



An Evaluative Study Of Tourism Industry In Puducherry, U.T. Of India

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Abstract:

Tourism has become a global phenomenon in the last 50 years. Better and faster means of transport and communications have resulted in a massive movement of people. Today tourism with its rapid growth rate is not only a big business but is also the world's fastest growing industry next to petroleum. It represents the largest segment of invisible international trade and earnings. Tourism can be a small enterprise or a multi-million project, both labour intensive and capital intensive activity. Tourism industry besides exchange of ideas also generates foreign exchange. Thus, tourism industry is of paramount concern for India's economy as it is a major source of foreign exchange earnings and it can help cored adverse trade balances and regional imbalances and create employment opportunities to give a direct stimulus to the socio-economic development of backward areas in our country. Puducherry is a fast growing region with development in industrial sector, agricultural sector and also tourism sector. Tourism is developing in this region since last 10 years and attracting many tourists which emerged as one or the major sources of incomes to the government exchequer. The basic materials for tourism industry are culture, heritages, natural vegetation, beaches, parks, monuments and sculptures, etc. which Puducherry possesses abundantly and can be exploited for the betterment of the economy. On the above backdrop, present study was undertaken to evaluate the growth of tourism industry and its impact on the overall growth of the Union Territory.

Key words: *Tourism, progress, infrastructure, development, foreign tourists, domestic tourists, Foreign exchange earnings*

1.Introduction

The word “Tourism” is derived from the term ‘*TOUR*’ means “a journey from place to place or time to be spent at a station or rambling excursion” The Webster’s International dictionary defines the tour as “a journey at which one returns to starting point”. In the year book of National Economy and Statistics (1910) the Austrian Scholar, Herman V.S.S. Hoffen, described tourism as “the term for all those inter-connected processes, especially economic ones that come in play through influx, temporary residence and dispersal of strangers into within and from a certain district, country or state”.

Tourism is one of the important components of service sector. It considered as a significant and vital instrument for economic development and employment generation, particularly in remote and backward areas. It is the largest service industry globally in terms of gross revenue as well as foreign Exchange Earnings (FEE). It plays an important and effective role in achieving the growth with equity objectives that set forth. In India tourism is growing at alarm rate with a capacity to capitalize the service sector and provide sustainable growth.

Tourism is a major social phenomenon motivated by the natural urge of every human being for new experience, adventure, education and entertainment. The motivations for tourism also include social, religious and business interests. The spread of education has fostered a desire to know more about different parts of the globe. The basic human thirst for new experience and knowledge has become stronger, as communication barriers are overcome by technological advances. Progress in air transport and development of tourist facilities has encouraged people to venture out to the foreign lands.

Tourism stimulates other economic sectors through its backward and forward linkages and cross-sectoral synergies with other sectors such as agriculture, horticulture, poultry, handicrafts, transport, construction, etc. It leads to additional income, employment generation and poverty alleviation. It enhances the national and state revenues, business receipts, employment, wages and salary income; buoyancy in Central, State and local tax receipts can contribute towards overall socio-economic improvement and accelerated growth in the economy. It is multi-sectoral activity characterized by multiple services provided by a range of suppliers include airlines, surface transport, hotels, basic infrastructure and facilitation systems, etc. Thus, the growth of tourism cannot be attained unless the related sectors are addressed simultaneously.

An important feature of Indian tourism industry is its contribution to national integration and preservation of natural as well as cultural environments and enrichment of the social

and cultural lives of people. Over 382 million domestic tourists visiting different parts of the country every year return with a better understanding of the people living in different regions of the country. They have a better appreciation of the cultural diversity of India. It also encourages preservation of monuments and heritage properties and helps the survival of art forms, crafts and culture.

Pondicherry (Puducheri) literally means 'the new settlement', was merged with the Indian Union on 1st November 1954 in terms of the Defacto agreement signed between Government of India and Government of France on 21st October 1954, subsequently the Dejure Transfer of Puducherry took place on 16th August 1962. The Union Territory of Puducherry is administered under the provisions of Government of Union Territories Act, 1963.

Puducherry is referred by names such as 'Quintessence of French Culture', 'India's Little France' and 'The French Riviera of the East'. It includes four enclaves located in three states of South India. It includes the coastal towns of Pondicherry and Karaikal in Tamil Nadu, Yanam in Andhra Pradesh and Mahe in Kerala. Pondicherry is the Capital of this Union Territory and one of the most popular tourist destinations in South India. Pondicherry has been described by National Geographic as "a glowing highlight of sub continental sojourn". The town has been dubbed "The Europe of India."

