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Notification declaring
Tourism as an Industry
&
rules for grant of incentive
for Promotion of Tourism in
the State of Assam

15/11/51



Govt. of Assam
Department of Tourism
Assam.

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GOVERNMENT OF ASSAM
TRANSPORT AND TOURISM DEPARTMENT
ORDERS BY THE GOVERNOR OF ASSAM
NOTIFICATION

Dated Dispur, the 6th November, 1987.

No. TSM. 50/83/Pt-48:

The Government have, after careful consideration, already decided in principle to declare Tourism as an 'Industry' for the purpose of considering tourism ventures as eligible for suitable concessions as Industry. These concessions will contribute to the cause of tourism promotion and consequent upliftment of the economic conditions of the people specially the weaker sections, who can benefit from the promotion of Tourism in their areas.

In pursuance of this policy and considering the immense importance of Tourism having regards to its capacity for employment generation, foreign exchange earning, indirect employment potential, the Government declare Tourism as an 'Industry'.

In declaring Tourism as an 'Industry', the following concessions will be made available to the private

- restors :
- (a) Subsidy for preparation of feasibility report, project report ~~maps~~ the Industrial Policy of 1986.
 - (b) Incentives for training of local manpower.
 - (c) Power subsidy and subsidy on generating sets as per the Industrial Policy of 1986.
 - (d) Allotment of Govt. land on premium or long term lease. (Subject to approval of Revenue Department.)
 - (e) Managerial Subsidies.

(f) Grants/ subsidies on equipments/ furniture.

institutes.

The following will be considered eligible for the above incentives :-

- (a) Classified hotels.
- (b) Restaurants, approved by Classification Committee of Government of India.
- (c) Amusement parks and Recreation centres, approved by the Government.
- (d) Purchase of Luxury Cars, Coaches, Tour Carriers, approved by the State/ Central Department of Tourism.

(e) Wayside restaurants/ Hotels, eating places. (Subject to approval of Committee for determining eligibility and sanction of Subsidy).

The Implementing Agency for disbursement of subsidy for Tourism will be the Directorate of Tourism, Assam and necessary provision of fund would be made in the Budgets of the Tourism and the Industries Departments.

A Committee for determining eligibility and sanction of subsidy is constituted with the following members :

- (1) Secretary to the Govt. of Assam, Tourism Department. ... Chairman.
- (2) Secretary to the Govt. of Assam, Finance Department. ... Member.
- (3) Secretary to the Govt. of Assam, Industries Department. ... Member.
- (4) Director of Industries, Assam. ... Member.
- (5) Director of Tourism, Assam. ... Member.

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Secretary to the
Tourism Department

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GOVERNMENT OF ASSAM
TRANSPORT AND TOURISM DEPARTMENT

NOTIFICATION

Dated Dispur, the 22.6.92

No. TSM. 79/87/18:

In pursuance of Govt. Notification No. TSM. 50/83/Pt-48, dated 6.11.87 the Governor of Assam is pleased to notify the following Rules regulating grant of incentives to Entrepreneur for promotion of Tourism in Assam. The Rules shall come into force with immediate effect.

1. Introduction

: The Govt. of Assam, with a view to accelerate growth of Tourism in Assam and encourage entrepreneur to invest in building up tourism infrastructure in the State have declared tourism as an industry vide Notification No. TSM. 50/- 83/Pt/48, dt. 6.11.87. These Rules have been framed to regulate the grant of incentive and other matters related thereto.

2. Short title

: These Rules shall be called the Rules for grant of incentive for promotion of Tourism in the State of Assam.

3. Definitions

: Unless stated otherwise in the context—

a) Hotel means
and includes

: Construction of hotel/ house boats with or without board suitable for accommodation of

of Tourism.
(u) substantive renovation and or expansion of existing hotels on the approved list of the Deptt. of tourism, with a view to improving the existing standard and/ or to provide additional facilities.

: Construction of lodging houses with provision of beds, linen, kitchen facilities, cooking utensils, crockeries and cutlery, fuel for cooking, provision of canned food etc. for motorists and travellers for overnight stays, car parking etc.

: Eating places approved by the classification Committee of Govt. of India.

: i) Places having facilities like restaurant, eating place, cafeteria, children park, museum, safari park, swimming pool, auditorium, sports including water sports and other amusements and recreations as approved by the Deptt. of Tourism.

: The following shall be considered eligible for incentive under these rules.

