

**CONTRIBUTION OF TOURISM IN INDIA'S FOREIGN EXCHANGE RESERVE:
 AN ECONOMIC ANALYSIS**

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ABSTRACT

This Article tries to analysis the travel and tourism contribution in India's foreign exchange currency assets, foreign currency assets of any country indicate the country's strength in external trade, nation will earn foreign currency through various way and foreign tiresome is the one among them, this paper looks into how much India is earring foreign currency through tourism, whereas Travel and Tourism average share in India's foreign currency assets during 2000-01 to 2017-18 is 5.8 per cent, during 2000-01 it had share of 8.8 which is highest share in study period, (2000-01 to 2017-18) and hold 7.1 per cent in 2017-18. based on the findings suggestion for the policy maker is to making better and attractive domestic tourism will positively impact on India's foreign currency assets.

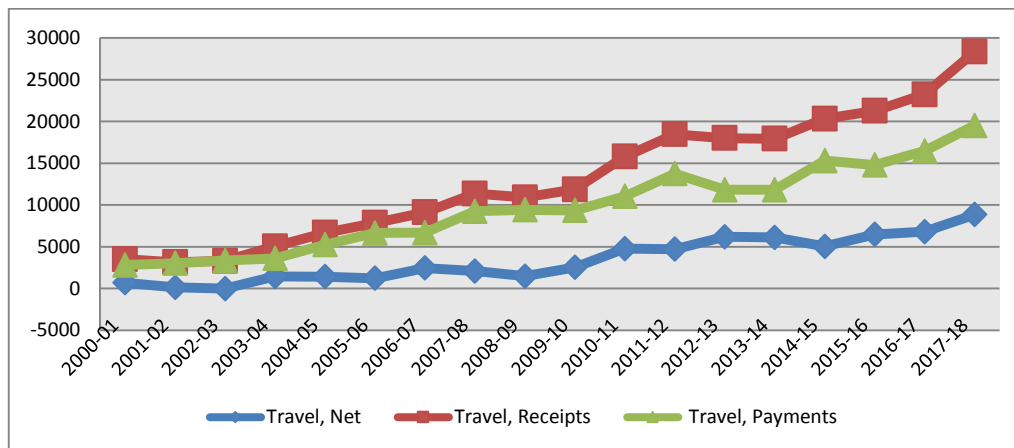
KEYWORDS

Travel And Tourism, Foreign Currency Assets etc.

INTRODUCTION

Foreign exchange reserve has been an important indicator of the growing economic activities in any countries. It represents the countries position in world economy, a country will earn foreign exchange reserve from various ways, especially service sector is contributing significant role in India's foreign exchange reserve earning and tourism is the one among them, As one of the world's largest economic sectors, Travel & Tourism creates jobs, drives exports, and generates prosperity across the world. In our annual analysis of the global economic impact of Travel & Tourism, the sector is shown to account for 10.4% of global GDP and 313 million jobs, or 9.9% of total employment, in 2017. hence in order to increasing in foreign currency assets its has significant role.

Graph-1: India's Traveling Receipt, Payments, Net (In US Million \$)



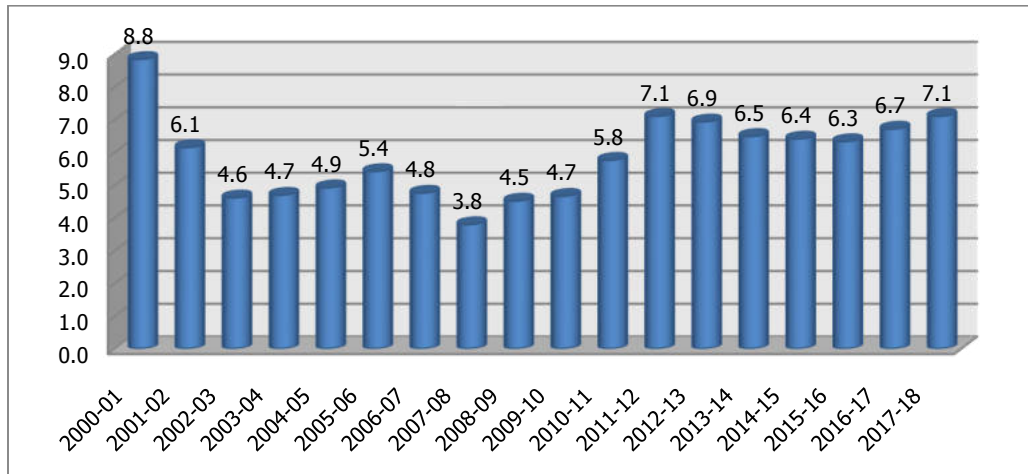
Sources: Hand book of Statistics on Indian Economy, 2017-18

