

**GOVERNMENT OF INDIA
MINISTRY OF TOURISM**

**LOK SABHA
UNSTARRED QUESTION NO.54
ANSWERED ON 29.11.2021**

PLAN FOR REVIVAL OF INDIAN HOTEL INDUSTRY

54. SHRI K. MURALEEDHARAN:

Will the Minister of TOURISM be pleased to state:

- (a) whether Government has evolved any plan for revival of Indian hotel industry sector that remains collapsed due to the Covid-19 pandemic;**
- (b) if so, the details thereof; and**
- (c) the details of number of star hotels closed due to running loss in the pandemic period?**

ANSWER

MINISTER OF TOURISM

(SHRI G. KISHAN REDDY)

(a) & (b): Yes, Sir. The Government of India has announced various fiscal and regulatory relief measures to support the Indian hotel sector from the impact of the COVID-19 pandemic. The details of the same are given at Annexure.

(c): The Ministry of Tourism does not compile details of number of star hotels closed due to running loss in the pandemic period.

ANNEXURE

STATEMENT IN REPLY TO PARTS (a) and (b) OF LOK SABHA UNSTARRED QUESTION NO.54 ANSWERED ON 29.11.2021 REGARDING PLAN FOR REVIVAL OF INDIAN HOTEL INDUSTRY.

FISCAL AND RELIEF MEASURES ANNOUNCED BY THE GOVERNMENT TO SUPPORT THE INDIAN HOTEL INDUSTRY

The following are the various fiscal and relief measures announced by the Government, expected to benefit the Indian Hotel Industry:

- i. The Government announced Atmanirbhar Bharat Package vide which Rs.3.00 lakh crore collateral free automatic loan has been made available for MSMEs. The loan will have 4- year tenure and 12-month moratorium.**
- ii. The Government waived off Provident Funds (PF) contribution for three months for organisations with less than 100 pax and 90% of their employees earn below Rs.15000.**
- iii. Under Atmanirbhar Bharat package, PF contribution of both employer and employee has been reduced to 10% each from existing 12% each for all establishments covered by EPFO for three months**
- iv. Deferment of TCS up to October 2020.**
- v. Return filing deferred for three months with no penal interest for companies up to Rs.5.00 Crore, rest @ 9% penal interest.**
- vi. The Central government also gave relief from various regulatory compliances under Income Tax Act, companies Act and GST Act for varying period in the wake of COVID-19 crisis to ensure business continuity and survival.**
- vii. The RBI extended moratorium on term loans till 31st December 2020.**
- viii. The Central Government has also given relief from various regulatory compliances under Income Tax Act, Companies Act and GST Act for varying periods in the wake of Covid-19 crisis to ensure business continuity and survival.**
- ix. The Government announced the Emergency Credit Line Guarantee Scheme (ECLGS) 3.0 on 31.3.2021 to support eligible Micro, Small**

and Medium Enterprises (MSMEs) and business enterprises in meeting their operational liabilities and restarting their business. The scope of the scheme was enlarged to cover business enterprises in Hospitality, Travel & Tourism and Leisure & Sporting sectors. The validity of ECLGS (ECLGS 1.0, ECLGS 2.0 & ECLGS 3.0) was extended up to 30.06.2021 or till guarantees for an amount of Rs. 3.00 lakh crore are issued. Last date of disbursement under the scheme was extended to 30.09.2021. The details of guarantees issued under the scheme are given below:

Emergency Credit Line Guarantee Scheme (ECLGS) Tourism and Hospitality Scheme wise data as on 30.09.2021			
Industry Nature	Support Under	No. of Guarantees Issued	Amount of Guarantees issued on account of loans sanctioned under the scheme (in Rs. crore)
Travel and Tourism	ECLGS 3.0	2,732	1,371.62
Hospitality	ECLGS 3.0	3,160	5,430.96
Hotels, Restaurants, Tourism	ECLGS 2.0	218	3,403.90
Tourism, Hotels & Restaurants	ECLGS 1.0	96,219	3559.43
Total		1,02,329	13,765.91

- x. Ministry of Finance has given concurrence to release Service Exports from India Scheme (SEIS) scrips on 16.06.2021. Earlier, several Industry stakeholders had flagged appeals to the Government to release SEIS Scrips for 2019-20 and DGFT had put a detailed proposal for the allocation for SEIS for exports made during 2019-20. Taking all circumstances into account, the Department of Expenditure, Ministry of Finance has given concurrence to the proposal of Department of Commerce for continuation of SEIS for 2019-20 with a financial allocation of Rs.2061 crore subject to the condition that the amount will be provided through Expenditure Budget following the procedure of providing a New Minor Head.

- xi. On 28th June 2021, the Government announced a stimulus package to boost diverse sectors of economy affected by COVID-19 pandemic and provide impetus for growth and employment measures. The package comprises a total of 17 measures in three broad categories, which included 'Economic relief from Pandemic, with special focus on health and reviving travel and tourism sectors' and 'Impetus for Growth and employment'.**
- xii. Operational Recommendations for safe resumption of business with easing of lockdown restrictions have been issued for various segments of the travel and hospitality industry and circulated amongst all stakeholders.**
- xiii. With a view to prepare for a post-COVID 19 revival, the Ministry has formulated and issued detailed operational guidelines for Covid safety and hygiene for hotels, restaurants, B&Bs/Homestays and Tourism Service Providers on 08.06.2020 to facilitate smooth resumption of business.**
- xiv. An initiative called SAATHI (System for Assessment, Awareness & Training for Hospitality Industry) has been developed for effective implementation of Guidelines/SOPs issued with reference to COVID-19 and beyond for safe operations of Hotels, restaurants, B&Bs and other units.**
- xv. With an aim to incentivize stakeholders in the Tourism industry, the Guidelines for the scheme of Market Development Assistance (MDA) for providing financial support to stakeholders for the promotion of Domestic Tourism have been modified to enhance the scope and reach of the scheme, so as to provide maximum benefits to the stakeholders. Additional promotional activities have been incorporated including online promotions and the extent of financial assistance permissible has been enhanced.**
- xvi. Validity of approval or certification of hotels and other accommodation units whose project approval/re-approval and classification/re-classification have expired/were likely to expire has been extended up to 31st March 2022.**
- xvii. The Guidelines of the Marketing Development Assistance Programme under the Overseas Promotion and Publicity Scheme has been modified to enhance the scope and reach of the scheme, so as to provide maximum benefits to the stakeholders in the tourism industry.**