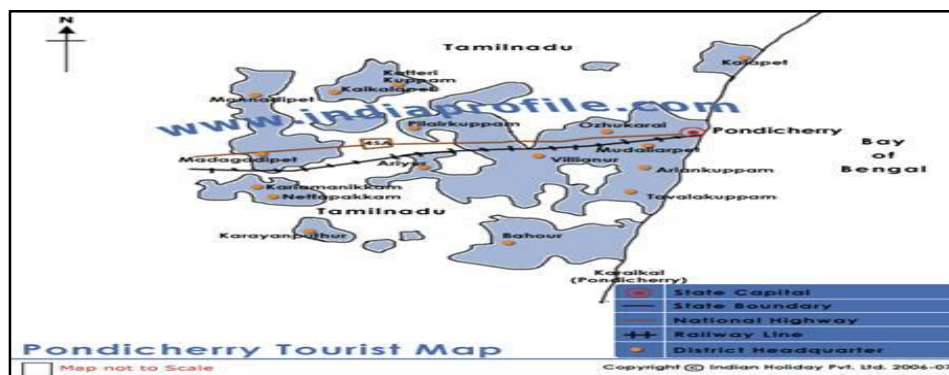


Figure 1

Puducherry has a rich French Cultural heritage, having been the capital of the French Colonies in India since the 17th Century. Puducherry region, with a coastal line of 32 Kms, well planned French Boulevard town, palm fringed beaches, resorts, backwaters, water sports centre, fishing villages, harbour, and the pier, Aurobindo Ashram, Auroville and other attractions. Puducherry is a place of many faiths and worship- Puducherry

Temples & Mosques which dominate the landscapes. In and around Puducherry there are 350 temples –big and small. Karaikal has another ninety-nine temples, of which some were built by the Chola kings between the 10th and 12th centuries.

2.Review Of Literature

Tourism has gained importance as the fastest growing industry in the world, particularly because of multifarious benefits, it ensures to the destinations, to the tourists themselves to the global geo- political environment as a whole. During the past a number of studies have been conducted to evaluate the role and performance of tourism. In the following discussions, an attempt has been made to review the studies undertaken by different organizations, committees and scholars.

Charles, William and Var (1973) laid stress that in a developing country emphasis should be made to increase the purchasing power of its community by the establishment of a tourism industry. Economist Intelligence Unit (1973) reveals that tourism earns foreign exchange and contributes positively to the balance of payments, generate employment, increase standards of living and provide linkage effects with other sectors of the economy. Anand (1976) highlighted the reason for poor traffic in India is that the problem of tourist interaction from vast spectrum of international communication, consumer preferences and their behavior, the nature of tourists plant and required marketing efforts and consequences and impact of international tourism etc. Kapoor (1976) in his study on tourism as an instrument of economic development observed that the tourism presents a vast potential and is considered the industry whose development ensures the simultaneous development of other related industries. Ferrario (1978) pinpointed that the ultimate test of what constitutes a tourist resource and the degree of its appeal largely depends on preferences, interests and requirements of the tourists themselves. Gopal (1979) advocated that in India a tourists stays for the longest period than in any other country. It is further observed that it ranked 13th in the list of foreign exchange earning source in 1975 and it became 10th in 1978. Ummat (1979) concluded that Tourism Industry will become the biggest industry of the world with an increase in Global Gross National Product (GNP) at 4.8 per cent to US \$ 109,00,000, and Per capita income will touch US \$ 1,700. Dutta (1980) reveals the problems faced by tourists like accessibility to the forests, non-availability of transport and accommodation, political conditions etc. Laxman (1980) observed that Indians charge more from tourists than other developing countries. India's share in foreign exchange is only 0.5 to 0.7 per cent

