

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:3857  
ANSWERED ON:22.08.2003  
IMPORT OF LIQUOR  
GADDE RAMAMOCHAN;M.V.V.S MURTHI

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

- (a) whether the three star and other hotels can import foreign liquor duty free against 5 percent of their foreign exchange earnings as per the recent orders of the Government;
- (b) if so, whether this facility is not available to one or two star hotels and other restaurants;
- (c) if so, the reasons therefor; and
- (d) the corrective steps taken by Government to provide this facility to one and two star hotels and restaurants?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANAND RAO V. ADSUL)

(a) to (d): Yes, Sir. The Government has formulated a scheme wherein service providers have been allowed duty free credit entitlement for import of spares, office equipments and furniture, professional equipments and consumables. In the case of hotels (three star and above) related to tourism sector and registered with the Deptt. of Tourism, such duty free entitlement is 5% of the average foreign exchange earned by them provided foreign exchange earning of the service providers is over 10 lakhs for preceding three licensing years.