

Loan guarantee to focus on hospitality push

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THE Centre has extended the Emergency Credit Line Guarantee Scheme (ECLGS) by one year to March 2023 and earmark an additional ₹50,000 crore with special focus on hospitality and related sectors. "The hospitality and MSME segments are yet to reach the pre-pandemic level of business," Finance Minister Nirmala Sitharaman said in her Union Budget speech.

"The hospitality industry will get a special focus," she added.

While travel and hospitality players welcomed this one move, they called the overall budget 'Disappointing' for the sector.

Gurbaxish Singh Kohli, Vice President, Federation of Hotel & Restaurant Associations of India (FHRAI), said that the extension of the ECLGS scheme is just a drop in the ocean for a sector that has been severely battered. "The number of meetings we held with the Finance Ministry and other ministries led us to believe that they were surely going to announce some sort of specific relief for the industry but it is a huge disappointment that it has not come through," added Kohli.