which is a proof of an overcharging. Laxman (1980) observed that tourism is the second largest industry in the world today next to oil. It is a multibillion dollar industry which received US \$ 70 billion annually involving 300 million people in 1980 alone. Wilson (1980) observed that India Tourism Development Corporation Ltd. offers various unique entertainments of sound and light shows at major cities. Garg (1981) advocated the problems placed by Indian tourism industry such as untapped resources, non-availability of suitable accommodation, customs procedure, and poor image of the country, dearth of recreational facilities, poor transport and communication system, lack of night entertainment such as casino, security and safety etc. Jafri and Ritchie (1981) observed that tourism education and tourism research have to be developed. Mishra, Sharma and Acharya (1981) highlighted that tourism is an important activity in India and the growing importance assigned to tourism depicts the country's earnestness to attract more and more tourists from every part of the world. India's tourism infrastructure is modern and several agencies are engaged in setting up a sound base for the development of the tourism in the country. Agarwal (1982) studied the application of marketing concepts to tourism. He suggested the use of 4 Ps i.e. Product, Price, Promotion and Place. The product to be offered are natural beauty; mountains, lakes, cultural heritage, honesty and simple way of life of people, surplus craftsmanship of artisans and wild life which should be reasonably priced. To promote all these products, suitable measures can be taken, like advertisement with photographs, films etc. By place means provision of accommodation, transportation and other associated services. Misra (1982) advocated that the end of 1990 India will receive 3.5 million tourists and Tourism Development Corporation (ITDC), contribute eighty million to the exchequer and earned foreign exchange worth Rs.950 million. Singh (1982) revealed that the phenomenon of tourism is a direct product of technological and scientific advancement coupled with industrialization, urbanization and population explosion. Jagadish (1985) highlighted that the potential for tourism development in any area largely depends on the availability of recreational resources in addition to the factors like climate, seasons, accessibility, attitude of the local people and the tourism planners towards the nature and the extent of tourism development, the existing plant facilities etc. Therefore, totality of natural and socio-cultural elements in the area create tourism-magnetic atmosphere, which constitutes its resource base for tourism. Gupta (1987) opined that the tourism in India has been developed rapidly in a well planned manner since independence. Cohen (1989) points out the inevitability of mass tourism and suggests that its negative effects can be corrected by proper

modification to policy and execution. He emphasized the need for a strong government agency to legislate as also negotiable for the locals with outside agencies to improve local participation in tourism. Local participation has been identified as another key factor in ensuring sustainable tourism. Negi (1990) highlighted that tourism is an economic and industrial activity in which many individuals, firms, corporations, organizations and associations are engaged and is direct concern to many others, He further pointed that tourism has emerged as the single largest net earner of foreign exchange in India. It is a high employment sector. Dodson (1992) observed that the tourism industry continues to change in its promotion of tourism and students can come up with countless ideas and ways of participating in the field of tourism. Kumar (1992) concluded that economic activity as a means to earn foreign exchange, but also is medium of social and cultural development, generator of employment and also as promoter of employment and also a promoter of goodwill and friendship among the nations. Dutta (1993), conducted study on “Neglected and lesser known historical monuments and sites of tourist interest in Bihar” and concluded that the state of Bihar is rich in historical sites of tourist interests. Unfortunately, due to lack of foresight of tourism department and Bihar State Tourism Development Corporation, these places have remained neglected. Hawkins and Hunt (1993) in their study lay stress upon the conceptual and practical issues involved in developing travel and tourism professional education programs in higher education institutions.

Kendell (1993) observed that the role of the government in the tourism sector is should be ‘laissez faire’ approach to that of a deeper involvement. Panwar (1993) observed that India is a vast subcontinent with a rare mixture of traditions. The Mother Nature has gifted India everything that is normally not found in one country. Ross (1993) lays stress that personality variables do play a predictive role in the understanding of vocational intention in regard to the tourism/hospitality industry. Sharma (1993) in his study advocated that tourism contributes to the transfer to wealth from North to South and from the industrialized to the developing countries which account for a quarter of world arrivals and receipts and can potentially perform much better. For them, international tourism is unquestionably paramount as a creator of jobs and the most readily exploitable source of foreign earnings to finance investments or reduce foreign debt. Singh (1993) laid stress on planning for sustainable tourism development by providing and maintaining high quality tourist facilities, service attractions and activities, resorts, adequate transportation, enough infrastructure and employee training and

facilities should be included in resort development. Banda (1994) examined that a country's reputation is a significant factor of determining the tourism industry. The success or failure in this industry is no doubt attributed to the changing patterns of global trends. Davar and Davar (1994) suggested there is a vast scope for increasing the business turnover and their attaining a reasonable standard of investment intensity (Business turnover divided by total project cost). Bansal (1995) opined that tourism industry is basically a capital intensive industry. Deshmukh (1996) observed that remedial measures are adopted without proper understanding of causative factors of deterioration and therefore these measures do not become effective. Krishan (1996) suggested the need for equitable distribution of spin-off and that for a holistic approach, it is imperative that government agency promoting tourism development flexibility and professionalism. Bhattacharya (1997) concluded that guide book serves a primary function as mediating tourist's experiences in India in ways that reinforce both certain images of India and certain relationships with indigenous inhabitants. Puri (1997) laid stress that government should make tourism a year round activity in Himalayan region, besides keeping in mind that environment and ecological.

