

BILATERAL TOURISM RELATIONS BETWEEN NEPAL AND INDIA

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Abstract

The tourism economy has a potential contribution to the economic development of a country. The tourism industry quantitatively contributes to a country in terms of foreign exchange earnings, employment generation, and gross domestic product (GDP) as well as contributes to the nation employing social and cultural exchanges. This research paper is concerned with the contribution tourism industry to the Nepalese and Indian economies. The tourism industry is a multi-industry and multi-product as well tourist demand is complementary and has to be met by several goods and services, which are not only spatially disparate but also functionally different. Tourist products are highly perishable and the bulk of tourist facilities have an in-built inflexibility. This paper initially reviews the concern and using a model, it deals with the factors affecting the economic impacts associate with tourism. The economic impact is measured in terms of direct employment, foreign exchange earnings, and GDP due to the flow of total tourists' arrival of tourists in different fiscal years by using a simple linear regression model and correlation. Results reveal that there is a positive economic impact of the tourism industry in both economies.

Key Words: *Tourism economy, Comparison, Contribution, Impact, Economic development*

I. Introduction

Tourism economy coordinates different components of its product to create a package service, so that helping to earn revenue, employment and foreign currencies. The tourists products are the highly perishable and magnitude of tourists' facilities have to be built inflexibility. The expenditures made by the tourists are also multi-product in nature. A dollar spent by a tourist transmits impulses to different sectors of the economy. The growth of tourism has had a significant impact on all aspects of economic, socio-cultural and physical environment of a country. The outcome of growing tourism cannot be considered as an isolated phenomenon. Thus, it has come up as an important connecting in gearing up the pace of socio-economic development world over. Tourism size and its quality contain many activities which form and correlate horizontally and vertically with other productive activities sectors, making the economic wheel rounding and growing continuously (Jenkins & Henr,1982).

Most of industrialized and emergent countries consider creating a powerful tourism industry an important element for their economic growth in the long term based on services provided and grounds of these services to be found which in the end contributes to the developing of the country's infrastructure. According to the World Travel & Tourism Council's (WTTC) annual research in 2018, travel and tourism is one of the world's booming industries, generating approximately US\$ 8.8 trillion annually and contributing 319 million jobs to the world economy and more than 600 million international tourists visit different parts of the world every year (Mahatara, 2019).

Tourism sector has been contributing significantly to the world economy. As per the WTTC 2019, the tourism economy contributes US\$ 8.9 trillion to the world's GDP which covers 10.3 percent of global GDP. The tourism sector generates 330 million jobs where 1 in 10 jobs around

the world. The world capital investment from tourism sector was \$ 948 billion US dollar which presents 4.3 percent. The world tourism sector \$ 1.7 trillion visitors' exports i.e., 6.8 percent of total exports and 28.3 percent of global service exports (WTTC, 2019).

Nepal and India hold great potential for tourism development, which can stimulate economic growth and development. Tourism sector is the main instrument for regional development with positive economic impact on the income, employment and production. Significance of tourism industry could be judged by calculating the contribution made by tourist receipts to national income and employment generation in the country. The main economic significance of tourism lies in the fact that money usually earned by a person at his normal residence is spent in the place visited by him.

Nepal and India both have great potentiality to become a top destination for tourists as the nation is famous for its snowcapped mountains, abundant flora and fauna, exciting trekking routes and rich cultural and religious diversity. As per the report 2017 covers 136 economies, of which China ranks 15th, India 40th and Nepal 103rd in global rankings. Both countries are highly potential for development of tourism economy. The general objective of the study is to analyze the tourism economy of Nepal and India on comparative manner.

II. Research Review

Tourism is one of the most important industries in the world which gives a significant source of economic outcomes and the possibility and opportunity for employment. It is also a complex industry which requires huge capital investment and resources as well. For finding the research problems various national and international research documents and journals have been reviewed.

The research article conducted by Zurub et al. (2015) has found that the majority of developed economies consider tourism as a fundamental industry for their economic growth because it depends on other productive sectors making the infrastructure of a zone and cycling its economic wheel. They used the descriptive statistics to analyze the time evolution of the concerned socio-economic phenomenon, the tourism industry's contribution to the gross domestic product (GDP) by using data from the selected countries.

Stynes (1997) has found that the principal motivation for a business to serve tourists is generally economic. A good understanding of tourism's economic impacts is important for the tourism industry, government officials and the community as a whole. The researcher has attempted to define the key concepts and explain the basic methods for estimating the impacts of tourism. Tourism's economic impacts are important considerations in state, regional and community planning and economic development. The author has applied the Input-output mathematical model that describes the flows of money between sectors within a region's economy. The author has used the descriptive and analytical research design.

The impact of tourism on any destination generally depends among other things, on a variety of factors such as volume, type and seasonality of tourism activities. Tourism is also to a large extent determined by structure of the host economy, differences in socio-cultural characteristics between hosts and visitors, and the characteristics and fragility of the local environment. The unplanned tourism activities can pollute nature and cultural environment as much as it influences

the social and economic life styles in the host country (Shrestha & Shrestha, 2000). Malhotra (1995) has focused that tourism effects the economy of destination area cannot be questioned however the extent of this effect, its implications and repercussions are debatable. There are countervailing forces at play within an economy the costs and benefits accruing from tourism are not immediately quantifiable.