- (a) Classified Hotels.
- (b) Restaurants approved by the classification Committee of Govt. of India / Govt. of Assam.
- (c) Amusement parks and recreational centres as approved by the Govt. of Assam.
- (d) Purchase of Luxury Cars, Coaches and Tour operators.
- (e) Wayside restaurants, Motels, Hotels eating places.

b) Motel means & includes

c) Restaurants means

d) "Amusement recreation centre" means and include

4. Subject to approved of the Committee

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5. Implementing Agency

: The Implementing Agency for disbursement of subsidy for tourism shall be the Directorate of Tourism which will disburse incentives as per recommendation of the Committee. The Committee constituted by the Government for the purpose of granting incentive shall (i) Consider all applications received for grant of incentives. (ii) Satisfy itself that the project would genuinely serve the interest of promotion of tourism, and is economically and commercially viable and shall make its recommendations accordingly, indicating the quantum of incentive recommended, period for which recommended and any special terms and conditions for granting incentive. (iii) shall determine the terms and conditions that shall be fulfilled by the applicant and may require the applicant to have special audit of his accounts by a prescribed auditor and to submit all other relevant matters to determine interalia its eligibility to receive incentives.

6. The following conditions/ incentives are available and the Board shall determine eligibility to receive all or any of these incentives.

- a) Subsidy for preparation of project report/ feasibility report.
- b) Incentive for training of local manpower.
- c) Power subsidy and subsidy on generating sets as per the Industrial Policy, 1986.
- d) Recommendation for allotment of

Govt. land for establishment of project on premium or long term lease subject to the approval of Revenue Department.

e) Managerial subsidy.

f) Grants/ Subsidies on equipments and furnishings for approved projects.

g) Registered new projects undertaken by an industrial firm, a public sector Company of the State of Assam or a private sector Company shall be eligible for incentives, provided the project for which incentive is applied for is approved by the Directorate of Tourism, Assam.

ii) The project should be financially sound and economically viable.

iii) The applicant should be able to adduce evidence that he is financially sound to raise at least 40% of the project cost from his own resources.

iv) He shall have to adduce evidence of financial support from financial institutions/ banks, credit houses to complete the project.

v) The project shall be located in a place of tourist interest or on important tourist circuits. The opinion of the committee in this respect will be final.

vi) The size and standard of the project should be suitable for the place in which it is located, and should conform to the category of project prescribed/ advised by the Director of Tourism.

vii) The applicant shall undertake to abide by the regulatory conditions

for operation of the project prescribed by the Director of Tourism from time to time.

Tourism shall be as follows:-

8. Pattern/ Type of Incentives

- A. Subsidy for preparation of feasibility report.
- i) In case of all projects the capital cost of which does not exceed Rs. 1 crore, the Department of Tourism will provide subsidy for preparation of project report feasibility report prepared by agencies approved by the State Govt., subject to a maximum of Rs. 10,000/- (Rupees ten thousand). Project/ feasibility reports for which contribution have already been received or eligible for receipt from A.I.D.C. or Industry Department, shall not be entitled for subsidy. The project report/ feasibility report for the following projects will be eligible for subsidy.
- a) Hotels upto 3 star classification.
 - b) Restaurant approved by the classification committee of Govt. of India.
 - c) Wayside restaurants, Hotels, Motels, eating places approved by the Tourism Department.
 - d) Amusement park/ recreation centre approved by the Department of Tourism.
- ii) If the project is not implemented within reasonable prescribed period of three years it shall be the property of the Department of Tourism.
- B. Development of manpower -
- Development of manpower to incentive shall be provided to persons by Government in

management of tourism infrastructure. The maximum incentive shall be Rs. 1000/- (Rupees one thousand) per trainees per year and may be given up to a maximum of three years, subject to satisfactory progress in the training, and subject to execution of an undertaking to serve in the State of Assam for an equal number of years for which the incentive is provided.

C. Power subsidy and subsidy on power generating set shall be as per Industrial policy of 1986

D. Allotment of Govt. land :-

i) Subject to the approval of the Department of Revenue, Govt. of Assam, land shall be granted on premium or long term lease for the following types of projects.

a) Construction of Hotels upto three star category.

b) Construction of amusement parks, restaurants, recreation centres approved by the Department of Tourism.

c) Construction of wayside restaurants, Motels, Hotels, eating places approved by the Department of Tourism.

ii) The Government may at its discretion also enter into equity participation in a project for which Government land have been made available and the equity contribution of Government shall be equal to the value of the land assessed by proper authority.

E. Subsidy on equipments and furniture :- Subsidy at the rate of

40% of value of equipments and furniture required for hotels upto three star, restaurants, motel, eating places, amusement parks and recreation centres approved by the Department of Tourism, Govt. of India or the State Govt. shall be paid, subject to a maximum of Rs.25,000/- (Rupees twenty five thousand) only. The requirement of furniture or equipment shall be determined by the Committee.

F. Managerial Subsidy :—

An approved project shall be eligible for managerial subsidy of 40% of the expenditure on actual operation of the project subject to a maximum of Rs.25,000/- per annum. The employees needed for management of the project on the basis of its size and standard and the amount required for salary etc. shall be determined by the Committee. The subsidy will be available for the first two years of operation of the project only.

G. In addition to the above subsidy and financial assistance, the other regular standing financial assistance, from various Institutes like Bank/ Assam Financial Corporation/ Assam Industrial Development Corporation etc. may be obtained.

Commissioner to the Govt. of Assam
Tourism Department, Dispur-6.
dt. 22.6.92.