3.Methodology

Tourism has emerged as a dominant economic factor of international horizon, with its economic and all other advantages, tourism can certainly play a determining role in the development of backward economies like India which suffer from an adverse balance of payment, situation a high degree of social backwardness besides the other environmental problems. In fact, it is the high time for India to go ahead with tourism development programmes. Since each state in the country represents its own geo-socio-cultural identity, it therefore, demands specific tourism development plans and actions within the umbrella of an overall tourism perspective for the country. Puducherry has great tourism potential having tourist resorts of different cultural background in all of its four districts. The traditions, the life style of people and economic activities themselves provide a beautiful attraction for the tourists to visit the state. On the other hand, the industrial development in the state has not been quite fast though the population growth is quite high and better improvement in literacy rate and per capita income of the state agricultural production has not been improving, therefore, leaving little scope for generation of more employment opportunities. Hence better management of tourism by treating tourism as 'industry' along with agricultural and industrial development led

attention of not only policy makers but also of the researchers and economists to find out ways and means to improve the tourist inflow in the State. This requires the role of planning, promotion and marketing and creating favourable environment for tourism so that tourism development can play a major role in the development of U.T. One of the natural motivations for taking up the study has been the curiosity to know as to how a small region with very little resource potential has earned a name in the field of tourism both in India and abroad. As regards the thematic framework of research topic i.e. an evaluation of Tourism Industry in Puducherry has been taken up.

3.1.Objectives Of The Study

Despite certain attempts made to study different aspects of the tourism industry, there remain certain very pertinent gaps. In order to fill the gaps, the present study framed the following objectives:

- To study the scenario of tourism in India.
- To evaluate the performance of tourism industry in Puducherry
- To assess the financial performance of Puducherry Tourism Development Corporation
- To analyze the infrastructural facilities of tourism in the state.
- To evaluate the tourist satisfaction with regard to existing facilities.
- To explore the existing problems faced by the tourists and recommend suggestions towards accelerating the development of tourism in the state.

For accomplishing the above objectives, secondary data has been utilized which is the data collected by different agencies. The data can be collected from Publications of Government of India and Government of Puducherry, Publications of Puducherry Tourism Development Corporation, Publications of Directorate of Economic and Statistics Puducherry, Financial accounts of P.T.D.C. and Department of Tourism, Publications of Planning Department, Census Reports and Existing literature and other scholarly works. Consistent with the objectives of the study, different techniques have been used for the analysis of data. The data was presented through tables, diagrams and figures and simple statistical techniques of analysis viz. averages, percentages have been applied. Interpretation of data is based on rigorous exercises aiming at the achievement of the study objectives and findings of the existing studies.

3.2. Significance Of Study

The present study is a significant attempt to examine the performance of Puducherry Tourism Industry. The study will prove helpful to analyze lacunae in the existing marketing practice, problems and shortcomings in the field of infrastructure development, quantity and quality of transport, accommodation, entertainment, recreation and publicity etc. Further, it can be helpful to explore some untapped areas where potential for tourism development exists and rectification of the flaws in the present system of tourism. The study will also prove helpful in enhancing the state revenue, earnings of foreign exchange, generating employment avenues and making the state self-reliant. The study on tourism in Puducherry may also be equally important for all those interested in undertaking similar studies in the context of other states and regions because certain methods and approaches evolved and employed should be helpful in carrying out further studies of similar nature.

4. Analysis

Tourism in India is a large industry. The World Travel and Tourism Council calculated that tourism generated \$121 billion or 6.4 percent of the nation's GDP in 2011. It was responsible for 39.3 million jobs, 7.9 percent of its total employment. The GDP of the tourism sector has expanded 229 percent between 1990 and 2011. The sector is predicted to grow at an average annual rate of 7.7 percent in the next decade. In a 2011 forecast the World Travel and Tourism Council predicted the annual growth to be 8.8 percent 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 percent annually to reach about Rs. 9,500 crore by 2015. Table 1 reveals that the foreign tourist arrivals during 1997-2012 show an increasing trend. It gives the growth of tourism industry in India which is due to the attractions provided by the GOI.

