002 is 246.61 lakhs. It has increased to 1841.37 lakhs during 2012. Using trend line, it is estimated that the next eleventh year the flow of domestic tourists to Tamil Nadu during the year 2018 would be 2268.38 lakhs is given in figure.4

Trend Value of Foreign Tourist Arrival in Tamil Nadu (in lakhs)

$$Y_c = a + bx$$

$$\text{Since } \sum fx = 0$$

$$0$$

$$a = \frac{\sum y}{N} = \frac{211.16}{11} = 19.20$$

$$b = \frac{\sum xy}{\sum x^2} = \frac{317.15}{110} = 2.89$$

$$Y_c = 19.20 + (2.89 \times x)$$

The equation to the straight line trend is

$$X = (2018 - 2007) = 11$$

$$Y_{2018} = 19.20 + (2.89 \times 11) = 50.99 \text{ lakhs.}$$

It is observed from the above calculation that flow of foreign tourist to Tamil Nadu during 2002 is 8.05 lakhs. It has increased to 35.62 lakhs during 2012. Using trend line, it is estimated that the next eleventh year the flow of foreign tourists to Tamil Nadu during the year 2018 would be 50.99 lakhs. The following Figure 6.6 is given that foreign tourist arrival in Tamil Nadu.

Figure 4

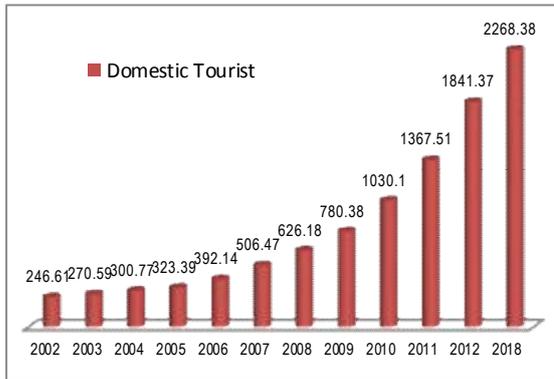


Figure 5



Foreign Exchange Earnings from Tourism in Tamil Nadu

The foreign exchange earnings in Tamil Nadu over the period under consideration are given in Table 5.

Table 5. Foreign Exchange Earnings from Tourism in Tamil Nadu (in lakhs)

Year	Foreign Exchange Earnings (in lakhs)	Increase/Decrease (in lakhs)	Growth (in Percentage)
2002	1809	-	-
2003	1913	104	05.75
2004	2283	370	19.34
2005	2556	273	11.96
2006	3020	464	18.15
2007	5430	2410	79.80

2008	6236	806	14.84
2009	6796	560	08.98
2010	9889	3093	45.51
2011	10383	494	05.00
2012	11823	1440	13.87
Compound Growth Rate			23.51

Source :20 year perspective tourism plan for the state of Tamil Nadu, Final Report, March 2003,Chapter-4,pp.1-27

Tamil Nadu, Tourism and Culture Department. Tourism Policy Note: 2009-2010, 2010-2011, 2013-2014

The above Table 5 depicts the foreign exchange earnings from tourism in Tamil Nadu from 2002 to 2012. The beginning of the study 2002 was Rs. 1809 Lakhs and the same rose to Rs.11823 Lakhs by the end of 2012. The foreign exchange earnings had increased Rs.1440 Lakhs in 2012 over 2011. There has been a continuous increase in foreign exchange earnings from 2002 to 2012.

It is observed from the above Table 5 with the compound annual growth rate of foreign exchange earnings from 2002 to 2012 being 23.51 per cent.