Anupriya & Rajasekaran (2016) has conducted a study toward tourism and its financial impact on the Indian GDP. The findings of the study that travel and tourism industry focuses on the economic and social contribution which promotes sustainable growth for industry. Malik & Nusrath (2014) had reviewed the tourism development in India, they pointed that tourism industry has the significant contribution to Indian GDP, employment and foreign exchange earnings. They analyzed the changes in number of tourist arrivals from 1997-2012, increase in economic growth rate and development of tourism. Tourism contributes in the significant growth of economic, social, cultural, education and political sectors. The growth of tourism sector has resulted in employment generation, foreign exchange earnings, capital investment, socio-economic growth, increasing in the contribution to GDP (KC & Leelavathi, 2016).

Different study paper and research works has found that there is significant role of tourism economy of a country. There has also been significant contribution and impact of this sector in the economy. The contribution and economic impact of tourism economy related development consists broadly of benefit and costs. Many studies around the world reveal that in the economic development strategies of any country establishment and expansion of the tourism sector has played a critical role. The experiences of many countries have shown that tourism is capable of bringing substantial economic benefits.

By reviewing the different research papers, it has been found that there is significant contribution and economic impact of tourism industry in the economy. Those studies are mainly related to the role of tourism industry in economic development. The contribution and impact of tourism on employment, GDP and foreign exchange earnings etc. have been studied on tourism economy. The research papers have been conducted on different country context. In the context of bilateral study of Nepal and India, such compressive study has not been yet, so the focus of this paper is to analyze the contribution and economic impact of tourism industry special reference to Nepalese and Indian.

Many studies around the world reveal that in the economic development strategies of any country establishment and expansion of the tourism sector has played a critical role. There have been conducted many studies toward the contribution and economic impact of tourism industry in different countries, in case of Nepal and India such bilateral comprehensive study has not been done. Developing tourism economy of Nepal and India has a difficult task because both countries have been facing policy problems, socio-economic problems, insecurity and good hospitality as well infrastructure and climatic issues.

III. Research Methodology

This study is based on secondary data and descriptive and analytical research design is applied to analysis and reviews the different sectors of tourism industry. All analysis and discussion have been based in published source of secondary data (2000/01-2018/19) which have been published by Ministry of Finance as Economic Survey, Ministry of Tourism of Nepal and Ministry of

Tourism of India, Department of Tourism of both countries, World Travel and Tourism Council (WTTC), Nepal Rastra Bank, Central Bureau of Statistics (CBS) and other different associations which are related with tourism economy. The economic impact is measured in terms of foreign exchange earnings, employment generation, and contribution to gross domestic product (GDP).

To show the relationship of dependent variables and independent variables, and measuring the economic impact on the economy, linear regression model is applied assuming total tourists arrivals independent variables and employment and foreign exchange earnings as dependent variables. The contribution of tourism economy on GDP and other economic impact has been examined in descriptive manner. Some descriptive statistics such as table and line graph are also used to explain the data.

Model Specification

The following equations are used to estimate the impact of total tourist arrivals on employment and foreign exchange earnings:

The impact of total tourist arrivals (TTA) on employment of Nepal (E_N) is estimated by:

$$E_N = \alpha_0 + \beta_1 TTA + \varepsilon_t \dots \dots \dots (i)$$

Where, employment is generated due to total tourist arrivals (TTA) in Nepal. The α_0 is constant, β_1 is coefficient parameter.

The impact of total tourist arrivals (TTA) on employment of India (E_I) is estimated by:

$$E_I = \alpha_0 + \beta_1 TTA + \varepsilon_t \dots \dots \dots (ii)$$

The impact of total tourist arrivals (TTA) on foreign exchange earnings of Nepal (FEE_N) is estimated by:

$$FEE_N = \alpha_0 + \beta_1 TTA + \varepsilon_t \dots \dots \dots (iii)$$

The impact of total tourist arrivals (TTA) on foreign exchange earnings of India (FEE_I) is estimated by:

$$FEE_I = \alpha_0 + \beta_1 TTA + \varepsilon_t \dots \dots \dots (iv)$$

Employment and foreign exchange earnings are expected to be increase due to total tourist arrivals in Nepal and India. For analyzing and interpreting the data collected through the different sources in the process of presentation and analysis, both the qualitative and quantitative parameters have been used. Required econometrics, accounting and statistical tools and techniques has been applied. Data are also presented in tables, graphs and diagrams as required.

