Assocham seeks relief for tourism, hospitality sectors

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ASSOCHAM (Associated Chambers of Commerce and Industry of India) has urged the government to provide an urgent relief package, comprising long-tenure debt restructuring and priority in vaccination for staff of the hospitality industry.

In a presentation for the ministries of tourism, finance, external affairs, civil aviation and the RBI, the Assocham National Council on Tourism and Hospitality said thousands of MSMEs in the sector have been displaced and their rehabilitation would require liberal and immediate help. Assocham secretary general Deepak Sood said the sector would require immediate short-term packages comprising easy and quick credit lines for at least two years to help retain and pay staff.

The chamber has also asked the government to consider granting e-tourist visas to all those who are fully vaccinated and have negative RT-PCR test results. It further highlighted the importance of vaccinating people employed in the sector, stating that part-time workers, cab drivers, tourist guides, hotel staff and third party/service providers should be vaccinated on a priority basis. Besides, the operations of scheduled international flights should resume, at least from countries with which India has 'air bubble' agreements, it said.

The chamber also urged the finance ministry and GST Council to accept a long-pending demand from the hospitality sector for GST input credit so the cascading impact in the value chain is neutralised. It also urged the Centre and States to waive electricity, excise, and other statutory charges, and immediately release Services Export Incentive Scheme scrips for tour operators and hoteliers. "SEIS scrips for 2019-20 are still pending and need to be cleared. At the same time, the rate for SEIS scrips should be raised from 7 per cent to 10 per cent," chamber stated.