

Standing Committee Report Summary

Promotion of Indian Tourism in Overseas Markets

- The Standing Committee on Transport, Tourism, and Culture (Chair: Mr. T.G. Venkatesh) presented its report on ‘Promotion of Indian Tourism in Overseas Markets - Role of Overseas Tourist Offices and Indian Embassies’, on February 3, 2022. Key observations of the Committee include:
- **Under-utilisation of inbound tourism:** As per 2018 statistics, India ranks 22nd in terms of international tourist arrivals (around 1.24% share). The Committee noted that India’s share in international arrivals is below potential. It recommended the Ministry of Tourism to increase India’s share of global tourism market to 5% (from 1.24%) in the coming years by: (i) formulating an integrated marketing and promotional strategy, and (ii) redesigning the website of the Ministry in an attractive and user-friendly manner. Further, the Committee recommended the government to facilitate establishing genuine outlets for souvenir shops near monuments as they are popular among foreign tourists.
- **High tax rates:** The Committee noted that despite international tourism being a major foreign exchange earner (Rs 2,11,661 crore in 2019), the taxes levied on inbound tourism are among the highest in the country. It recommended: (i) a holistic review of the tax regime applicable to the travel and tourism sector, and (ii) converting India’s comparative natural and economic advantages into competitive advantages.
- **Indian Embassies:** The Committee noted that the Prime Minister had suggested that the functioning of Indian Missions and embassies should be judged from their ability to boost tourist inflows. It recommended that Indian Ambassadors must set targets for the growth of Indian tourism in key markets across the world with the objective of increasing foreign tourist arrivals to the country.

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