

F.No. 5 (30)/2006-MDA
Revised w.e.f. 01.04.2017
Government of India
Ministry of Tourism
(OM Division)

REVISED GUIDELINES FOR MARKETING DEVELOPMENT ASSISTANCE (MDA)
SCHEME

1. Objective:

The Marketing Development Assistance Scheme (MDA), administered by the Ministry of Tourism, Government of India, provides financial support to tourism service providers, i.e. hoteliers, travel agents, tour operators, tourist transport operators for undertaking the following tourism promotional activities abroad:

These activities may include sales tours, participation in travel fairs/exhibitions and road shows.

Tourism Departments of all **States and Union Territories** (UTs) are also eligible for benefits under Scheme for participation in travel fairs / exhibitions and road shows held overseas.

The main objective of the MDA scheme is to promote marketing of brand "Incredible India" – in the established markets as well as in the emerging markets.

2. Eligibility Criteria:

- (i) The Tourism Service Providers must be **approved** by the Ministry of Tourism, Govt. of India. In the case of the state of Jammu & Kashmir and states in the North Eastern Region (Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura) the Tourism Service Providers must be approved by the State Tourism Department.
- (ii) Financial support under the Scheme would be available to companies with foreign exchange earnings up to a maximum of **Rs. 15.00 crore** (Rupees **Fifteen Crore** only) during the preceding financial year. In respect of tourism service providers from the state of Jammu & Kashmir and States in the North Eastern

Region, the service providers not having any foreign exchange earnings but with a total turnover of up to Rs. 20 crore (Rupees Twenty Crore) would also be eligible.

- (iii) Tourism Service Providers must show a **cumulative increase of 5%** in Foreign Exchange Earnings (FEE) during a **three year period**, to be eligible for financial support under the MDA scheme i.e. at the end of year 3, there must be a cumulative increase of 5% in FEE over the base year. For this purpose, the base year will be taken as the financial year preceding the year when the promotional activity is undertaken. **The clause will be made effective from the financial year 2015-16 and tourism service providers will need to show a cumulative increase of 5% in FEE at the end of year 3 over the base year 2014-15 (actual financial year 2017-18) and so forth.** In the case of Tourism Service Providers in Jammu & Kashmir and the North Eastern Region, there must be a cumulative increase of 5% in foreign exchange earnings or total turnover of the agency during the three year period.
- (iv) Financial support under the MDA Scheme will be provided to tourism service providers including States/UT Administrations for participation in a total of **02 (two) events** (covering sales tours, travel fairs/exhibitions and road shows) in one financial year.
- (v) The tour to single country or a group of countries should be for a minimum of two-night stay abroad excluding journey period.
- (vi) Assistance is permissible to one regular employee/Director/ partner/ proprietor of the company.
- (vii) In order to avail the benefit of reimbursement of air fare under the MDA Scheme, all tourism service providers / officials of Tourism Departments of States / UTs may travel only by **Air India**, to stations directly connected by **Air India**.

For travel to stations not directly connected by Air India, but which are directly connected by other airlines, travel by other airlines would be permissible **on the lowest available fare. The claimant agency would have to provide certificate with regard to lowest available fare issued by the concerned airlines or the ticket issuing agencies.**

For travel to stations not directly connected by any air services with stations in India, if travel on the shortest route available is undertaken through a station connected by Air India, reimbursement of air fare would only be made for travel by Air India on that sector.

- (viii) In order to take benefit of reimbursement it is mandatory to take prior approval from Ministry of tourism as detailed at clause 3(ii) of these guidelines.
- (ix) The agency should not have got any assistance from any Government agency for the promotional activity abroad.
- (x) Details of financial assistance availed during the last three years from any Government agency & the Ministry of Tourism.
- (xi) The claim must be submitted **within 30 days** of return to India.
- (xii) Claim form received after 30 days of return to India or wherein the deficiencies in the claim as intimated are not fully completed within 30 days of the date of information/**documents sought**, would not be entertained and would be rejected. **However, in the cases of prior approval, the concerned agency would have to ascertain that the prior approval of the Ministry has been received by them before pursuing on the promotional activity abroad.**

