

GOVERNMENT OF INDIA  
MINISTRY OF TOURISM

**GUIDELINES FOR THE SCHEME OF MARKET DEVELOPMENT  
ASSISTANCE FOR PROMOTION OF DOMESTIC TOURISM**

(With effect from 09.01.2009)

Under the existing Hospitality programme which is an important part of Marketing plan, the Ministry of Tourism invites editorial teams of travel publications, travel agents, tour operators subject specialists, opinion makers etc., from foreign countries to effectively project India as an attractive multidimensional tourist destination offering a vast range of attractions. These invited persons get first hand information / knowledge of the Indian tourism product during their familiarization tours in our hospitality.

2. However, for long, it has been felt that the existing scheme is silent on promoting India, within India itself. It has therefore, been decided that the scope of the present scheme of Hospitality programme should be moulded to also make it inward looking considering that the country provides vast and unexploited potential for domestic tourists who, along with the foreign tourists, could contribute towards pushing the economic growth further, while providing employment opportunities. The emphasis of the new scheme is:

- To motivate travel agents/tour operators and especially, those who are yet to promote India to include tour packages to various destinations, preferably, less popular and unexploited destinations in the country in their marketing programme.
- To encourage domestic tourists to visit such unexploited tourist destinations in various states and thereby, project India as an attractive multi dimensional tourist destination.
- To familiarize travel agents / tour operators / hoteliers about new tourism products and latest developments in the field of tourism.

**2.1** Ministry of Tourism would also provide financial assistance to tourism service providers approved by the Ministry of Tourism, Government of India or by the State Tourism Department in the case of North Eastern States and Jammu and Kashmir for participation in travel marts, annual conventions of Indian Association of Tour Operators / Travel Agents Association of India / Association of Domestic Tour Operators of India / Adventure Tour Operators Association / Federation of Hotels & Restaurants Association of India / Hotels Association of India or any other National level Travel / Tour Association approved / sponsored / recognized by MOT.

### **ELIGIBILITY CONDITIONS:**

**3.** This scheme would be applicable to tourism service providers, viz., hoteliers, travel agents, tour operators, tourist transport operators approved by the Ministry of Tourism, Government of India and in the case of North - Eastern states and Jammu and Kashmir, approved by the concerned State Tourism Departments.

**4.** One tour by the tourism service provider to a particular state and a total of not more than two in one financial year would be eligible for financial assistance under the Hospitality scheme. However, one additional tour shall be considered for visiting North East region or Jammu and Kashmir. Similarly, service providers from the North – Eastern region and Jammu & Kashmir shall be eligible for three tours, out side their respective regions.

**5.** The tour to a single city / state or a group of cities / states shall be for a minimum of three nights stay at the destination, excluding journey period so that the tourist potential is appropriately exploited.

**6.** The approved tourism service providers would be provided financial assistance on travel expenses by ***air only*** subject to a ceiling of Rs. 30,000/- (per trip (to and fro)) of the airfare for undertaking such tours to other destinations and circuits.

7. The assistance shall be permissible to CEO / Director / partner / proprietor of the company / organization.

8. The local hospitality, boarding (and /or transport) shall be borne by the State Government. Information to the effect shall be sent to the concerned State Government, well in advance. In respect of the North Eastern States and Jammu and Kashmir, the hospitality would be borne by the Ministry of Tourism. In this connection, the Regional Director concerned shall make all the arrangements for boarding and lodging, as per the directions of the Ministry of Tourism. RD would coordinate with the concerned State Government for arranging package tours and accommodation, preferably at Government guesthouses and classified hotels up to three star.

#### **OTHER GENERAL CONDITIONS**

- The service provider should furnish a declaration to the effect that their agency is not under investigation or charged / prosecuted/ debarred /black listed by the Ministry of Tourism, Government of India or any other Government agency.
- The applicant would furnish a declaration in the prescribed format as ***"I hereby declare that I have not claimed / received any financial assistance for tour to any domestic destination / circuit or for any other permissible items under the MDA Scheme for domestic tourism service providers from MOT or any other Government agency."*** (In case assistance has been received earlier in the same financial year, the details may be furnished.)
- In case of more applications, priority would be given to those service providers who have not availed financial assistance in the past, under the Hospitality programme.
- Tourism Service Providers covering new destinations and circuits may be encouraged.
- The distribution of publicity material may also be made the part of the Hospitality programme in a way that the approved tourism service providers may distribute in various cities / states and in

tourism related fairs and festivals in order to promote Indian tourism products.

