

**GOVERNMENT OF INDIA
MINISTRY OF TOURISM**

**LOK SABHA
UNSTARRED QUESTION NO.1218
ANSWERED ON 06.12.2021**

FINANCIAL RELIEF TO TOURISM INDUSTRY

1218. SHRIMATI POONAM MAHAJAN:

Will the Minister of TOURISM be pleased to state:

- (a) whether it is a fact that the National Restaurant Association of India, travel and tourism associations and other associations have submitted representations to the Government for providing financial relief to the industry to mitigate the fixed operating costs;**
- (b) if so, the details thereof;**
- (c) the response of the Government on these representations;**
- (d) whether it is also a fact that the Government would consider deferment of all statutory dues at the Central and State level, moratorium on bank loans and general invocation of force majeure clause in view of the global pandemic;**
- (e) if so, the details thereof; and**
- (f) the time by which the final decision in this regard is likely to be taken?**

ANSWER

MINISTER OF TOURISM

(SHRI G. KISHAN REDDY)

(a) to (f): All representations for relief measures received from the hospitality stakeholders have been taken up with the concerned Ministries and Departments of Government of India and State Governments/Union Territory Administrations for necessary action at their end.

The details of fiscal & relief measures announced by the Government to support the hospitality and tourism industry are at Annexure.

STATEMENT IN REPLY TO PARTS (a) to (f) OF LOK SABHA UNSTARRED QUESTION NO.1218 ANSWERED ON 06.12.2021 REGARDING FINANCIAL RELIEF TO TOURISM INDUSTRY

FISCAL AND RELIEF MEASURES ANNOUNCED BY THE GOVERNMENT TO SUPPORT THE INDIAN TOURISM & HOSPITALITY INDUSTRY

The following are the various fiscal relief measures announced by the Government, expected to benefit the Indian Hotel Industry:

- i. The Government announced Atmanirbhar Bharat Package vide which Rs.3 lakh crore collateral free automatic loan has been made available for MSMEs. The loan will have 4- year tenure and 12-month moratorium.**
- ii. The Government waived off PF contribution for three months for organisations with less than 100 pax and 90% of their employees earn below Rs.15000.**
- iii. Under Atmanirbhar Bharat package, PF contribution of both employer and employee has been reduced to 10% each from existing 12% each for all establishments covered by EPFO for three months**
- iv. Deferment of TCS up to October 2020.**
- v. Return filing deferred for three months with no penal interest for companies up to Rs.5 Crore, rest @ 9% penal interest.**
- vi. The Central government also gave relief from various regulatory compliances under Income Tax Act, companies Act and GST Act for varying period in the wake of COVID-19 crisis to ensure business continuity and survival.**
- vii. The RBI extended moratorium on term loans till 31st December 2020.**
- viii. Suitable provision for funds for implementing the Service Exports from India Scheme (SEIS) for services rendered in FY 2019-20 made by the Ministry of Finance.**
- ix. The Government of India has launched Emergency Credit Line Guarantee Scheme (ECLGS) to support eligible Micro, Small and Medium Enterprises (MSMEs) and business enterprises in**

meeting their operational liabilities and restarting their business.

- x. The Government announced the Emergency Credit Line Guarantee Scheme (ECLGS) 3.0 on 31.3.2021. The scope of the scheme was enlarged to cover business enterprises in Hospitality, Travel & Tourism and Leisure & Sporting sectors.
- xi. The details of guarantees issued under the scheme are given below:

Emergency Credit Line Guarantee Scheme (ECLGS) Tourism and Hospitality Scheme wise data as on 30.09.2021			
Industry Nature	Support Under	No. of Guarantees Issued	Amount of Guarantees issued on account of loans sanctioned under the scheme (in Rs. crore)
Travel and Tourism	ECLGS 3.0	2,732	1,371.62
Hospitality	ECLGS 3.0	3,160	5,430.96
Hotels, Restaurants, Tourism	ECLGS 2.0	218	3,403.90
Tourism, Hotels & Restaurants	ECLGS 1.0	96,219	3559.43
Total		1,02,329	13,765.91

- xii. The validity of ECLGS (ECLGS 1.0, ECLGS 2.0 & ECLGS 3.0) was extended upto 30.06.2021 or till guarantees for an amount of Rs. 3 lakh crore are issued. Last date of disbursement under the scheme was extended to 30.09.2021.
- xiii. On 16.06.2021, Hon'ble Finance Minister announced release of SEIS scrips for 2019-20.
- xiv. Financial support under the "Loan Guarantee Scheme for Covid Affected Tourism Service Sector (LGSCATSS)". The scheme will cover Regional Level Tourist Guides recognised

by the Ministry of Tourism and Tourist Guides recognised by the State Governments/ UT Administrations and Travel and Tourism Stakeholders (TTS) recognized by the Ministry of Tourism. TTS's will be eligible to get a loan upto Rs. 10.00 lakh each while tourist guides can avail loan upto Rs. 1.00 lakh each. There will be no processing charges, waiver of foreclosure / prepayment charges and no requirement of additional collateral. Scheme to be administered by the Ministry of Tourism through NCGTC.