3. Pattern of Funding

- (i) The Ministry of Tourism, Government of India gives maximum grant of Rs.2.50 lakh to the Tourism Service Providers for promotional activities abroad by way of reimbursement towards air fare, participation fee, hotel accommodation as well as to the State Governments/UT Administrations.
- (ii) To avail the reimbursement from the Ministry of Tourism, **the Tourism Service Providers would have to request to the Ministry of Tourism for prior approval at least 21 days in advance before going abroad for promotional activity through the email mda-tourism@nic.in Ministry of Tourism would respond within the 07 working days. The Tourism Service Providers will have to provide the following details along with the documents given at Clause 4 (a) of the guidelines for obtaining the prior approval:-**
 - (a) Name and contact details of the applicant company.
 - (b) Name of person undertaking the promotional tour.
 - (c) Category under which the promotional activity is proposed to be undertaken.
 - (d) Name of event proposed to be participated in.
 - (e) Dates / Country (ies) of visit of the proposed tour.

- (iii) Financial support for undertaking sales tours, participation in travel fairs/exhibitions and Road Shows organized overseas is provided as follows:-
- (a) 90% of economy class air fare from India to any other country and/or by air/euro rail from one country to another country abroad.
 - (b) 90% of cost of built up/ furnished stall, electricity, water charges **and participation fee**, etc. at travel fairs/exhibitions.
 - (c) Hotel Room expenses for a maximum of 5 nights, with an upper limit of Rs.8000/- per night.

Subject to an overall **upper ceiling of Rs.2.50 lakh** per case.

4. Documents:

(a) Documents required for obtaining prior approval:

- (i) Self-certified copy of proof of approval of the company by Ministry of Tourism or by the State Government in the case of Jammu & Kashmir and the North Eastern States (copy of approval letter needs to be attached).
- (ii) Declaration with official seal, date and on letter head of the company to the effect that the claimant is not under any investigation and/or has not been charged/prosecuted/debarred/ blacklisted by the Ministry of Tourism, Govt. of India or any other Government agency.
- (iii) Certificate of foreign exchange earnings during the preceding financial year, clearly indicating the percentage increase in foreign exchange earnings in the preceding year as compared to the earlier financial year, duly certified by Chartered Accountant. In the case of service providers from Jammu & Kashmir and the North Eastern States, certificate as above or of total turnover and % increase in total turnover, duly certified by the Chartered Accountant.

(b) Documents required while claims are forwarded to the Ministry:

- (i) Declaration with official seal, date and on letter head of the company stating that no financial assistance has been claimed/received for the said promotional activity from any Government Department/agency including the Ministry of Tourism.
- (ii) Air ticket(s) for journeys performed along with Boarding Pass (es) for each sector **along with the copy of passport showing exit/entry dates.**

- (iii) Bank advices/statement of accounts/receipts, etc., in evidence of payments made for air tickets / booth / hotel accommodation, as the case may be, for which reimbursement is being claimed.
- (iv) A comprehensive Tour Report and achievements during the tour undertaken.

5. Formats:

- (i) Application Form for obtaining Prior Approval under MDA Scheme for Sales Tours/Participation in Travel Fairs & exhibitions/Road Shows is at Annexure-I.
- (ii) Format for claim form for MDA for Sales Tours/Participation in Travel Fairs & exhibitions/Road Shows is at Annexure-II.
- (iii) Format for declaration from the Agency that the Company is not under investigation/ charged/ prosecuted/ debarred/blacklisted by the Ministry of Tourism, Government of India or any other Government Agency is at Annexure-III.
- (iv) Format for declaration from the agency that they have not claimed/received any financial assistance for this sales tour / participation in this travel fair/exhibition / this road show (as applicable) from any Government Department/agency including the Ministry of Tourism is at Annexure-IV.

