

## ABSTRACT

Tourism is one of the fastest growing economic sectors. Tourism is closely related to the climatic conditions. India is a tropical country having latitudinal extent from 8°4' N to 37°6' N with wide variation in its climate and geographical characteristics. Being a peninsular country in the tropical belt, compared to other geographical factors climatic variation across regions are very significant and make it prone to natural disasters like cyclones, floods, droughts etc. These factors also have important role to play in the context of tourism. This study attempts to assess the impact of climate and climate change on Indian tourism. This paper differentiates between climate and weather by analysing them separately with respect to both domestic and foreign tourism inflows. More specifically, the paper uses cross-sectional regression to study the climate effect on tourism and dynamic panel regression model to study tourism inflow across the states. Along with the climate the study also accounts for the location factors by dividing the states into northern and southern states on the basis of their location above and below the tropic of cancer (23.5°N), respectively. The study results show that foreign tourist arrivals (FTAs) will decrease in the months of October, November and December with an increase in climate temperature, while domestic tourism in Northern India will have no effect with an increase in temperature during these months. An increase in rainfall will have positive impact on tourism inflows during these months. Thus the study attempts to demonstrate that a precise analysis on tourism can be carried out in relation to climate and location factors.