IV. Results and Discussion

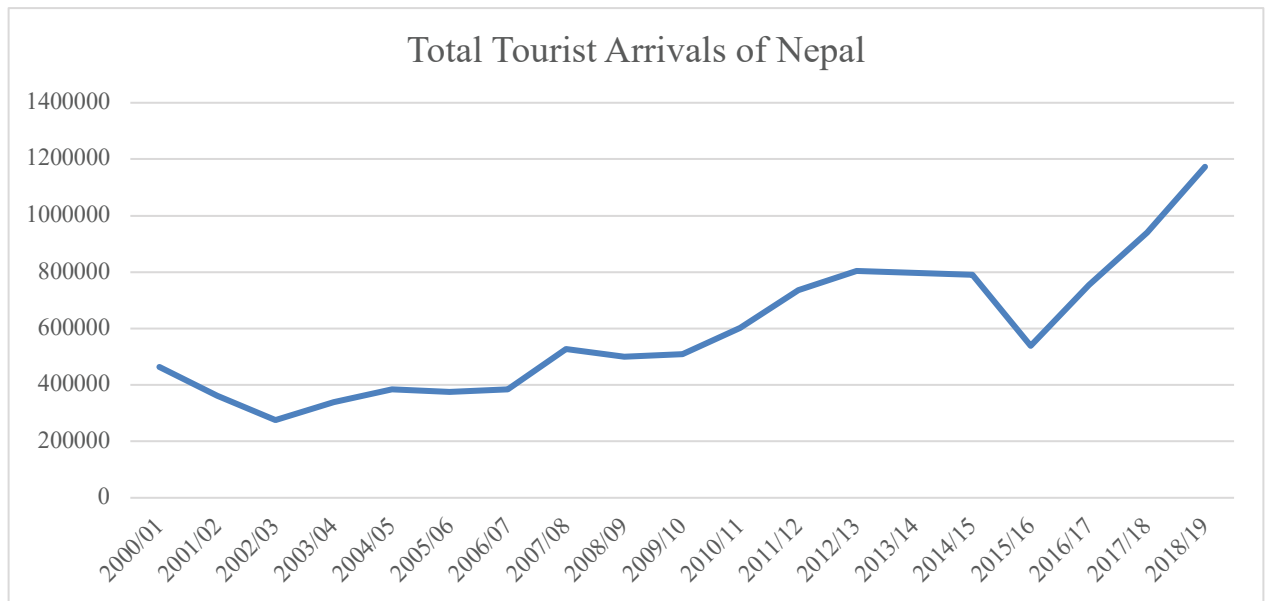
Tourism economy has a significant contribution and impact on the economy of any country and the world. Tourism industry helps in creating the opportunity of employment and foreign

exchange earnings of a country. The increment of employed people helps to generate income and raise the standard of their living. It helps people to create new industry in rural areas and increase their production. These all helps to increase the tax collection which later helps in economy of the country. Tourism industry has been extending these days and number of tourists arrival also increasing these days. Various programs have been operating for the development of tourism industry and tourism policy has also been more liberal. A large number of tourists are visiting Nepal and India since the decades.

Trends of Tourist Arrivals and Average Duration of Stay to Nepal and India

The number of total tourist arrivals and their average duration of stay keep significant meaning of a country. The increasing number of tourist arrivals enhances opportunities in diversified areas. In the context of Nepal, the total tourist arrivals and their average duration of stay is undertaken through Ministry of Finance. There is fluctuation of tourists’ arrivals of Nepal due to political factors as well other unnecessary changing environment for tourists in different years.

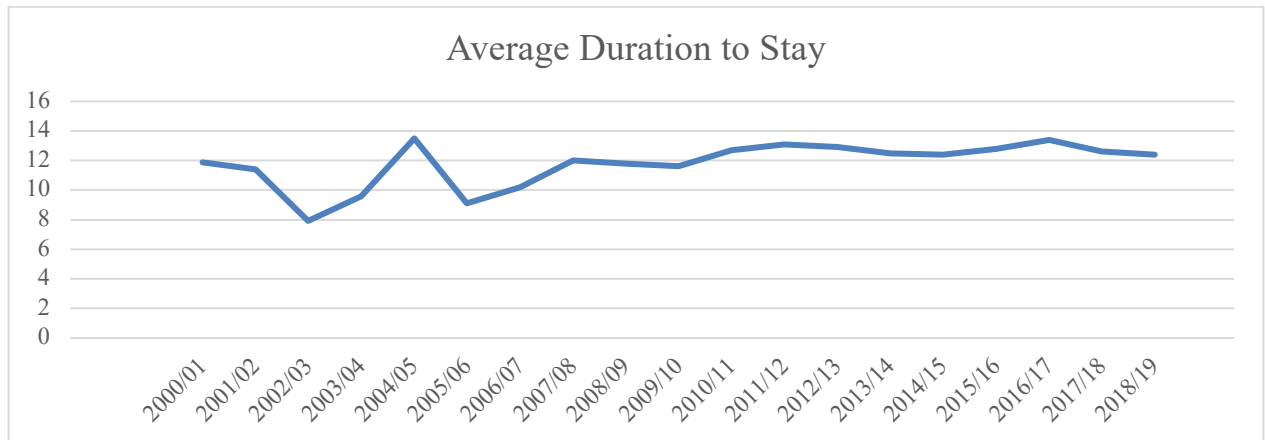
Figure-1: Total Tourist Arrivals of Nepal (2000-2018)



Source: MOF., *Economic Survey (2010/11 & 2019/20)*.

Figure-1 depicts the total tourist arrivals of Nepal from 2000/01 to 2018/19. The highest number of tourists was arrived in 2018/19 whereas the lowest number was in 2002/03. Though, the nature of total tourist arrivals signifies the increasing trends in all most years.