Annexure-I**Application Form for obtaining Prior Approval for Marketing Development Assistance for Sales Tours/Participation in Travel Fairs & Exhibitions / Road Shows**

| | | |
|---|--|----------------------------------|
| 1 | Name of the firm with full address | |
| 2 | Name and designation of the person going abroad | |
| 3 | Certificate regarding approval of the Agency/Firm by Ministry of Tourism OR State Tourism Dept. in the case of Jammu & Kashmir and North Eastern States (Attach a copy of approval letter) (not applicable in the case of Tourism Departments of States/UTs). | No. & Date: Valid up to : |
| 4 | Certificate of Foreign Exchange Earnings during the preceding financial year, duly certified by Chartered Accountant. In the case of service providers from Jammu & Kashmir and the North Eastern States, certificate as above <u>or</u> of total turnover, duly certified by the Chartered Accountant. (not applicable in the case of Tourism Departments of States/UTs). (Membership Number to be indicated in the CA Certificate) | |
| 5 | Name of the travel fair/exhibition/road show and the countries along with the dates/duration of visit abroad | |
| 6 | Date of departure from India | |
| 7 | Date of arrival in India | |
| 8 | Details of the financial assistance availed earlier under the MDA Scheme: | |
| | a) Name of countries visited and exhibitions/road shows participated b) Name of the Persons c) Dates d) MDA amount received | |

Signature &
Designation with stamp

Place:
Date:

Declaration

(To be furnished on official letterhead of the company)

1. I solemnly declare that the particulars given in my application are correct. I bound myself and the company accountable and responsible for any incorrect information given in the above statement and shall immediately refund amount received on the basis of wrong information provided in the above statement.
2. I hereby declare that the company / agency M/s (name and city to be given) is not under investigation/ charged/ prosecuted/ Debarred/ blacklisted by the Ministry of Tourism, Government of India or any other Government Agency.

Signature _____

Name _____

Designation _____

Place:

Date:

Office Seal of Company

Declaration

(To be furnished on official letterhead of the company)

1. I solemnly declare that the particulars given in my application are correct. I bound myself and the company accountable and responsible for any incorrect information given in the above statement and shall immediately refund amount received on the basis of wrong information provided in the above statement.
2. I hereby declare that I have not claimed/received any financial assistance for this Sales Tour / Participation in this Travel Fair/Exhibition / this Road Show (as applicable) from any Government Department/agency including the Ministry of Tourism

Signature _____

Name _____

Designation _____

Place:

Date:

Office Seal of Company

Annexure-IV**Claim Form for Marketing Development Assistance for Sales Tours / Participation in Travel Fairs & exhibitions / Road Shows**

| | | |
|----|--|--|
| 1 | Name of the firm with full address | |
| 2 | Name and designation of the Person who travelled abroad | |
| 3 | Category under which claim is submitted (i.e. Sales Tour or Travel Fair/Exhibition or Road Shows | |
| 4 | Whether prior approval regarding the tour was conveyed by the Ministry of Tourism (Copy of the same to be enclosed.) | |
| 5 | Details of Number of proposal(s) already submitted in the same financial year | |
| 6 | <p>Details of the financial assistance availed earlier under the MDA Scheme separately for:</p> <p>a) Sales Tour &</p> <p>b) Participation in fair/exhibition/road show</p> <p>(Please furnish details of the sales tours/fairs and exhibitions/ road shows, countries visited, name of the person who went abroad and the amount of financial assistance received in each case)</p> | |
| 7 | Name of the Country(ies) / Sectors visited for the Sales Tour. | |
| 8 | Name of the Travel Fair/ Exhibition/Road Show participated in and the countries along with the dates/duration of stay abroad | |
| 9 | Date of departure from India | |
| 10 | Date of return to India | |
| 11 | <p>Sector-wise details of journeys undertaken:</p> <p>(i) Airline on which travelled</p> <p>(ii) Flight Number</p> <p>(iii) Class in which travelled</p> | |

| | | |
|-----------|--|--|
| | (iv) Ticket Number (Air ticket with boarding pass for each sector travelled to be submitted) | |
| 12 (a) | Actual expenditure incurred on return airfare by economy excursion class (Please attach receipt/document in evidence of payment made for the air ticket) If travel was undertaken by any other class (Business/First, etc.), economy excursion class fare for sectors/countries visited to be indicated. | |
| (b) | Actual expenditure incurred on stall, decoration, water, electricity and participation fee (in case of participation in travel fair/ exhibition/road show) (Please attach original voucher/ bank advice/receipt, etc. evidencing payment made). | |
| (c) | Actual expenditure on hotel accommodation (Please attach original voucher/ bank advice/receipt, etc. evidencing payment made.) | |
| 14 | Total expenditure incurred i.e. 13 (a) + (b) + (c) | |
| 15 | Amount being claimed | |

Signature _____

Name _____

Designation _____

Date _____