- The eligible tourism service provider shall obtain prior approval of the Ministry of Tourism, Government of India, before undertaking the tourism promotional activity
- The application shall be submitted to the Additional Director General (Tourism), Ministry of Tourism, Transport Bhawan, 1, Sansad Marg, New Delhi – 110 001 in the Travel Trade Division, in prescribed format (***Annexure***) at least 14 days in advance along with the following documents:
  - Proof of the approval of the agency by the Ministry of Tourism or by the State Government in the case of the North Eastern states and Jammu and Kashmir.
  - After undertaking the tourism promotional activity for which prior approval had been accorded by the Ministry of Tourism, the tourism service provider would submit the application for Hospitality claim, in the prescribed format to the Ministry of Tourism, Government of India immediately on return from the tour but positively within one month of the return along with the following documents:
    - Details of financial assistance availed during the last three years from the Government of India including Ministry of Tourism
    - Self certified copy of approval certificates issued by the Ministry of Tourism/State Government in the case of North-Eastern states and Jammu and Kashmir
    - Original air ticket used / boarding pass, etc., during the journey along with three self-certified photocopies. The following details should be given separately in a statement:
      - i) Name of the traveler
      - ii) Ticket number
      - iii) Flight number
      - iv) Date of departure and return
      - v) Sectors covered

- vi) Class in which traveled
- vii) Economy excursion class fare for sectors visited
- viii) Brief report about the tour and achievements

Claim form received after one month of return or wherein the deficiencies in the claim as intimated are not fully completed within 30 days of the date of information given, would not be entertained and would be rejected.

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Annexure I

**APPLICATION FORM FOR OBTAINING PRIOR APPROVAL UNDER MDA  
FOR PROMOTION OF DOMESTIC TOURISM SCHEME**

1.	Name of the firm with full address	
2.	Name and designation of the person taking tour	
3.	Certificate regarding approval of the agency / firm by the Ministry of Tourism/State Tourism Department in the case of North-Eastern states and Jammu & Kashmir	No. and date Valid up to
4.	Name of the destination / circuit to be visited and the Duration	
5.	Purpose of visit	
6.	Date of departure	
7.	Date of arrival	
8.	Details of the financial assistance availed earlier under the scheme: a) Name of the destinations/circuits visited b) Name of the person(s) c) Dates d) Amount received under the scheme	

Place:

Date:

Signature and seal

Designation

## PRESS RELEASE

### **LAUNCH OF THE SCHEME OF MARKET DEVELOPMENT ASSISTANCE (MDA) FOR PROMOTION OF DOMESTIC TOURISM**

Under the existing Hospitality programme which is an important part of Marketing plan, the Ministry of Tourism, Government of India invites travel agents, tour operators, etc., from foreign countries to effectively project India as an attractive multidimensional tourist destination offering a vast range of attractions. These invited persons get first hand information / knowledge of the Indian tourism product during their familiarization tours in our hospitality.

However, for long, it has been felt that the existing scheme is silent on promoting India, within India itself. It has therefore, been decided that the scope of the present scheme of Hospitality programme should be moulded to also make it inward looking considering that the country provides vast and unexploited potential for domestic tourists who, along with the foreign tourists, could contribute towards pushing the economic growth further, while providing employment opportunities. The emphasis of the new scheme is to motivate travel agents/tour operators and especially, those who are yet to promote India to include tour packages to various destinations, preferably, less popular and unexploited destinations in the country in their marketing programme; to encourage domestic tourists to visit such unexploited tourist

**destinations in various states and thereby, project India as an attractive multi dimensional tourist destination and to familiarize travel agents / tour operators / hoteliers about new tourism products and latest developments in the field of tourism.**