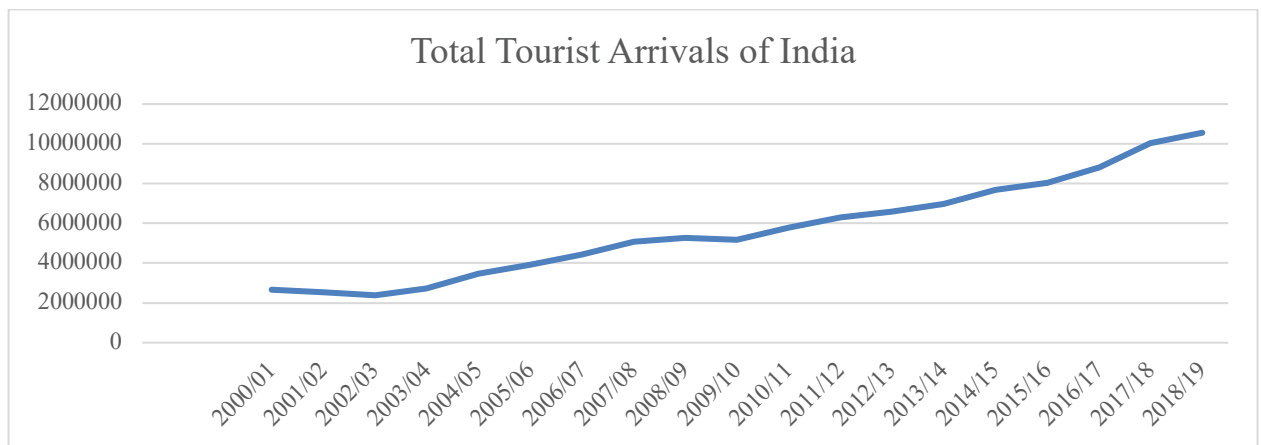
Figure-2: Average Duration of Stay of Tourists of Nepal (2000-2018)



Source: MOF., Economic Survey (2010/11 & 2019/20).

Figure-2 depicts the average duration of stay of tourists of Nepal from 2000/01 to 2018/19. The average duration of stay remains between 7.92 days to 13.5 days in Nepal. The increase in average duration of stay of tourists enhances per day expenses of the tourists.

Figure-3: Foreign Tourist Arrivals of India (2000-2018)



Source: MOT, Indian Tourism Statistics-2019.

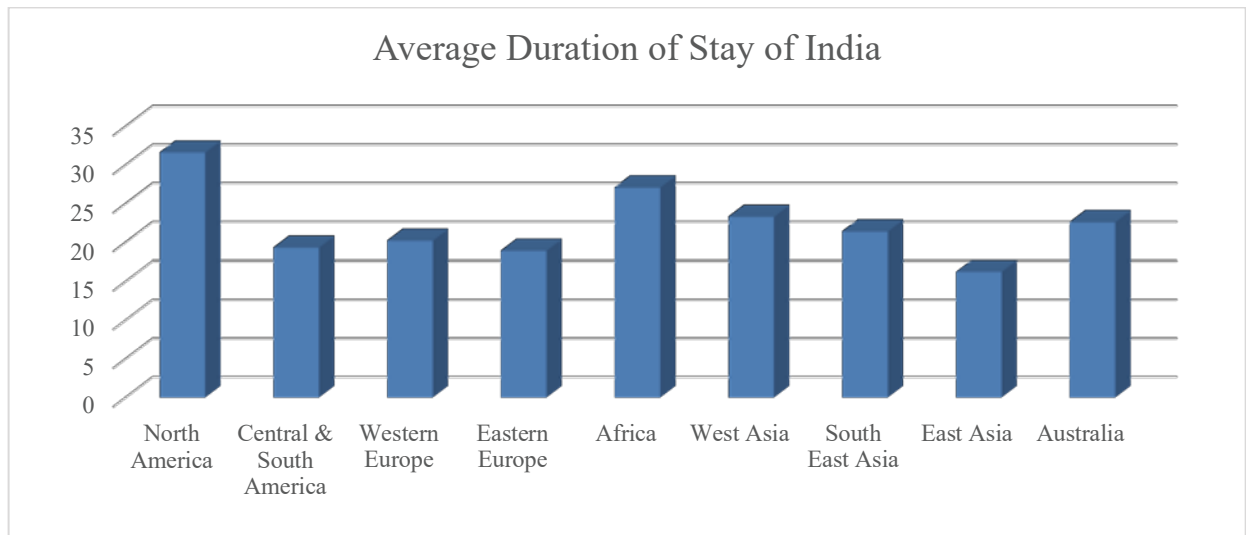
Figure-3 represents the flow of foreign tourist arrivals (FTAs) of India during 2018 increased to 10.56 million as compared to 10.04 million in 2017. The growth rate in FTAs during over 2017 was 5.2 percent as compared to 14 percent during over 2016. The share of India in international tourist arrivals in 2018 was 1.2 percent and 5 percent of international tourist arrivals in Asia Pacific Region in 2018 with the rank of 7th.

Table 1: Nationality-wise Average Duration of Stay of Tourists in India

<i>Nationality</i>	<i>Average Duration of Stay</i>
<i>North America</i>	<i>31.7</i>
<i>Central & South America</i>	<i>19.4</i>
<i>Western Europe</i>	<i>20.3</i>
<i>Eastern Europe</i>	<i>19.0</i>
<i>Africa</i>	<i>27.2</i>
<i>West Asia</i>	<i>23.4</i>
<i>South East Asia</i>	<i>21.5</i>
<i>East Asia</i>	<i>16.3</i>
<i>Australasia</i>	<i>22.7</i>

