

Rules for Grant of Incentive for Promotion of Tourism in the State of Assam

ASSAM

India

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Rule

RULES-FOR-GRANT-OF-INCENTIVE-FOR-PROMOTION-OF-TOURISM- of 1992

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Rules for Grant of Incentive for Promotion of Tourism in the State of AssamPublished vide Notification No. TSM.79/87/18, dated the 22nd June, 1992Last Updated 12th February, 2020Notification No. TSM.79/87/18, dated the 22nd June, 1992. - In pursuance of Government Notification No. TSM. 50/83/Pt/48, dated 6th November 1987 the Governor of Assam is pleased to notify the following Rules regulating grant of incentives to Entrepreneur for Promotion of Tourism in Assam. The Rules shall come into force with immediate effect.

1. Introduction.

- The Governor of Assam, with a view to accelerate growth of Tourism in Assam and encourage entrepreneur to invest in building up tourism infrastructure in the State have declared tourism as an industry vide Notification No. TSM. 50/83/Pt/48, dated 6th November, 1987. These Rules have been framed to regulate the grant of incentives and other matters related thereto.

2. Short title.

- These Rules shall be called the Rules for grant of incentive for promotion of Tourism in the State of Assam.

3. Definitions.

- Unless stated otherwise in the context.(a)Hotel means and includes-(i)Construction of hotel/house bears with or without boat suitable for accommodation of tourists, and approved by the Department of Tourism.(ii)Substantive renovation and or expansion of existing Hotels on the approved list of the Department of Tourism, with a view to improving the existing standard and/or to provide additional facilities.(b)Motel means and includes. - Construction of lodging houses with provision of beds, linens, kitchen facilities, cooking utensils, crockeries and cutleries, fuel for cooking provision of canned food etc. for motorist and travellers for overnight stays, car parking, etc.(c)Restaurants means. - Eating places approved by the classification Committee of Government of India.(d)"Amusement park and recreation centre" means and includes. - (i) Places having facilities like restaurant, eating place, cafeteria, children park/museum, safari park, swimming pool, auditorium, sports including water sports and other amusements and recreations as approved by the Department of Tourism.

4. Subject to approved of the Committee.

- The following shall be considered eligible incentive under these rules:(a)Classified Hotels.(b)Restaurants approved by the classification Committee of Government of India/Government of Assam.(c)Amusement parks and recreational centres as approved by the Government of Assam.(d)Purchase of Luxury, Cars, Coaches and Tour operators.(e)Wayside restaurants, Motels hotels eating places.

5. Implementing Agency.

- The implementing Agency for disbursement of subsidy tor tourism shall be the Directorate of Tourism, which will disburse incentives as per recommendation of the Committee. The Committee constituted by the Government for the purpose of granting incentive shall.(i)Consider all applications received for grant of incentives.(ii)Satisfy itself that the project would genuinely serve the interest of promotion of tourism, and is economically and commercially viable and shall make its recommendations accordingly, indicating the quantum of incentive recommended, period for which recommended and special terms and conditions for granting incentive.(iii)Shall determine the terms and conditions that shall be fulfilled by the applicant and may be require the applicant to have special audit of his accounts by a prescribed auditor and to submit all other relevant matters to determine inter alia his eligibility to receive incentives.

6.

The following concessions/incentives are available and the Board shall determine eligibility to receive all or any of these incentives.(a)Subsidy for preparation of project report/feasibility report.(b)Incentive for training of local manpower.(c)Power subsidy and subsidy on generating sets as per the Industrial Policy, 1936.(d)Recommendation for allotment of Government land for establishment of project on premium or long term lease to the subject to the approval of Revenue

Department.(e)Managerial subsidy.(f)Grants/Subsidies on equipments and furnitures for approved projects.

7. Eligibility.

- (i) Registered new projects undertaken by an industrial firm, a public sector Company of the State of Assam or a private sector Company shall be eligible for incentives, provided the project for which incentive is applied for is approved by the Directorate of Tourism, Assam.(ii)The project should be financially sound and economically viable.(iii)The applicant should be able to adduce evidence that he is financially sound to raise at least 40% of the project cost from his own resources.(iv)He shall have to adduce evidence of financial support from financial institutions/banks, credit houses to complete the project.(v)The project shall be located in a place of tourist interest or on important tourist circuits. The opinion of the committee in this respect will be final.(vi)The size and standard of the project should be suitable for the place in which it is located, and should conform to the category of project prescribed/advised by the Director of Tourism.(vii)The applicant shall undertake to abide by the regulatory conditions for operation of the project prescribed by the Director of Tourism from time to time.

8. Pattern/Type of incentives.

- Incentives shall be as follows:-A. Subsidy for preparation of feasibility report.(i)In case of all project the capital cost of which does not exceed Rs.1 crore, the Department of Tourism will provide subsidy for preparation of project report, feasibility report prepared by agencies approved by the State Government, subject to a maximum of Rs.10,000/- Rupees ten thousand). Project/feasibility reports for which contribution have already been received or eligible for receipt from A.I.D.C. or Industry Department, shall not be entitled for subsidy. The project report/feasibility report for the following projects will be eligible for subsidy.(a)Hotels upto 3 star classification.(b)Restaurant approved by the classification committee of Government of India.(c)Wayside restaurants, Hotels, Motels, eating places approved by the Tourism Department.(d)Amusement park/recreation centre approved by the Department of Tourism.(ii)If the project is not implemented within reasonable prescribed period of three years it shall be the property of the Department of Tourism.B. Development of local manpower. Incentive shall be provided to persons undergoing training in an institute approved by Government in management of tourism infrastructure. The maximum incentive shall be Rs.1000/- (Rupees one thousand) per trainees per year and may be given up to a maximum of three years, subject to satisfactory progress in the training, and subject to execution of an undertaking to serve in the State of Assam for an equal number of years for which the incentive is provided.C. Power subsidy and subsidy on power generating set shall be as per Industrial policy of 1986.D. Allotment of Government land.-(i)Subject to the approval of the Department of Revenue, Government of Assam, land shall be granted on premium or long term lease other following types of projects.(a)Construction of Hotels upto three star category.(b)Construction of amusement parks, restaurants, recreation centres approved by the Department of Tourism.(c)Construction of wayside restaurants, Motels Hotels, eating places approved by the Department of Tourism.(ii)The Government may at its discretion also enter into equity participation in a project for which Government land have been made available and equity

contribution of Government shall be equal to the value of the land assessed by proper authority.E. Subsidy on equipments and furnitures. Subsidy at the rate of 40% of value of equipments and furniture required for Hotels upto three star, Restaurants, Motel, eating places, amusement parks and recreation centres approved by the Department of Tourism. Government of India or the State Government shall be paid, subject to a maximum of Rs.25,000/- (Rupees twenty five thousand) only. The requirement of furniture or equipment shall be determined by the Committee.F. Managerial Subsidy. An approved project shall be eligible for managerial subsidy of 40% of the expenditure on actual operation of the project subject to a maximum of Rs. 25,000/- per annum. The employees needed for management of the project on the basis of its size and standard and the amount required for salary etc. shall be determined by the Committee. The subsidy will be available for the first two years of operation of the project only.G. In addition to the above subsidy and financial assistance, the other regular standing financial assistance, from various Institutes like Bank/Assam Financial Corporation/Assam Industrial Development Corporation, etc. may be obtained.