

**GOVERNMENT OF INDIA
TOURISM AND CULTURE
LOK SABHA**

UNSTARRED QUESTION NO:3327
ANSWERED ON:15.04.2002
WISH LIST ON TOURISM INDUSTRY
ANANDRAO ADSUL

Will the Minister of TOURISM AND CULTURE be pleased to state:

- (a) whether his Ministry has submitted any wish-list to Finance Ministry to combat the downturn in the tourism industry;
- (b) if so, the details thereof; and
- (c) the response of the Finance Ministry thereto?

Answer

MINISTER OF TOURISM AND CULTURE (SHRI JAGMOHAN)

(a) : Ministry of Tourism, in consultation with the Travel & Trade industry had requested Ministry of Finance to provide some incentives to the tourism industry to combat the downturn in the tourism arrivals.

(b)&(c) : Out of the proposals submitted by Department of Tourism, Finance Minister has inter alia announced the following benefits for the tourism industry in the Central Government's Budget 2002-2003 :-

- Recognition that Tourism constitutes a priority area in view of its beneficial impact on growth of employment, generation of foreign exchange, and promotion of greater national integration through domestic tourism;
- Increase in Plan Outlay by 50%.
- 6 tourism circuits to be identified for development to international standards during 2002-2003.
- SPVs will be permitted to raise resources from both public and private sectors for infrastructure development in these circuits.
- Development of the World Heritage Site of Hampi as an international destination for tourism.
- New incentives for greenfield airport projects.
- Exemption of Air Travel Tax on air travel from and to North East.
- Service tax exemption given earlier to be extended for one more year : In cases of functions and banquets where the entire bill is for catering services no service tax would be charged.