Source: *Ministry of Tourism, India, 2019.*

Figure-4: Average Duration of Stay of Tourists of India



Source: *Table-1.*

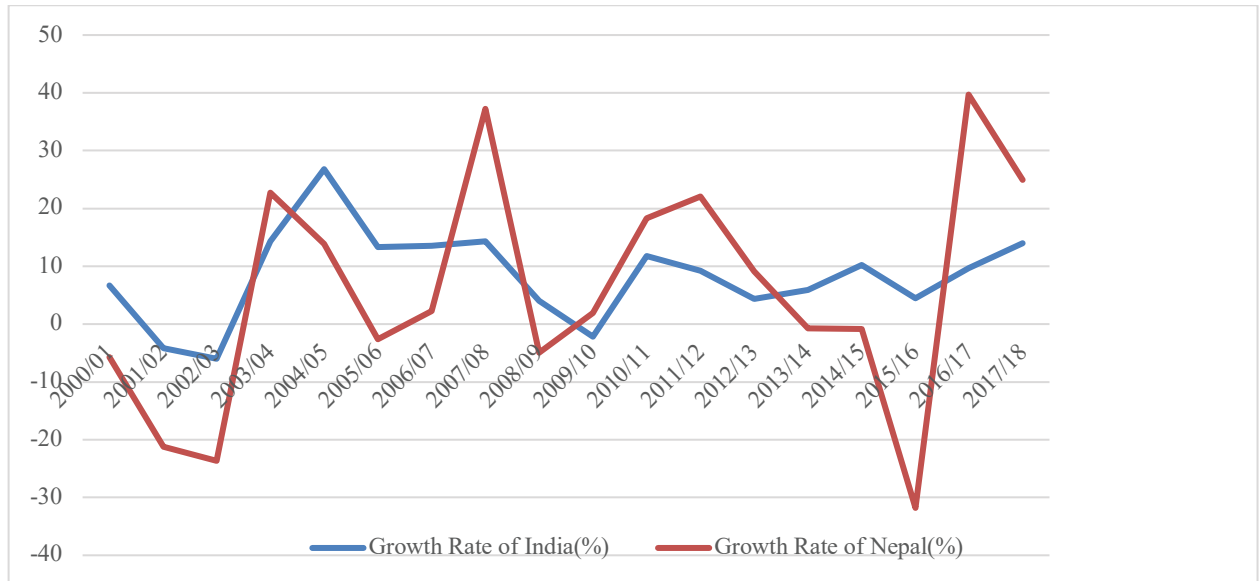
Table-1 and Figure-4 depict the average duration of stay by foreign tourists in India (22.7 days) which is significantly high; there is scope for further increase in view of availability of variety of tourism products, culture, cuisine, etc. to offer the tourists by India. Among the major source regions of countries, the duration of stay was highest from North America (31.7 days) followed by Africa (27.2 days), West Asia (23.4 days), Australasia (22.7 days), Western Europe (20.3 days), Central & South America (19.4 days), Eastern Europe (19.0 days) and South East Asia (16.3 days).

Growth Trends Rate of Total Tourist Arrivals of Nepal & India

The growth rate of tourist arrivals of Nepal and India seems to be fluctuated. The highest growth rate of total tourist arrivals of Nepal was 39.7 percent in 2016 and the lowest decrease rate was -

31.8 percent in the year 2015. In case of India, the highest growth rate was 26.8 percent in 2004/05 and the lowest decrease rate was -6.0 percent in the year 2002/03. Comparing the change rate of total tourist arrivals between Nepal and India, there is high fluctuation rate of change of total tourist arrivals rate in Nepal than India.

Figure-5: Growth Trends Rate of Total Tourist Arrivals of Nepal & India (2000-2018).



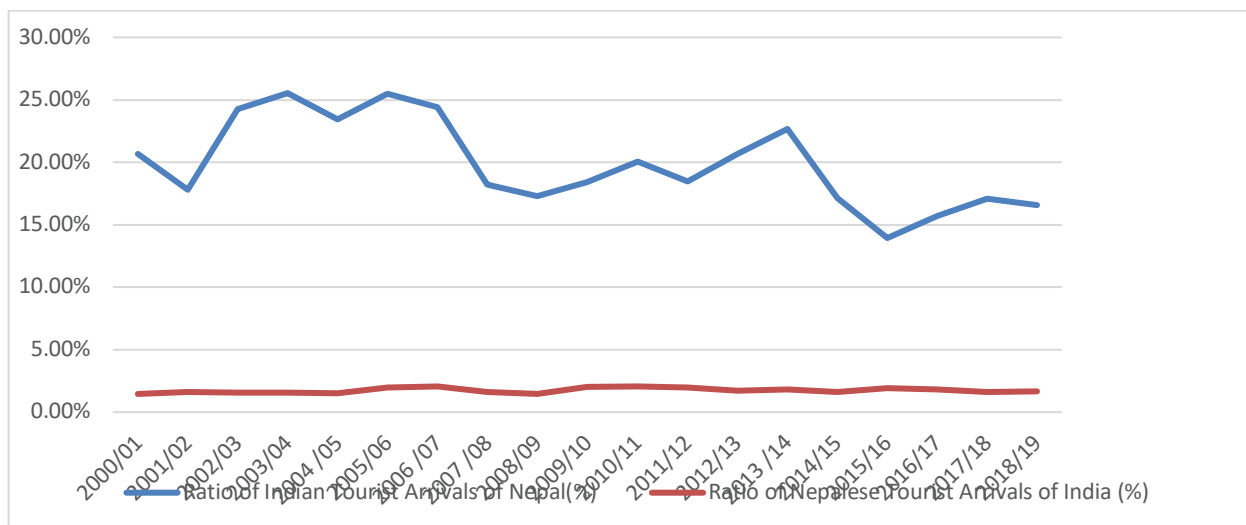
Source: Ministry of Tourism, Government of India (2019/20 & 2020/21) & MOF., Economic Survey (2010/11 & 2019).

