

Standing Committee Report Summary

Tourism Promotion and Pilgrimage Circuit

- The Standing Committee on Railways (Chair: Mr. Sudip Bandyopadhyay) submitted a report on ‘Tourism Promotion and Pilgrimage Circuit’ on January 4, 2018. Key observations and recommendations of the Committee include:
 - **Railways’ role in tourism:** The Committee observed that the foreign exchange earnings from tourism were around USD 21.07 billion during 2015 and contributed to about 6-7% of the GDP. However, much of the potential for tourism in India remains unexplored. The Committee noted that Railways can play a crucial role in promoting tourism in the country because of its wide reach. It also provides an economic and eco-friendly means of transport across the country. Further, Railways can also tap into the numerous pilgrimage centers across the country. It recommended that there should be representation for tourism in the Railway Board which would help them frame tourism related policies.
 - **Financial overview:** The Committee observed that the budget earmarked by the Indian Railway Catering and Tourism Corporation (IRCTC) for tourism promotion during the years 2013-14, 2014-15, 2015-16 and 2016-17 was Rs 6 crore, Rs 4.2 crore, Rs 4 crore and Rs 3.7 crore respectively. It noted that such budget allocation for a major head is grossly inadequate and shows a declining trend. Further, IRCTC’s utilisation of these funds has ranged between 55% to 90%. No funds for promotion of pilgrim places are provided separately. It recommended that the budget allocation to IRCTC for tourism should be increased immediately, and a separate fund be created for the promotion of tourism and pilgrimage in India.
 - **Tourism promotion:** The Committee noted that Indian Railways promotes tourism by connecting various tourist places. However, states with a high potential for tourism such as Jammu and Kashmir, Chhattisgarh, Jharkhand, Uttarakhand, northern part of Kerala and north eastern states witness minimal presence of Railways. It suggested that if Railways have to increase their revenue, they will have to focus on those areas which possess touristic/ historic/ religious importance, and are not connected by rail.
 - **Pilgrimage circuit:** IRCTC runs various tourist and pilgrimage special trains like Bharat Darshan Train, Pilgrim special tourist train, and Buddhist special train. Between 2011 and 2016, Railways have introduced around 600 trains of which only seven trains have been dedicated for promotion of tourism and pilgrimage. The Committee noted that frequent changes in the train trips and introducing new train circuits without analysing the reasons for closing the previous ones reveals the unpreparedness and poor decision making on the part of Railways. It recommended that the Ministry should prepare a comprehensive long term plan to cater to the emerging needs of the tourism sector in India.
- The Committee noted that Ministry does not have any specific guidelines for categorising a particular station as a touristic and pilgrimage place. This is despite the concerned Zonal Railway Manager having powers to do so. It noted that the Railways should not take the tourism and pilgrimage sector lightly as it may be a source of revenue. It recommended that the Ministry of Railways should collaborate with the Ministry of Tourism to share data and conduct surveys. Further the Ministry should form a Committee at the zonal level to explore and identify the places of touristic and pilgrimage importance where Railways’ contribution will be required.
- **Luxury tourist trains:** Luxury tourist trains are premier luxury services being offered by Indian Railways (or IRCTC) in collaboration with the State Tourism Development Corporations. Between 2012 and 2016, all the five luxury trains earned a revenue of Rs 497 crore. Of this Railways’ share has been Rs 260 crore (52%). The Committee observed that the revenue generation by these trains is on the lower side, and has stagnated in the last few years. Further, for certain trains, such as the Deccan Odyssey, the cost of running them are higher than the total revenue generated by them. However, Railways does not incur any losses on these luxury trains, as it is only concerned with the transportation costs, and not the operations of such trains.
- The Committee recommended that the Ministry of Railways should look at proactive advertisement and publicity with respect to these luxury trains along with the concerned State Tourism Departments. Further, the Ministry should maintain records of all the expenditure incurred on these luxury trains along with the revenue earned so that the actual profit and loss is known.

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