Year	FTA s in India (in millions)	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(P)	6.29	8.9
2012(Jan-June) (P)	3.24	7.4@

Table 1: Foreign Tourist Arrivals (FTAs) in India during 1997-2012

Note: (P) Provisional

(@) - Growth rate over Jan-Jun2011

Source: Ministry of Tourism Government of India for 2011-12

In the year 2011, there were nearly 6.29 million foreign tourist arrivals in India, up by over 8 percent from the year 2010 when 5.78 million foreign tourists arrived in India. Domestic tourist visits to all states and Union Territories numbered 747.70 million. The majority of foreign tourists come from the United States (16 percent) and the United Kingdom (12.6 percent). In 2011 Maharashtra, Tamil Nadu and Delhi were the most popular states for foreign tourists. Domestic tourists visited the states UttarPradesh, AndhraPradesh and Tamilnadu mostfrequently. Chennai, Delhi, Mumbai and Agra have been the four most visited cities of India by foreign tourists during the year 2011. Worldwide, Chennai is ranked 41 by the number of foreign tourists, while Delhi is ranked at 50, Mumbai at 57 and Agra at 65. In the year 2010, the tourism sector witnessed substantial growth as compared to 2009. The Foreign Tourist Arrivals (FTA) in India during 2010 was 5.58 million as compared to the FTAs of 5.17 million during

2009, showing a growth of 8.1 percent. The growth rate during 2009 over 2008 was (-) 2.2 percent. Foreign Exchange Earnings (FEE) from tourism during 2010 were 64889 crore as compared to 54960 crore during 2009, registering a growth rate of 18.1 percent. The growth rate in FEE from tourism during 2009 over 2008 was 8.3 percent.

The Travel & Tourism Competitiveness Report 2011 ranked the price competitiveness of India's tourism sector 28th out of 139 countries. It mentions that India has quite good air transport (ranked 39th), particularly given the country's stage of development, and reasonable ground transport infrastructure (ranked 43rd). The nation has very few hotel rooms per capita by international comparison and low ATM penetration. The Indian government has identified a shortage of 150,000 hotel rooms, with most of the undersupply in the budget sector.

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. Concerted efforts are being made to promote new forms of tourism such as rural, cruise, medical and eco-tourism. The Ministry also maintains the Incredible India campaign.

Table 2 gives the share of top 10 states in tourism and the details of domestic tourists and their share in percentage during the year 2011. By observing the above table, it is clear that Uttar Pradesh led in top with 18.3 percent, followed by Andhra Pradesh with 18.0 percent. Gujarat lags behind with 2.5 percent tourists. When compared to other states Gujarat has no adequate tourist attractions. In order to attract tourism in their state, the present Government following several innovative schemes by campaigning their tourist places.

Rank	State/ union Territory	Number	Share in Percentage
1	Uttar Pradesh	155,430,364	18.3
2	Andhra Pradesh	153,119,816	18.0
3	Tamilnadu	137,512,991	16.2
4	Karnataka	84,107,390	9.9
5	Maharashtra	55,333,467	6.5
6	Madhya Pradesh	44,119,820	5.2
7	Rajasthan	27,137,323	3.2
8	Uttarakhand	25,946,254	3.0
9	West Bengal	22,256,968	2.6
10	Gujarat	21,017,478	2.5
	Total of Top 10 States	725,981,871	85.3
	Others	124,874,769	14.7
	Total	850,856,640	100

Table 2: Share Of Top 10 States / UT's Of India In Number Of Domestic Tourist Visits In 2011 (Provisional)

Source: Ministry Of Tourism Government Of India

Rank	State/ union Territory	Number	Share in Percentage
1	Maharashtra	4,815,421	24.7
2	Tamilnadu	3,373,870	17.3
3	Delhi	2,159,925	11.1
4	Uttarpradesh	1,887,095	9.7
5	Rajasthan	1,351,974	6.9
6	West Bengal	1,213,270	6.2
7	Bihar	972,487	5.0
8	Kerala	732,985	3.8
9	Karnataka	574,005	2.9
10	Himachal Pradesh	484,518	2.5
	Total of Top 10 States	17,565,550	90.1
	Others	1,929,329	9.9
	Total	19,494,879	100

Table 3: Share of top 10 states/UT's of India in number of foreign tourist visits in 2011 (Provisional)

Source: Ministry of Tourism Government of India

Table 3 gives the share of top 10 states in tourism and the details of foreign tourists and their share in percentage during the year 2011. By observing the above table, it is clear that Maharashtra led in top with 24.7 percent, followed by Tamilnadu with 17.3 percent. Himachal Pradesh is in the last place in attracting foreign tourists with 2.5 percent. Though the state is rich of tourism sources, the government has to provide incentives and infrastructure to attract foreign tourists.

