

GOVERNMENT OF INDIA
MINISTRY OF TOURISM

RAJYA SABHA
UNSTARRED QUESTION NO.2397
ANSWERED ON 16.03.2021

IMPACT OF COVID-19 PANDEMIC

2397. SHRI PRABHAKAR REDDY VEMIREDDY:

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

- (a) whether any assessment has been made about the impact of COVID-19 on tourism and hospitality sector;
- (b) whether it is a fact that nearly 5 crore people in tourism and hospitality sectors have lost their jobs due to lockdown and pandemic;
- (c) if so, the details thereof;
- (d) the stimulus package that the Ministry proposes to give and whether any package has been given under Atmanirbhar Bharat Package;
- (e) if so, the details thereof; and
- (f) how the Ministry is planning to keep afloat tourism and hospitality sector in view of Ministry getting little help in the Budget 2021-22?

ANSWER

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

(a), (b) & (c): 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.

(d) & (e): The Government of India announced various fiscal and relief measures under the Atmanirbhar Bharat Package to benefit the tourism and hospitality sector.

The stimulus package announced by the Government of India is outlined as under:

- 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 organisations less than 100 pax and 90% employees earn 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. Further, RBI has extended moratorium on term loans till 31st December 2020.

(f): The details of the steps taken by the Ministry of Tourism, to overcome the crisis caused by Covid-19 pandemic in the tourism sector, are given at Annexure.

ANNEXURE

STATEMENT IN REPLY TO PART (f) OF RAJYA SABHA UNSTARRED QUESTION NO.2397 ANSWERED ON 16.03.2021 REGARDING IMPACT OF COVID-19 PANDEMIC.

The details of the steps taken by the Ministry of Tourism, to overcome the crisis caused by Covid-19 pandemic in the tourism sector are:

- i. Detailed operational guidelines for Covid safety and hygiene 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.
- ii. 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 30th April, 2021.
- iii. The Ministry 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.
- iv. 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.
- v. 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.
- vi. The Ministry has modified the guidelines of the Marketing Development Assistance (MDA) Programme under which financial assistance is provided to tourism service providers, State Governments and UT Administrations to promote tourism in the overseas markets.
- vii. The Government has revised incentives for MICE events under Champion Services Sector Scheme (CSSS), in order to boost MICE tourism in the country.

The Ministry has undertaken the following activities / initiatives to promote Domestic Tourism:

- i. Dekho Apna Desh webinars.
- ii. Aerial Photography of key cities and cultural assets (Delhi, Chennai, Kolkata, Mumbai, Bengaluru, Udupi, Aurangabad, Iconic Tourist sites) across the country during lockdown.
- iii. Regular consultations with industry stakeholders on issues related to opening up of Tourism sector.
- iv. Handling of tourists, protocols of safety and security, service standards etc.
- v. Domestic Tourism Promotion Campaign through Webinars, social media and other digital platforms.
- vi. Dekho Apna Desh Campaign has been the mainstay of Domestic Promotion. The main focus is to rebuild the trust of the domestic & international travelers in terms of India being the safe destination to travel in post Covid scenario.