Ministry of Tourism would also provide financial assistance to tourism service providers viz., hoteliers, travel agents, tour operators, tourist transport operators approved by the Ministry of Tourism, Government of India or by the State Tourism Department in the case of North Eastern States and Jammu and Kashmir for participation in travel marts, annual conventions of Indian Association of Tour Operators / Travel Agents Association of India / Association of Domestic Tour Operators of India / Adventure Tour Operators Association / Federation of Hotels & Restaurants Association of India / Hotels Association of India or any other National level Travel / Tour Association approved / sponsored / recognized by MOT.

One tour by the tourism service provider to a particular state and a total of not more than two in one financial year would be eligible for financial assistance under the Hospitality scheme. However, one additional tour shall be considered for visiting North East region or Jammu and Kashmir. Similarly, service providers from the North – Eastern region and Jammu & Kashmir shall be eligible for three tours, out side their respective regions.



The approved tourism service providers would be provided financial assistance on travel expenses by *air only* subject to a ceiling of Rs. 30,000/- of the airfare for undertaking such tours to other destinations and circuits.

The local hospitality, boarding (and /or transport) shall be borne by the State Government. Information to the effect shall be sent to the concerned State Government, well in advance. In respect of the North Eastern States and Jammu and Kashmir, the hospitality would be borne by the Ministry of Tourism. In this connection, the concerned Regional Director of Union Ministry of Tourism shall make all the arrangements for boarding and lodging, as per the directions of Ministry of Tourism.

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**OFFICE MEMORANDUM**

As you are aware, the Ministry of Tourism, Government of India has undertaken several confidence-building measures with a view to boosting the tourism industry in the aftermath of the global economic meltdown.

2. One of the incentives, which the Ministry is offering, to the industry for promotion of Domestic Tourism is the scheme of Market Development Assistance.

3. The emphasis of the new scheme is to motivate domestic travel agents/tour operators and especially, those who are yet to promote India to include tour packages to various destinations, preferably, less popular and unexploited destinations in the country in their marketing programme; to encourage domestic tourists to visit such unexploited tourist destinations in various states and thereby, project India as an attractive multi dimensional tourist destination and to familiarize travel agents / tour operators / hoteliers about new tourism products and latest developments in the field of tourism. This would contribute towards pushing the economic growth further, while providing employment opportunities.

4. This scheme would be applicable to tourism service providers, viz., hoteliers, travel agents, tour operators, tourist transport operators approved by the Ministry of Tourism, Government of India and in the case of North - Eastern states and Jammu and Kashmir, approved by the concerned State Tourism Departments.

5. One tour by the tourism service provider to a particular state and a total of not more than two in one financial year would be eligible for financial assistance under the Hospitality scheme. However, one additional tour shall be considered for visiting North East region or Jammu and Kashmir. Similarly, service providers from the North – Eastern region and Jammu & Kashmir shall be eligible for three tours, out side their respective regions.

6. The approved tourism service providers would be provided financial assistance on travel expenses by ***air only*** subject to a ceiling of Rs. 30,000/- (per trip) of the airfare for undertaking such tours to other destinations and circuits.

7. The local hospitality, boarding (and /or transport) shall be borne by the State Government. Information to the effect shall be sent to the concerned State Government, well in advance. In respect of the North Eastern States and Jammu and Kashmir, the hospitality would be borne by the Ministry of Tourism. In this connection, the Regional Director concerned shall make all the arrangements for boarding and lodging, as per the directions of the Ministry of Tourism. RD would coordinate with the concerned State Government for arranging package tours and accommodation, preferably at Government guesthouses and classified hotels up to three star.

8. The application shall be submitted to the Additional Director General (Tourism), Ministry of Tourism, Transport Bhawan, 1, Sansad Marg, New Delhi – 110 001 in the Travel Trade Division, in prescribed format at least 14 days in advance along with the required documents. **I am enclosing a copy of the guidelines for your kind information and necessary action.**

(Sanjay Kothari)  
Additional Secretary

Encl: As above

1. Principal Secretary (Tourism) / Secretary (Tourism) of all States /UTs
2. Presidents – IATO, TAAI, ADTOI, ATOA, ITTA, TAFI, FHRAI, HAI.
3. All domestic Regional Directors.