Puducherry is a unique place. Puducherry is multidimensional place of history and preserved colonial charm. Sandy beaches, clean promenades, temples, monuments, heritage villas, quaint old-world town planning, spiritual mystique and a lingering French ambience define its unique character. Many feel that it has a distinct spiritual vibration. The nickname "Pondy" sums up this shared feeling of belonging, of having come home. Puducherry has a special ambience with a blend of spiritual aura, French colonial heritage, Tamil culture and the cosmopolitan flair of many nationalities in a small but varied town. The ambience of Pondy flanks the seashore boulevard Colonial buildings, line along a grid of straight clean streets and houses the French institutions, private homes and businesses, and the sprawling premises of the famous Sri Aurobindo Ashram. Puducherry is one of the most popular tourist spots for national and international tourists. There are several beaches, Sri Aurobindo Ashram, where Sri Aurobindo spent his last years, several temples, monuments, parks and mosques which attract tourists. The Shaneswara temple in Tirunallar, Karaikal is a famous place of pilgrimage for Hindus. Yanam has a mixed culture of French and Telugu and has very beautiful views.

It is in close proximity to historically renowned south Indian towns and cities known variously for their art, religious and cultural heritage as well as great natural beauty. The township of Pondicherry is planned on a grid system that the roads meet each other at right angles. Overlooking the sea among the many mansions, the most striking is the one called Marie. It is built in the French style and is actually the Municipality office. The other buildings which are reminiscent of the French architectural style are the Samadhi, French Institute, Ecole Francaise, Raj Niwas to name a few. Exactly parallel to the beach road runs the Rue Dumas Street, this was the first street to be built here in the year 1706. Strolling northwards one would come to a large park, which is Government Square.

Tourism in Pondicherry is an essential component of its service sector. The strategic location, awe-inspiring natural beauty, coupled with its French past and cultural heritage make Pondicherry tourism a major tourist destination. Over the last few years, Pondicherry tourism attracted a good number of domestic as well as international

tourists from all parts of the world and this number is growing steadily every year. Pondicherry has potential to improve and carve out a special place for itself on the world tourism map. Pondicherry tourism plans to convert this tranquil beach town from a day trip and weekend destination to a long haul destination. In order to move in this direction, Pondicherry tourism is upgrading hotel infrastructure to acceptable service standards, identifying potential new tourist sites, developing physical infrastructure, opening Pondicherry tourism reception centres at all major cities across India , introducing tourism related courses , training Pondicherry tourism guides , and promoting tourist attractions, heritage sites and arts and culture of Pondicherry.

Puducherry Tourism Development Corporation welcomes tourist from all over the world with wide open arms. With a view to promote Tourism in Puducherry, PDTC involves itself in numerous activities that could facilitate travellers pouring in from throughout the land. The Union Territory of Puducherry abounds in an impressive number of tourist attractions from sprawling braches to pristine coastal areas and from towering churches to magnificent temples.

Year	Domestic Tourists	Growth in Percentage	Foreign Tourists	Growth in Percentage	Total
1999	4,49,429	(+) 10.42	22,983	(+) 24.22	4,72,412
2000	5,27,274	(+) 17.32	23,878	(+) 3.89	5,51,152
2001	4,76,804	(-) 9.57	22,115	(-) 7.38	4,98,919
2002	4,80,522	(+) 0.78	20,094	(-) 9.13	5,00,616
2003	5,00,139	(+) 4.08	25,559	(+) 27.19	5,25,698
2004	5,58,445	(+) 11.66	32,053	(+) 25.40	5,90,498
2005	5,74,011	(+) 2.78	36,009	(+) 12.34	6,10,020
2006	6,52,245	(+) 13.69	46,273	(+) 28.50	6,98,518
2007	7,98,528	(+) 22.43	57,682	(+)24.66	8,56,210

Table 4: Domestic and Foreign tourist arrivals in Pondicherry during 1999- 2007

Source: Puducherry Tourism Development Corporation

Among the four regions constituting the Union Territory of Pondicherry, only the larger two regions namely Pondicherry and Karaikal receive regularly both foreign and domestic tourists. Tourist traffic in the other two regions, viz. Mahe and Yanam, is understandably quite small. Although no records or reliable estimates of tourist inflow

into these two regions are available, due mainly to absence of any data collection by official or tourism related private agencies, it is learnt that the number of foreign tourists visiting Mahe and Yanam would be around 20 – 30 per year. Here again these tourists are more often those visiting and staying as guests of the India born French nationals settled in Mahe or Yanam.. As for the domestic tourists to these two centers, they are predominantly commercial travelers, with the balance being made up of a mix of various other groups including various government officials. The number of leisure tourists or tourists visiting Mahe or Yanam for sightseeing is very few.

