THE MINISTER OF STATE OF THE MINISTRY OF YOUTH AFFAIRS AND SPORTS (SHRI VIJAY GOEL): Sir, Ms. Kanchanmala Pande was part of the Indian para-swimming team which participated in the para swimming championship held at Berlin, Germany from 3rd to 9th July, 2017. For participation in the above event Government had got the tickets booked, paid for visa and insurance of the athletes. An amount of 3.21 lakhs was transferred to Paralympic Committee of India's (PCI), a recognized National Sports Federation responsible for promotion of sports among physically disabled athletes, account as advance amount to meet the requirement of entry fee and the daily allowance/out of pocket allowance of the players and coach.

There were media reports that Ms. Kanchanmala Pande had to borrow money to compete in the event. Since, Government had provided for the expenses of the athletes for the participation in the event, there was no need on the part of the athlete to borrow. PCI has informed that the amount of daily allowance/out of pocket allowance could not be paid to the athletes due to its account issue which is operated under the supervision of a Court appointed administrator. Hence, PCI had asked the athletes to make arrangements for their food, entry fee, etc. which are to be disbursed later.

Government has issued a show cause notice to PCI in this regard.

Consolidation of PSBs

*230. DR. SANJAY SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether Government proposes to merge/consolidate Public Sector Banks (PSBs) as a part of the restructuring process of the country's banking system;

(b) if so, the details of acquisition and/ or consolidation process of Government and the various benefits which can be achieved out of this and its effect on the customers;

(c) the results of merger of State Bank of India's associate banks and Bharatiya Mahila Bank with main SBI; and

(d) whether Government proposes to privatise top losing PSBs of the country and if so, the report and suggestions of the expert panel on bad loans therein?

THE MINISTER OF FINANCE (SHRI ARUN JAITLEY): (a) to (d) Consolidation of Public Sector Banks (PSBs) may be advantageous for reasons like benefits of scale such as improved profitability, rationalization of operational costs, improved ability to deal with external shocks, reduced geographical concentration risk, greater capacity to invest in technology and to raise capital from the market.

Amalgamation of nationalized banks is covered by Section 9 of Banking Companies (Acquisition and Transfer of Undertakings) Acts of 1970 and 1980. In case of State Bank of India (SBI), it is covered under Section 35 of the SBI Act.

The expected benefits arising out of merger of State Bank of India (SBI) with its associate banks and Bharatiya Mahila Bank (BMB) are in line with parameters indicated above.

All PSBs are listed entities and committed to at least 25% public shareholding. Further, PSBs are allowed to raise capital from public markets through dilution of Government equity up to 52% (including divestment by Government) depending on stock performance, liquidity and market conditions.

Uniform GST for hospitality industry

*231. DR. T. SUBBARAMI REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether five-star hotels with a tariff of ₹ 7500 or above have been placed at highest GST slab rate of 28 per cent;

(b) if so, whether Government has received representations in this regard and Government's response thereto;

(c) whether heavy taxation will result in leakage in revenues and spell a doom for the travel, tourism and hotel industries; and

(d) whether Government would agree for uniform GST rate at 12 per cent for hospitality industry, to promote tourism and if not, the other concessions proposed to be given to the industry and the details thereof?

THE MINISTER OF FINANCE (SHRI ARUN JAITLEY): (a) Accommodation provided by any hotel, inn, guest house, club, camp site etc., irrespective of star rating, having declared tariff of a unit of accommodation of ₹ 7500 and above per unit per day attracts GST @ 28%.

(b) Representations have been received from the stakeholders that hotel accommodation having tariff of upto ₹ 10,000 per day may be kept in the 18% tax bracket. The issue was deliberated at length in the GST Council meeting held on 19th of May, 2017 in which it was decided to tax accommodation in hotels including 5 star and above rated hotels, inns, guest houses, clubs, camp sites etc. having unit rent of ₹ 5,000 and above per day per unit at 28% with full input tax credit (ITC). The matter was again discussed by the GST Council in its 17th meeting held on 18th June, 2017. After extensive deliberations, the Council raised the ceiling for hotel