## D R A F T

No: TT.I (MDA Guidelines)/ 2009

January 2009

### OFFICE MEMORANDUM

As you are aware, the Ministry of Tourism, Government of India has undertaken several confidence building measures with a view to giving a boost to the tourism industry in the aftermath of the global economic slow down.

2. The MICE segment, which has emerged as a substantially high component of growth in inbound tourism, can indeed play an important role in countering the impact of the global economic meltdown. Most countries constantly endeavour to attract MICE clientele through bids for various International Conventions/Conferences/Seminars and the like. As per the existing scheme being implemented by the Ministry of Tourism, Indian societies/members are only entitled to bid for bringing the international conferences of these larger international associations to India.

3. In order to give a boost to the MICE tourism and to bring international conferences to India,, Ministry of Tourism has decided to extend the benefits under Market Development Assistance scheme administered by the Ministry of Tourism to 'Active Members' of India Convention Promotion Bureau(ICPB) towards bidding for International Conferences/Conventions, thereby bringing more MICE business to the country. An active member is a recognized member of ICPB. Under the scheme, associations/societies would be given financial support on winning the bid or for obtaining second and third positions in the bidding process. Based on the number of participants attending the conference, the financial support has been divided into two categories as follows:

i) In Category I, the winner of the bid bringing in a conference of 500 persons and above will get financial assistance to the tune of Rs. 4.5 lakhs, whereas bidders who stand at second or third positions will be given an assistance of Rs. 1.5 lakhs.

ii) In Category II, the winner of the bid bringing in a conference of 200 to 500 persons will be eligible for financial assistance of Rs. 2.50 lakh where as the bidders at second or third positions will be awarded a financial assistance of Rs. 1.00 lakh. Back-ended subsidy/financial assistance will be provided to an association/society for bidding and winning the conference.

The copy of the guidelines is enclosed for your information. It is hoped that the revised scheme will be found useful and will be made full use by you to make it a success.

(Sanjay Kothari)  
Additional Secretary (Tourism)

The Regional Directors of Domestic Offices

The Regional Directors of the Overseas Offices,

To: Presidents: IATO, TAAI, ADTOI, FHRAI, HAI, TAFI, ITTA, ICPB

DRAFT

No: TT.I (MDA Guidelines)/ 2009

January 2009

**OFFICE MEMORANDUM**

As you are aware, the Ministry of Tourism, Government of India has undertaken several confidence building measures with a view to giving a boost to the tourism industry in the aftermath of the global economic slow down. The Government has announced a booster package, which lays considerable emphasis on monetary easing so as to provide adequate liquidity needed to finance the infrastructure project.

2. In this connection, it is to inform that External Commercial Borrowings (ECB) policy has been reviewed recently by the Government to keep it in tune with the evolving macro economic situation, the external sector and lessons of experience. Consequent upon this, it has now been decided to permit corporates engaged in the development of integrated township, as defined in Press Note 3 (2002 series) dated January 4, 2002, issued by the Ministry of Commerce and Industry, to avail of ECB under the approval route.

3. Therefore, for the entities in the service sector namely, Hotels, who were allowed to avail of ECB up to US \$ 100 million per financial year for import of capital goods under the approval route, permission has been given to the corporates in the hotels to avail of ECB up to US \$ 100 million per year both for foreign currency and / or rupee capital expenditure for permissible end users, other than for land acquisition, under the automatic route.

The copy of the changes introduced in External Commercial Borrowings policy is enclosed for ready reference.

(Sanjay Kothari)  
Additional Secretary (Tourism)

1. The Regional Directors of the Overseas Offices,
2. The Regional Directors of Domestic Offices,
3. The Principal Secretaries/Secretaries of Tourism, State Governments / UTs
4. To: Presidents: IATO, TAAI, ADTOI, FHRAI, HAI, TAFI, ITTA,