- xv. Free Tourist Visa to 5.00 Lakh: As per the announcement, once Visa issuance is restarted, the first 5 lakh Tourists Visas will be issued free of charge. The benefit of free of charge visa will be available only once per tourist during the issuance of the first 5 lakh tourist visas (free of charge visas). The scheme will be applicable till 31st March 2022 or till 5,00,000 visas are issued, whichever is earlier.**
- xvi. Ministry of Finance has given concurrence to release SEIS scrips on 16.06.2021. Earlier, several Industry stakeholders had flagged appeals to the government to release SEIS Scrips for 2019-20 and DGFT had put a detailed proposal for the allocation for SEIS for exports made during 2019-20. Taking all circumstances into account, the Department of Expenditure, Ministry of Finance has given concurrence to the proposal of Department of Commerce for continuation of SEIS for 2019-20 with a financial allocation of Rs.2061 crore subject to the condition that the amount will be provided through Expenditure Budget following the procedure of providing a New Minor Head.**
- xvii. Vide notification dated 26th April 2021, "Exhibition-cum-Convention Centre" has been included in the Harmonized Master List of Infrastructure Sub-sectors by insertion of a new item in the category of "Social and Commercial Infrastructure", with a footnote defining Exhibition-cum-Convention Centre.**
- xviii. On 28th June 2021, the Government announced a stimulus package to boost diverse sectors of economy affected by**

COVID-19 pandemic and provide impetus for growth and employment measures. The package comprises a total of 17 measures in three broad categories, which included 'Economic relief from Pandemic, with special focus on health and reviving travel and tourism sectors' and 'Impetus for Growth and employment'.

- xix. On 12th November 2020, the Government announced the Aatmanirbhar Bharat RozgarYojana- to incentivize job creation during COVID-19 recovery. The Aatmanirbhar Bharat RozgarYojana has been extended till 31st March 2022.**
- xx. Operational Recommendations for safe resumption of business with easing of lockdown restrictions have been issued for various segments of the travel and hospitality industry and circulated amongst all stakeholders.**
- xxi. With a view to prepare for a post-COVID 19 revival, the Ministry has formulated and issued detailed operational guidelines for Covid safety and hygiene for hotels, restaurants, B&Bs/Home stays and Tourism Service Providers on 08.06.2020 to facilitate smooth resumption of business.**
- xxii. An initiative called SAATHI (System for Assessment, Awareness & Training for Hospitality Industry) has been developed, for effective implementation of Guidelines/SOPs issued with reference to COVID-19 and beyond for safe operations of Hotels, restaurants, B&Bs and other units.**
- xxiii. Further, the Ministry of Tourism has issued modified guidelines for Recognition of Tourism Service Providers dated 08.12.2020 which are effective from January 2021. As per the modified guidelines, Category of Greenshoot / Start-up- Agencies is being introduced for the first time. This is in keeping with the policy of the Govt. of India for encouraging Start-Ups and will also further the cause of 'Atmanirbhar India'.**
- xxiv. With an aim to incentivize stakeholders in the Tourism industry, the Guidelines for the Scheme of Market Development Assistance (MDA) for providing financial support to stakeholders for the promotion of Domestic Tourism have been modified to enhance the scope and reach of the scheme,**

so as to provide maximum benefits to the stakeholders. Additional promotional activities have been incorporated including online promotions and the extent of financial assistance permissible has been enhanced.

- xxv. Recognising the fact that revival in the tourism sector will be largely spearheaded by Domestic tourism, the Ministry initiated arranging a series of webinars under the overall theme of DekhoApnaDesh. The objective is to generate awareness and at the same time sustain interest amongst stakeholders, students and the general public.**
- xxvi. Validity of approval or certifications of hotels and other accommodation units whose project approval/re-approval and classification/re-classification have expired/were likely to expire, has been extended upto 31st March, 2022.**
- xxvii. Recognition of Travel Agents, Tour Operators, Tourist Transport Operators by the Ministry of Tourism has been extended automatically by six months. Those who have submitted applications for recognition by the Ministry have been given provisional recognition for six months, pending completion of required procedures.**
- xxviii. The Guidelines of the Marketing Development Assistance Programme under the Overseas Promotion and Publicity Scheme has been modified to enhance the scope and reach of the scheme, so as to provide maximum benefits to the stakeholders in the tourism industry.**
