

GOVERNMENT OF INDIA
MINISTRY OF TOURISM

RAJYA SABHA
UNSTARRED QUESTION NO.3196
ANSWERED ON 23.03.2021

ECONOMIC STIMULUS PACKAGE FOR REVIVAL OF TOURISM SECTOR

3196. DR. BANDA PRAKASH:

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

- (a) whether the tourism and travel industry has been worst affected by lockdown and unlock - restrictions due to Covid-19 pandemic in the country and, if so, the details thereof;
- (b) whether inflow of foreign tourist in the country has been severely affected due to COVID-19 and if so, the details of estimated loss of foreign exchange; and
- (c) whether Government has provided any compensation or stimulus package to provide relief to the tourism sector and, if so, the details thereof?

ANSWER

MINISTER OF STATE FOR TOURISM (INDEPENDENT CHARGE)
(SHRI PRAHLAD SINGH PATEL)

(a) & (b): The closure of the travel and tourism industry had a cascading effect on the livelihood of people dependant on tourism and hospitality sector. The Ministry has engaged NCAER in January, 2021 to conduct a study on "India and Coronavirus Pandemic: Economic losses for Households Engaged in Tourism and Policies for Recovery". The objective of this study are as follows:

- Quantify the sector-wise (or industry-wise) direct and indirect impact of tourism activities on overall economy, as a whole and especially on household income, which may be further disaggregated into different types of households like formal and informal.
- Quantify the sector-wise and overall loss in income of the economy and of the household sector and also the loss in jobs, due to the impact of Coronavirus pandemic on the tourism sector.
- Estimate the impact of gradual opening up of domestic tourism activities and of the sectors related to tourism.
- Estimate the likely impact of opening of international tourism, in the phased manner.
- Propose policy measures appropriate to provide relief to the tourism sector, in general, and households involved in tourism related activities, in particular.

Since the situation is still evolving, the final impact can only be ascertained in due course.

(c): The Government announced various fiscal and relief measures under the Aatmanirbhar Bharat Package which is expected to benefit the Tourism Industry. The stimulus package announced by the Government of India is outlined as under:

- The Government has further announced Aatmanirbhar 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 organisations with less than 100 pax and 90% of their employees earn below Rs.15000.
- Under Aatmanirbhar 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 up to October 2020.
- Return filing deferred for three months with no penal interest for companies up to 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.
- The RBI has extended moratorium on term loans till 31st December 2020.