Graph I describes the India's travel receipt, payments, and net since 2001-02, by this we can understand the how much India is spending money and receiving money from international tourism, and how much India is getting benefit by

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tourism. India's traveling receipt and payments registered 12.1 and 11.4 respectively per cent CAGR, as a result of this India is earning a good amount of foreign currency assets by tourism, and hold the good share in the India's foreign currency assets, graph No II show the how much India is receiving foreign currency assets from international tourism.

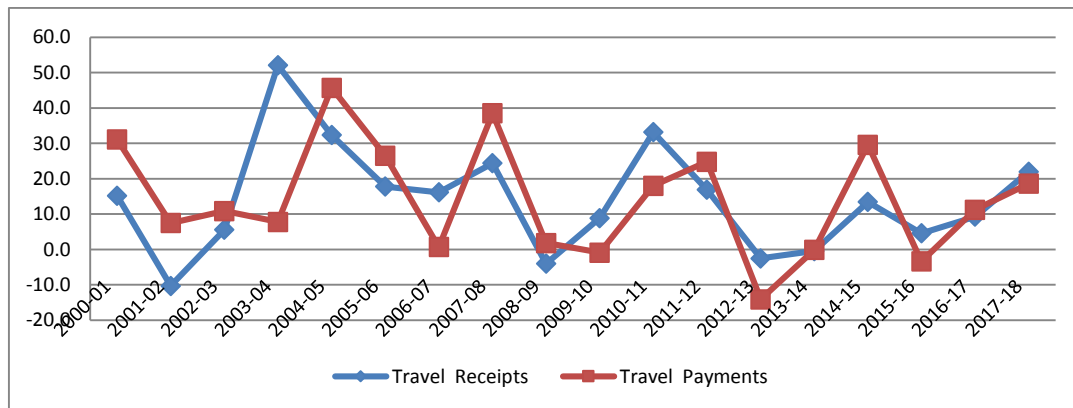
Graph-2: Travel Receipt share in India's Foreign Currency Assets (in percent)



Sources: Author Composition

India's foreign exchange currency assets has reached to 399442 US million dollar, from 39554 in 2000-01, around had register the 12.1percent of CAGR, there are several factor are contributing in this significant growth, likewise the tourism is the one of the sector which is contributing In this growth. Graph-II show the share of international tourism in India's foreign currency assets, during 2000-01 it had share of 8.8 which was quite good share, from the 2001-02 onwards its share has been declined, the graph III.a shows annual growth of the travel receipt, during 2004-05 period it has increased significantly, during next year 2004-05 2005-06 and 2006-07 it has been continuously declined.

Graph-3: Growth of India's Traveling Receipt and Payments Annual Growth Rate (In Percent)



Sources: Hand book of Statistics on Indian Economy, 2017-18

During 2008-09 India's travel receipt has been registered negative growth of 4 per cent this mainly due to 2007-08 global economic crisis, as result of this share of travel receipt came down to 3.8 per cent. Since then gradually it has increased and 7.1 percent in 2011-12 FY. Once again, in 2013-14, it has registered slight declined by 0.4 per cent however, it has registered 22 percent of growth over the last year, and hold the 7.1 percent of share in India's foreign currency assets.



CONCLUSION

Above the analysis shows Travel and Tourism has play significant role in India's forex reserve, and data clarify that's Travel and Tourism average share in India's foreign currency assets during 2000-01 to 2017-18 is 5.8 per cent, and 7.1 per cent was the highest share in foreign currency assets in 2011-12 and 2017-18 FY. However, policy maker needs to construe on the improvement of Travel and Tourism sector, which will be positive impact on the head of employment generation and income to the government.

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