Figure-5 depicts the growth of total tourist arrivals of Nepal and India from 1998/99 to 2018/19. The rate of growth of total tourist arrivals shows the fluctuation during the study period.

Ratio of Total Tourist Arrivals of Nepal from India & Total Tourist Arrivals of India from Nepal

There has been significant ratio of total tourist arrivals of Nepal from India and total tourist arrivals of India from Nepal. Since the decades, Indian tourist arrivals of Nepal holds the first position and Nepalese tourist arrivals of India ranks 14th position in different years. For Nepalese tourism industry, arrivals of Indian tourists play a significant role as Nepalese tourist arrivals of India also contribute greater role during the study period (Annex- III).

Figure-6: Ratio of Total Tourist Arrivals of Nepal from India and Tourist Arrivals of India from Nepal



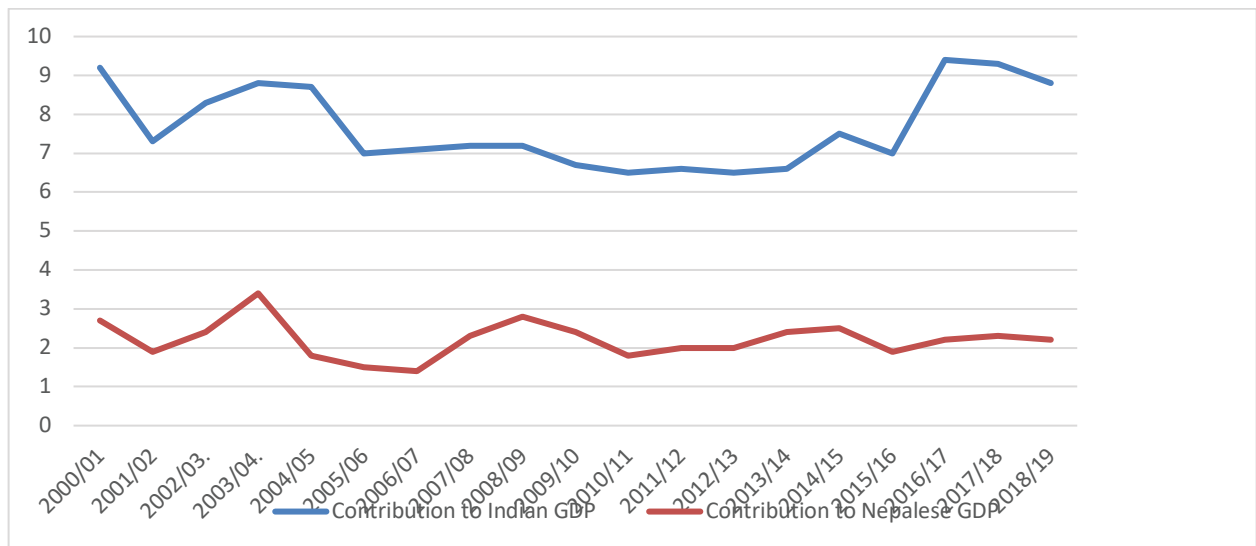
Source: Annex-III.

Figure-6 depicts the ratio of Indian tourist arrivals to the total tourist arrivals of Nepal and ratio of Nepalese tourist arrivals to the total tourist arrivals of India from 2000/01 to 2018/19. As per Annex-III, the ratio of tourist arrivals of Nepal from India range between 13-26 percent whereas the ratio of total tourist arrivals of India from Nepal falls between 1-3 percent.

Contribution of Tourism Industry to GDP in Nepal and India

There has been a significant contribution of foreign exchange earnings from tourism industry of Nepal and India. During the study period, foreign exchange earnings contribute to GDP of Nepal between the ranges of 1 to 3 percent whereas foreign exchange earnings contribute to GDP of India between the ranges of 7 to 10 percent. (Annex-IV).

Figure-7: Contribution of Tourism Industry to GDP in Nepal and India from 2000/01-2018/19.



Source: Annex-IV.

Figure-7 depicts the contribution of tourism industry in Nepal and India from 2000/01 to 2018/19. Total contribution by travel and tourism sector to India's GDP was expected to increase from Rs.15.24 lakh crore (US\$ 234.03 billion) in 2017 to Rs. 32.05 lakh crore (US\$ 492.21 billion) in 2018. Total earning from this sector in India was targeted to be US\$50 billion by 2022.

Economic Impact of Tourism Industry

There is significant economic impact of tourism industry in different aspects of Nepalese economy and Indian economy. In case of Nepal, the economic impact is measured in terms of foreign exchange earnings, employment generation, government royalty and contribution to GDP. Similarly, in case of Indian economy, the economic impact is measured in terms of foreign exchange earnings, employment and contribution to GDP is descriptively discussed. To show the relationship between dependent variables and independent variables, correlation is applied and measuring the economic impact on Nepalese and Indian economy, simple linear regression model has been applied assuming total tourists arrivals independent variables and other variables dependent variables. For hypothesis testing, regression analysis was done in SPSS v22 with the following regression model.