Year	Pondicherry	Karaikal	Mahe	Yanam	Total**
1992	256617	65697	NA	NA	322314
1993	258515	57840	NA	NA	316355
1994	273810	61324	NA	NA	335134
1995	282815	64972	NA	NA	347787
1996	317750	67238	NA	NA	384988
1997	353256	68558	NA	NA	421814
1998	358395	67096	NA	NA	425491
1999	368878	115976	NA	NA	472412
2000	435176	115976	NA	NA	551152
2001	401595	97324	7320*	15350*	498919
Growth rates (1992-2001)	5.11	4.5	-	-	5.0
(1992-1997)	6.6	0.9	-	-	5.5
(1997-2001)	3.3	9.2	-	-	4.3

Table 5: Trends in tourist inflow into U.T. of Puducherry

Source: Puducherry Tourism Development Corporation a& Govt. of Puducherry

** Estimates*

*** Total for Pondicherry and Karaikal*

The Government of the Union Territory has also been planning for and / or putting through a few projects for attracting more tourists. Such projects include the creation of new tourism assets as well as improvement to the existing places of tourist interest by way of beautification, facility augmentation and so on.

As per the Draft 10th Five Year Plan for 2002 – 07 and the Annual Plan for 2002 – 03 of the Pondicherry Union Territory Government, the outlays proposed for tourism development in the Union Territory of Pondicherry are as follows:

Period	Rs. In Lakhs
10 th Five Year Plan (2002 – 07)	7000
Annual Plan (2002 – 03)	1088

Table 6: Proposed Outlay for tourism

Source: Puducherry Tourism Development Corporation a& Govt. of Puducherry

4.1.Future Tourist Prospective

Using factors like the past growth in tourist inflow into the Union Territory areas, likely increases due to various positive and attractive tourism promotional measures of the Government, as well as other interactive influences. It is estimated the likely future inflow of tourists into Pondicherry and Karaikal, as well as Mahe and Yanam regions, under three different scenarios. Past trends in tourist inflow into Pondicherry and Karaikal, interviews with selected foreign and domestic tourists to these two centers, and our own judgment have formed the basis of our projections. These projections are made for two broad time periods viz. 2001 to 2011 and 2011 to 2021. These are Scenario A (Conservative), Scenario B (Probable) and Scenario C (Optimistic). Corresponding to these three scenarios, different growth rates are assumed for the periods 2001 to 2011 and 2011 to 2021.

Period	Domestic				Foreign			
	Pondy	Karaikal	Mahe	Yanam	Pondy	Karaikal	Mahe	Yanam
	Conservative							
2001-11	6	6	2	3	8	8	-	-
2011-21	8	8	2	3	8	8	-	-
	Probable							
2001-11	8	8	2	3	8	8	-	-
2011-21	10	10	2	3	8	8	-	-
	Optimistic							
2001-11	10	10	2	4	10	10	-	-
2011-21	10	10	2	4	10	10	-	-

Table 7: Assumed growth rates for projections of tourist (in percentages)

Source: Puducherry Tourism Development Corporation a& Govt. of Puducherry

Table 7 projected growth rates of tourists in four regions under the heads of Conservative, Probable and Optimistic. It is clear from it that the projected tourist inflow in Scenario A may be taken as the likely situation even when there are no major additions or improvements to the places of tourist importance or tourist attractions as they are available at present in Pondicherry and Karaikal. Scenario C represents a situation when improvements to the existing tourist assets, as well as additions to available tourist attractions would have taken place or being put in place as per plan schemes. Scenario B represents an in-between position when some additions and improvements might have been effected.

Due to limited avenues available to it for achieving further increases in employment and gainful activities, sustained economic growth and social progress for its people in the longer term, in recent times Pondicherry Government has been concentrating on tourism promotion as an enabling route to achieve its objectives. Government policies designed

to increase income and employment generation in the regions / state's economy, by tourism promotion and other measures should also have the objective of improving the standard of living of the local population. Improvement in the standard of living should be both from quantitative and qualitative aspects. Without qualitative aspects such as relatively easy availability of various essentials for living, clean and hygienic environment, conservation of nature and bio-diversity, good health, access to better education and healthcare, etc, for its citizens, mere additions to levels of employment and income would not contribute to rise in the 'Quality Index of Life' in a region / state. The tourism promotion policy and measures aiming at larger inflow of tourists into Pondicherry Union Territory in future years also need to factor in the concepts of 'Quality Index of Life' for the citizens of this Union Territory and, importantly, 'Satisfaction Index of Stay' for the visiting tourists.

