

GOVERNMENT OF INDIA  
MINISTRY OF TOURISM

RAJYA SABHA  
UNSTARRED QUESTION NO.1113  
ANSWERED ON 20.09.2020

**LOSS INCURRED TO THE TOURISM INDUSTRY DUE TO COVID-19**

1113. SHRI DEREK O' BRIEN:

Will the Minister of **TOURISM** be pleased to state:

- (a) the details of estimated loss to the tourism industry due to COVID-19;
- (b) whether Government has taken any steps to mitigate the loss to the tourism industry during COVID-19, if so, the details thereof; and
- (c) whether Government has held consultations with the stakeholders from the Tourism industry to form a plan of action for COVID-19, if so, the details thereof and, if not, the reasons therefor?

**ANSWER**

MINISTER OF STATE FOR TOURISM (INDEPENDENT CHARGE)

(SHRI PRAHLAD SINGH PATEL)

(a): No formal study has been instituted for assessment of the impact of COVID-19 on the Tourism sector, tax revenue loss and job losses. However, several rounds of discussions and brainstorming sessions with industry stakeholders indicate massive loss of revenue, foreign exchange and jobs. In view of the highly unorganized nature of the sector, the impact in numerical terms can only be ascertained in due course.

(b): The stimulus packages announced by the various agencies and ministries of Government of India to revive the economy and industry are given in **Annexure-I**.

In addition to the above, the Central Government has announced Atmanirbhar Bharat package vide which Rs.3 lakh crore collateral free automatic loan has been made available for MSMEs. Under this package the definition of MSME was revised by which the differentiation between manufacturing and services sector MSMEs has been removed. This will benefit the tourism sector, as 70%-80% of the units in this sector fall under MSME.

(c): The Ministry is regularly interacting with stakeholders on issues related to post COVID revival of the Tourism sector and has issued operational recommendations for different segments of the travel and hospitality industries for safe resumption of business. The Ministry has also had consultations with industry representatives for reviewing the guidelines of the Market Development Assistance Scheme so as to increase the scope and reach of the scheme.

In addition to that, the Ministry of Tourism has constituted a Task Force under the chairmanship of Hon'ble Minister for Tourism to meet the challenge posed by the outbreak of COVID-19 and make appropriate recommendations/plan of action for the revival of the tourism sector in the country. The Task Force will include State Tourism Ministers, Joint Secretary level officers of the concerned Central Ministries and representatives from associations like FICCI, CII, ASSOCHAM, WTCII as well as heads of tourism and hospitality associations.

Further Steps that have been taken by Ministry of Tourism to overcome the crisis caused by Covid-19 pandemic in the tourism sector is given in **Annexure-II**.

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## ANNEXURE-I

### STATEMENT IN REPLY TO PART (b) OF THE RAJYA SABHA UNSTARRED QUESTION NO.1113 ANSWERED ON 20.09.2020 REGARDING LOSS INCURRED TO THE TOURISM INDUSTRY DUE TO COVID-19

Packages announced by the various agencies and ministries of Government of India are given below:

- RBI has extended moratorium on term loans till 31<sup>st</sup> August 2020.
- The government has further 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 will have 12-month moratorium.
- The Government waived off PF contribution for three months for organizations with less than 100 pax and 90% employees having salary below Rs.15000. 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 the next three months i.e. up to September 2020.
- Deferment of TCS upto October 2020.
- Return filing deferred for three months with no penal interest for companies upto Rs.5 Crore, rest @ 9% penal interest.
- The Central government has also given 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.

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## ANNEXURE-II

### STATEMENT IN REPLY TO PART (c) OF THE RAJYA SABHA UNSTARRED QUESTION NO.1113 ANSWERED ON 20.09.2020 REGARDING LOSS INCURRED TO THE TOURISM INDUSTRY DUE TO COVID-19

The following steps have been taken by Ministry of Tourism to overcome the crisis caused by Covid-19 pandemic in the tourism sector:

- i. Detailed operational guidelines for Covid safety and hygiene has been prepared in order to create awareness, training and assessment of compliance of the guidelines. The program is aimed at building the capacity of the Hospitality industry particularly small and medium units to restart and grow their business.
- ii. A robust information system / comprehensive data base of various accommodation units throughout the country has been created for coordinating and ensuring registration of all unclassified accommodation units.
- iii. Operational recommendations for hotels, restaurants, B&Bs/ Home stays and Tourism Service Providers have been formulated and issued on 08.06.2020 to facilitate smooth resumption of business.
- iv. 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 30<sup>th</sup> September, 2020.
- v. The Ministry, in collaboration with QCI, has developed an initiative called SAATHI (System for Assessment, Awareness & Training for Hospitality Industry), 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.

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