Impact Tourism Economy on Economy

There has significant contribution of tourism economy in the generation employment opportunities in Nepal and India. During the study period, tourism sector directly generated more than one lakh employment opportunities and this sector indirectly generating more than 3 lakh employment opportunities. In case of Indian tourism industry has been significantly generating large number of employment opportunities. In the year 2000/01, 481313.3 thousand of employment opportunities was generated from this sector. In the year 2015, it 37315 thousand employment opportunities were generated in India. As per 2019, 4.2 crore jobs were generated in

Table-2: Regression between Total Tourists Arrivals & Foreign Exchange Earnings to Nepal

Model Summary ^b						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson	
1	.906 ^a	.821	.811	913.47759	.738	
Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-1611.193	572.635		-2.814	.012
	Nepal	.008	.001	.906	8.837	.000
a. Dependent Variable: Foreign Exchange Earnings of Nepal						
b. Predictors : (Constant), Total Tourist Arrivals of Nepal						

Source: *Calculated by Author based on Annex-I.*

The *R* value of 0.883 indicates highly positive relationship between total tourists arrivals and foreign exchange earnings ($p < 0.05$). Similarly, *R*-square value of 0.780 states that 78.80% change in direct employment is due to independent variable. Likewise, Standard error of the estimate of 0.001 indicates the variability of the observed value of foreign exchange earnings from regression line is 0.001 units. The result shows that there is a significant impact of total tourist arrivals on foreign exchange earnings. It signifies that a change in total tourist arrivals improved position of foreign exchange earnings. The finding of the regression analysis between total tourists arrivals and foreign exchange earnings indicates that total tourists arrivals is a significant predictor of foreign exchange earnings. The variable of total tourists' arrivals has 88.30 %, contributed towards foreign exchange earnings (Table-2).

Table-3: Regression between Total Tourist Arrivals & Foreign Exchange Earnings to India

Model Summary ^b						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson	
1	.997 ^a	.994	.994	654.43565	.610	
Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-4829.139	380.693		-12.685	.000
	India	.003	.000	.997	52.511	.000
a. Dependent Variable: Foreign Exchange Earnings of India						
b. Predictors: (Constant), Total Tourist Arrivals of India						

Source: *Calculated by Author based on Annex-II.*

The *R* value of 0.997 indicates the highly positive relationship between total tourists arrivals and foreign exchange earnings from tourism economy ($p < 0.05$). Similarly, *R*-square value of 0.995 states that 99.5 % change in foreign exchange earnings due to independent variables. The result shows that there is highly impact of total tourist arrivals on foreign exchange earnings. It signifies that a change in total tourist arrivals highly improved position of foreign exchange earning in India. It shows a significant association between the changes in total tourists' arrivals on foreign exchange earnings (Table-3).

V. Conclusions

Tourism industry has a wonderful economic contribution to today's world economy. Tourism economy is a great way for people to spend their money and for cities to attract other people. Experiencing culture, religion, foods, sports, entertainment shows, and general ways of life in a new place is a great way to live life to the fullest. The presence of modern types of tourist hotels, motels and lodges are extremely essential for developing this industry. Developing a common vision or a cohesive mission to guide itself to meet the emerging market challenges in a proactive manner. There is fluctuation of tourist arrivals due to change in tourism environment in different years. There is significant contribution of tourism industry different sectors of Nepalese and Indian economy. There is significant contribution of tourism economy on employment foreign exchange earning in gross domestic product (GDP) of Nepal and India. The contribution and economic impact is measured in terms of foreign exchange earnings, employment generation and contribution to GDP. There is significant relationship between total tourist arrivals and foreign exchange earnings and very nominal relations total tourist arrivals and employment and contribution to GDP.

The finding of the regression analysis between total tourists arrivals and foreign exchange earnings of both countries indicates that total tourists arrivals is a significant predictor of foreign exchange earnings. There is significant contribution of total tourist arrivals and average duration of stay in employment generation, GDP and government royalties of both countries in the study period. For developing tourism industry, there should be farsighted and focused leadership, stability in political leadership and continuity of government and bureaucracy. The attraction of foreign visitors as well as to sell the product is not an easy task. It certainly requires improvement of tourist facilities; preservation of existing tourism resources; regulation and supervision of tourism industry in desired manner; enhancement of education for the employees; and designation and development of new tourist sites. Tourism industry hinges much also on the competence of guides. Hence there should be special arrangement of security in tourist destinations and extension of facilities to tourists.

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Annexure

Annex-I: Total Tourists Arrivals, Growth Rate of Nepal, Average Duration of Stay & Foreign Exchange Earnings from Tourism Industry of Nepal, 2000/01- 2019/20.

