

Shortage of budget hotels in the country

2765. SHRI SHADI LAL BATRA: Will the Minister of TOURISM be pleased to state:

- (a) whether there is acute shortage of hotel rooms in the country especially in budget category;
- (b) if so, the details thereof;
- (c) whether Government has conducted any survey in this regard;
- (d) if so, the details thereof; and
- (e) the action taken by Government to cater to the requirements of the expanding tourism trade in the country?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (DR. K. CHIRANJEEVI): (a) and (b) As per the report of the 'Working Group on Tourism' for the 12th Five Year Plan (2012-2017) set up by the Planning Commission, for a projected annual growth of 12% in the tourism sector, the requirement of additional hotel rooms under classified category in 2016 over 2010 is estimated to be 1,90,108.

(c) and (d) The Ministry of Tourism had got a study conducted by M/s. AC Nielsen ORG-MARG Pvt. Ltd. As per this study, 1,81,596 hotel rooms were required per annum at 54 identified locations in the country in 2006.

The Ministry of Tourism had got another study conducted in 2009 by the Indian Institute of Tourism and Travel Management (IITTM) Gwalior. As per this study, on an average 40,190 hotel rooms were required per day for the tourists visiting Delhi during the Commonwealth Games, 2010.

(e) The expansion/growth of hotel industry in the country is a continuous process. The Union Government has constituted a 'Hospitality Development and Promotion Board' (HDPB) in January, 2011 to facilitate the clearances required by hotel projects in a time bound manner and to accelerate the expansion/growth of hospitality industry in the country. Further, to encourage the growth of budget hotels, the following incentives have been announced:

- Five Year Tax Holiday for 2, 3 and 4 star category hotels located in all

UNESCO declared World Heritage sites (Except Mumbai and Delhi) for hotels operating w.e.f. 01.04.2008 to 31.03.2013.

- Extension of Investment Linked tax incentives under Section 35 AD of the Income Tax Act to new hotels of 2-Star category and above anywhere in India, which will facilitate growth of Accommodation in the country.
- The Reserve Bank of India (RBI) has de-linked credit for hotel projects from Commercial Real Estate (CRE), thereby enabling hotel projects to avail credit at relaxed norms and reduced interest rates.
- Hotel and Tourism related industry has been declared a high priority industry and Foreign Direct Investment (FDI) is allowed upto 100% under the automatic route.

Development of tourism in Bihar

2766. DR. ANIL KUMAR SAHANI: Will the Minister of TOURISM be pleased to state:

(a) the amount of money provided to the State of Bihar as assistance for connecting heritage sites and tourist spot in the State with the National Highway in the last three years;

(b) whether in order to promote tourism in the State, Government intend to provide special assistance to the State for these roads; and

(c) if so, by when special assistance will be provided?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (DR. K. CHIRANJEEVI): (a) to (c) Development, Promotion and implementation of tourism projects at identified tourism spots is primarily undertaken by the State Governments/Union Territory Administrations. However, the Ministry of Tourism provides Central Financial Assistance for tourism projects, including that of last mile connectivity, which are prioritized in consultation with the State Governments/Union Territories. The projects that are in accordance with the scheme guidelines are sanctioned subject to availability of funds and *inter- se* priority.

As per approved scheme guidelines for Product/Infrastructure Development