Trend Value of Foreign Exchange Earnings from Tourism in Tamil Nadu

$$Y_c = a + bx$$

$$\text{Since } \sum fx = 0$$

$$a = \frac{\sum y}{N} = \frac{62138}{11} = 5648.91$$

$$b = \frac{\sum xy}{\sum x^2} = \frac{118464}{110} = 1076.95$$

$$Y_c = 5648.91 + (1076.95 \times x)$$

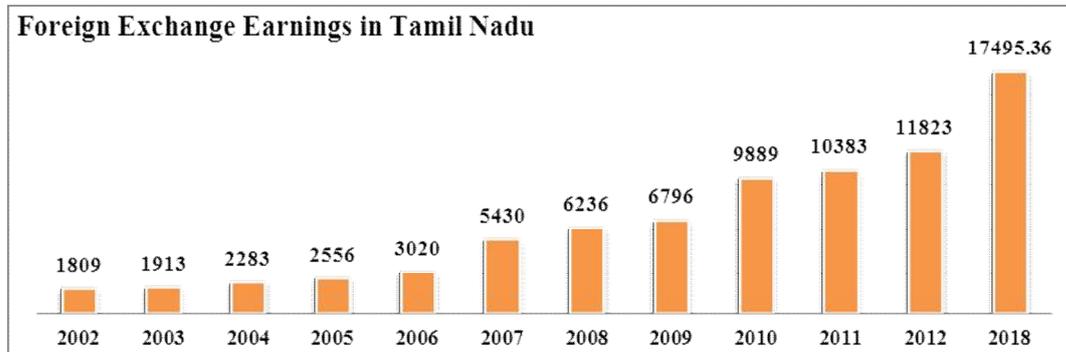
The equation to the straight line trend is

$$X = \frac{(2018-2007)}{11} = 11$$

$$Y_{2018} = 5648.91 + (1076.95 \times 11) = 17495.36 \text{ lakhs.}$$

It is observed from above calculation, that the flow of foreign exchange earnings to Tamil Nadu during 2002 is 1809 Lakhs. It has increased to 11823 Lakhs during 2012. Using trend line, it is estimated that the next eleventh year the flow of foreign exchange earnings to Tamil Nadu, during the year 2018 would be 17495.36 lakhs.

Figure 6



Conclusion

This study gives a detailed outlook on the visit of domestic and foreign tourists to the India and Tamil Nadu. This analysis helps to government to improve tourism. A compilation of data regarding flow of domestic and foreign tourists helps to find out the cluster of tourist visit, in India and Tamil Nadu. The graphical presentation helps to predict future trend of tourists to the study area. In this study, importance has been discussed in length to facilitate the framing of tourism policy.

The fourth and fifth five year Plans have witnessed expansion and improvement of tourist facilities. The sixth five year Plan has been a major landmark in the history of Indian tourism. The first ever Tourism Policy of the country was announced during 1982 which specified the development objectives and provided an Action Plan based on 'travel circuit' concept for maximizing the benefits of tourism.

During the seventh Plan (1985-90), tourism sector was accorded the status of an industry. The development plan for tourism during the eighth five year plan was based on the National Action Plan for tourism. A major component of the Action Plan was the development of special tourism areas and intensive development of selected circuits.

The Tourism Programme enlisting the activities of various agencies and private sector and State Governments was prepared in 1993 and it was further modified and converted into National Strategy for the development of tourism during the year 1996. The eighth and ninth Plans gave a new direction, meaning and co-ordination to the endeavors of the centre and states for accelerated tourism promotion.

Thus the present study aims at the Role of government in growth and development of tourism. The tourist arrivals in the state of Tamil Nadu would enable forecasting tourist arrivals for better planning and allocation of resources efficiently in order to improve

outcomes both in terms of increasing the tourist arrivals as well as generating revenue and increasing employment.

The government of India and the state government of Tamil Nadu need to recognize that the economic and job- creation benefits of a strong growing travel and tourism sector can only be fully realized if a favourable and supportive role in the tourism industry. They should ensure that this sector is at the heart of their policy making. Tourism can exist without increasing co-operation between the public and private sectors.

Reference

1. Indian Planning Experience A Statistical Profile Planning Commission, Government of India January-01, Plan Performance of Tourism, P. 213.
2. Tenth Five Year Plan Government of India, 2002-2007, p.828.
3. Ministry of India, Government of India, Marker Research Division, India Tourism Statistics 2011, p.126.
4. Department of Tourism and Culture, Government of Tamil Nadu.
5. Tamil Nadu State Planning Commission (02.07.2011), Twelfth Plan (2012-2017).pp.31-32.
6. Vision Tamil Nadu 2023: Strategic Plan for Infrastructure Development in Tamil Nadu.P.60.
7. Tourism, culture and religious endowments department demand no.29, Tourism policy note 2013 - 2014.p9-10.
8. 20 year perspective tourism plan for the state of Tamil Nadu, Final Report, March 2003,Chapter-4,pp.1-27
9. Tamil Nadu, Tourism and Culture Department. Tourism Policy Note: 2009-2010, 2010-2011, 2013-2014