Year	Total Tourists Arrivals	Growth Rate (%)	Average Duration of Stay	FEEs (Rs. in Ten Million)	FEEs (USD. in Million)
1995/96	363395	11.28	11.27	952.12	168.43
1996/97	393613	8.30	13.50	852.30	149.45
1997/98	421857	7.20	10.50	988.16	145.47
1998/99	463684	9.90	10.80	1216.78	177.59
1999/00	491504	6.00	12.80	1207.39	170.66
2000/01	463646	-5.7	11.88	1171.70	156.16
2001/02	361237	-21.17	11.93	865.43	110.53
2002/03	275466	-23.7	7.92	1174.77	156.53
2003/04	338132	22.7	9.60	1814.74	243.75
2004/05	385297	13.9	13.50	1046.40	148.11
2005/06	375398	-2.6	9.10	955.60	128.44
2006/07	383926	2.3	10.20	1012.50	155.41
2007/08	526705	37.2	12.00	1865.30	271.12
2008/09	500277	-5.0	11.80	2796.0	356.86
2009/10	509752	1.9	11.60	2813.9	376.49
2010/11	602867	18.3	12.70	2461.1	345.42
2011/12	796215	22.1	13.10	3070.4	345.38
2012/13	803092	9.1	12.90	3421.1	387.35
2013/14	797616	-0.7	12.50	4637.5	472.01
2014/15	790118	-0.9	12.40	5342.9	535.04
2015/16	538970	-31.8	12.80	4176.5	392.20
2016/17	753002	39.7	13.40	5852.7	552.40
2017/18	940218	24.9	12.60	6852.2	655.34
2018/19	1173072	24.8	12.40	7537.4	666.38
2019/20	1197191	2.1	13.0	6088.5	521.14

Source: *Economic Survey (2010/11, 2014/15 & 2019/20).*

Annex-II: Foreign Tourist Arrivals of India, Growth Rate and Foreign Exchange Earning from Tourism Industry of India (2000/01 – 2018/19).

Year	Total Tourists Arrivals of India (Million)	Growth (%)	Foreign Exchange Earnings (US \$ Million)
1995/96	2.12	12.6	2583
1996/97	2.29	7.7	2832
1997/98	2.37	3.8	2889
1998/99	2.36	-0.7	2948
1999/00	2.48	5.2	3009
2000/01	2.65	6.7	3460
2001/02	2.54	-4.2	3198
2002/03	2.38	-6.0	3103
2003/04	2.73	14.3	4463
2004/05	3.46	26.8	6170
2005/06	3.92	13.3	7493
2006/07	4.45	13.5	8634
2007/08	5.08	14.3	10729
2008/09	5.28	4.0	11832
2009/10	5.17	-2.2	11136
2010/11	5.78	11.8	14193
2011/12	6.31	9.2	16564
2012/13	6.58	4.3	17737
2013/14	6.97	5.9	18445
2014/15	7.68	10.2	20236
2015/16	8.03	4.5	21071
2016/17	8.80	9.7	22923
2017/18	10.04	14.0	27310
2018/19	10.56	5.2	28585
2019/20	10.93	3.5	30058

Source: Ministry of Tourism, Government of India (2019/20 & 2020/21) and Indian Tourism Statistics, 2020.

Annex-III: Ratio of Tourists Arrivals of Nepal from India and Tourists Arrivals of India from Nepal (1995-2019).

Year	Tourists Arrivals to Nepal from India	Ratio to Total Tourists (%)	Tourists Arrivals to India from Nepal	Ratio to Total Tourists (%)
1995/96	117260	32.3%	34562	1.63%
1996/97	122512	31.10%	43426	1.88%
1997/98	133438	31.60%	43155	1.82%
1998/99	143229	30.90%	38199	1.62%
1999/00	140661	28.60%	25859	1.04%
2000/01	95915	20.68%	38801	1.46%
2001/02	64320	17.80%	41135	1.62%
2002/03	66777	24.24%	37136	1.56%
2003/04	86363	25.54%	42771	1.57%
2004/05	90326	23.44%	51534	1.49%
2005/06	95685	25.50%	77024	1.96%

2006 /07	93722	24.41%	91552	2.06%
2007 /08	96010	18.23%	83037	1.63%
2008/09	91177	17.31%	78133	1.48%
2009/10	93884	18.42%	104374	2.02%
2010/11	120898	20.05%	119131	2.06%
2011/12	147037	18.47%	125375	1.99%
2012/13	165815	20.65%	113790	1.73%
2013 /14	180974	22.69%	126416	1.81%
2014/15	135343	17.13%	126362	1.64%
2015/16	75124	13.94%	154720	1.93%
2016/17	118249	15.70%	161097	1.83%
2017/18	160832	17.11%	164018	1.63%
2018/19	194323	16.56%	174096	1.65%
2019/20	254150	21.23%		

Source: *Economic Survey (2010/11, 2014/15 & 2019/20) of Nepal & Ministry of Tourism of India (2009/10 & 2019/20).*

Annex-IV: Contribution of Tourism Industry to GDP of Nepal & India (2000/01- 2018/19).

Year	Contribution to GDP of India (%)	Contribution to GDP of Nepal (%)
1995/96	13.1	3.8
1996/97	13.1	3.0
1997/98	14.2	3.3
1998/99	14.0	3.6
1999/00	14.3	3.2
2000/01	14.0	2.7
2001/02	11.7	1.9
2002/03	13.5	2.4
2003/04	14.3	3.4
2004/05	13.6	1.8
2005/06	10.0	1.5
2006/07	9.6	1.4
2007/08	10.1	2.3
2008/09	10.0	2.8
2009/10	9.6	2.4
2010/11	9.3	1.8
2011/12	9.1	2.0
2012/13	9.1	2.0
2013/14	9.2	2.4
2014/15	9.2	2.5
2015/16	9.3	1.9
2016/17	9.4	2.2
2017/18	9.3	2.3
2018/19	9.2	2.2
2019/20	9.3	1.5

Source: *Ministry of Tourism of India, WTTC and Economic Surveys of Nepal./ Knoema-World Data Atlas, 2021.*