5. Conclusion

Tourism is an important sector of the economy and contributes significantly in the country's GDP as well as Foreign Exchange Earnings (FEE). With its backward and forward linkages with other sectors of the economy, like transport, construction, handicrafts, manufacturing, horticulture, agriculture, etc., tourism has the potential to not only be the economy driver, but also become an effective tool for poverty alleviation and ensuring growth with equity.

Infrastructure development holds the key to India's sustained growth in the tourism sector. Therefore, Ministry of Tourism made consistent efforts to develop quality tourism infrastructure at tourist destinations and circuits. To focus on development of infrastructure at places of national and international importance, the Ministry, through its scheme of providing financial assistance to the State Governments and Union Territory Administrations, has identified 38 mega tourism projects, out of which 26 have been sanctioned till 4th February, 2011. These mega projects are a judicious mix of culture, heritage, spiritual and eco-tourism in order to give tourists a holistic perspective.

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 medical, business and sports tourism. During the Year 2010, Ministry of Tourism released Social Awareness Campaigns on TV, Radio and outdoor media with the objective of sensitizing the masses and stakeholders about the importance of tourism.

Campaigns were released in print & electronic Media in various international source markets to project India as a holistic destination.

The Ministry of Tourism adopted the Code of Conduct for “Safe & Honourable Tourism” on 1st July, 2010. This initiative has been taken essentially to strengthen the critical pillar of ‘*Suraksha*’ (Safety) envisaged in the National Tourism Policy 2002, and ensure that Indian tourism follows international standards of safe tourism practices, applicable for both tourists and local residents. The Code has been formed to sensitize travelers and the travel industry, prevent exploitation, specifically of women and children, and to make India a safe & honourable tourism destination. Ministry of Tourism made efforts towards sensitizing the stakeholders about the importance of sustainable tourism. Consequent to these efforts a pledge for commitment towards Sustainable Tourism was taken by stakeholders of travel trade and hospitality industry on 27th September, 2010 the World Tourism Day.

Above study enunciated that Puducherry, one of the most popular tourist destinations in India, offers a slew of incentives for investors in tourism infrastructure. Investment opportunities exist to develop star & heritage hotels, amusement parks, multiplexes, food courts, beach resorts, eco-tourism, health spas, and art & craft village and other tourism relates products. The incentives include investment subsidies and exemption from luxury tax. Special incentives are also offered for heritage hotels. All investments will enjoy unstinting support from the Government.

Puducherry is well established on the tourist circuit with the following components:

- Eco-friendly and pollution free
- Proactive administration
- Attractive Government incentives
- Reliable connectivity – state of the art communications networks
- French past and heritage – a very good marketing platform
- Aurobindo ashram and Auroville-unique spiritual
- Delightful beaches, backwaters and engaging landscapes unique to the area.
- Stable socio-political environment
- High socio-economic indicators
- Skilled manpower available easily
- Reliable power and good roads
- Visible and growing demand for novel entertainment options and avenues

- Growing yearly tourist inflows* Domestic – 6,00,00: Overseas-26,000

In order to encourage tourism in U.T., the government formulated various schemes such as Beach Beautification Amenities, Development of Tourism Attraction products such as Oussudu lake, Bahour lake and Aricamedu area, Development of Water Sports Complex, Expansion of Yatrivas and Expansion of Tourist Homes, Creation wayside amenities at Mahabalipuram and Sirkali, Preservation of Heritage Buildings etc.

As a former French colony, Puducherry is known for French ethnicity. France is thus a natural potential market for Puducherry tourism. The nostalgic visit by French nationals to Puducherry is a trend that has far reaching impact on tourism and overall economy. This as an area of research has rarely been given due weightage by researchers and policy makers. Such researches would bring findings which would be helpful for the Government of the Union Territory for better decision making. As an interdisciplinary research this will also help in broadening horizon of knowledge in tourism education. Demands and requirements of French nationals in the territory can also be analyzed to facilitate their travel to and from France. Further the French culture which is a unique feature of Puducherry is believed to be degrading day by day due to multiple reasons. An in-depth study would analyze the problems and try finding strategies to upkeep the uniqueness of the region. However it is clear that Tourism as an industry in Puducherry not only earning FEE but also enabling the overall growth of the region with rich heritage values.

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