



Draft Scheme for Assistance to Homestays 2025

Industries and Mines Department,
Government of Gujarat

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1 Objective

Homestays are essential for tourism, providing sustainable economic activities. These accommodation units preserve and appreciate culture through authentic visitor experiences, engage communities in tourism development and enhance economic opportunities for residents. Homestays also support the tourism industry during peak seasons and events. The state government is introducing this scheme to encourage and offer financial assistance to the homestay units.

2 Key Strategies

To position Gujarat as a top tourism destination, particularly by offering immersive experiences through homestays, the strategy concentrates on two main aspects: expanding the number of homestay units and improving their quality.

The key components of the scheme are:

- Simplified online process to access the financial assistance, making it easier for homestay owners to participate. (URL for availing the assistance: tourism.gujarat.gov.in)
- The scheme provides financial incentives to encourage citizens to start and maintain homestays.

Sr. No.	Type of financial assistances	Purpose
1.	Performance based incentive	Provide financial assistance based on the performance of the homestay unit.
2.	Market Development Assistance (MDA)	Encourage the homestay units to participate in travel and tourism related exhibitions and tradeshow.
3.	One-time Logistics Support for maintaining the facility	Provide logistics support to the homestay units to maintain the facilities, furnishing, furniture, etc.

3 Operative Period

This scheme shall come into force with effect from the date of issuance of the scheme and shall remain in force for the period of 5 years from the date of notification of this scheme or the declaration of a new or revised scheme, whichever is earlier.

4 Beneficiaries

4.1 Definitions and criteria:

4.1.1 Homestay units:

- Homestay units:** means a place where the **owner/ supervisor/ caretaker of the units is physically residing** in the same residence and letting out from **one (1) room to nine**

(9) rooms to any tourist on payment for boarding and lodging services is recognised by the of Commissioner of Tourism, Gujarat.

- ii. **Heritage Homestay units:** means a **traditional heritage home / royal palaces constructed before 1950** that preserve their original architectural features, retain their distinctive character or **a property having aesthetic heritage value** and **converted into a Homestay unit**. Where the **owner/ supervisor/ caretaker of the units is physically residing** in the same residence and letting out from **one (1) room to fifteen (15) rooms** to any tourist on payment for boarding and lodging services is recognised by the of Commissioner of Tourism, Gujarat.
- iii. **Farmstay units:** means a type of **Homestay** established **within a functioning farm setting, such as a farm, vadi, orchard, vineyard, or similar rural farm land**. Where the **owner/ supervisor/ caretaker of the units is physically residing** in the same residence and letting out from **one (1) room to fifteen (15) rooms** to any tourist on payment for boarding and lodging services is recognised by the of Commissioner of Tourism, Gujarat.

4.1.2 Eligible Homestay units:

Any homestay unit registered under the Homestay Registration Guidelines 2025 will be eligible to avail benefits under the scheme, subject to fulfilling all the other clauses.

- Room Nights¹: Room night will be calculated by multiplying one room times one night. A guest booking one room for three nights would be said to generate three room nights. Example: 1 room X 3 nights = 3 room nights.

Key Criteria:

- A homestay unit shall be operational and open to bookings for a minimum of 100 days per year for 5 years after receiving any financial assistances under this scheme.
- The homestay units shall be registered with the Gujarat Tourism's booking platform, if available.
- Any requirement for the occupancy of lettable rooms shall be verified through the Pathik portal.
- The applicants need to have undergone at least one training session within the past year.
- The terms "homestay units" and "units" are used interchangeably throughout the scheme.
- Failing to honour any booking without a valid reason will lead to disqualification from any kind of assistance and decision taken by the executive committee will be binding and shall be treated as final.

¹ <https://www.hotelpricereporter.com/term/room-night/>

Beneficiaries:

Sr. No.	Type of financial assistances	Who are eligible to apply for this benefit/ financial assistance?
1.	Performance based incentive	Legal owner / Lessee (for leased property) of homestay units or an Authorised Manager (of the property) may apply for financial assistances under this category
2.	Market Development Assistance (MDA)	
3.	One-time Logistics Support	

5 Type of Financial Assistances**5.1 Performance Based Incentive**

The scheme offers financial assistance based on the performance of homestay units located in non-municipal corporation areas.

5.1.1 Quantum of Financial Assistances²

5.2.1.1. A homestay unit shall be eligible to receive financial assistance of INR 25,000 for selling 40% of its inventory (lettable rooms) annually.

5.2.1.2. A homestay unit shall be eligible to receive financial assistance of INR 15,000 for selling 30% of its inventory (lettable rooms) annually.

Explanation of percentage of occupancy: Incase an accommodation unit has 6 lettable rooms; 40% occupancy means yearly 876 room night sold to visitors. ($6 \times 365 \times 0.4 = 876$ room night). Room night occupancy will be calculated from the Pathik portal data.

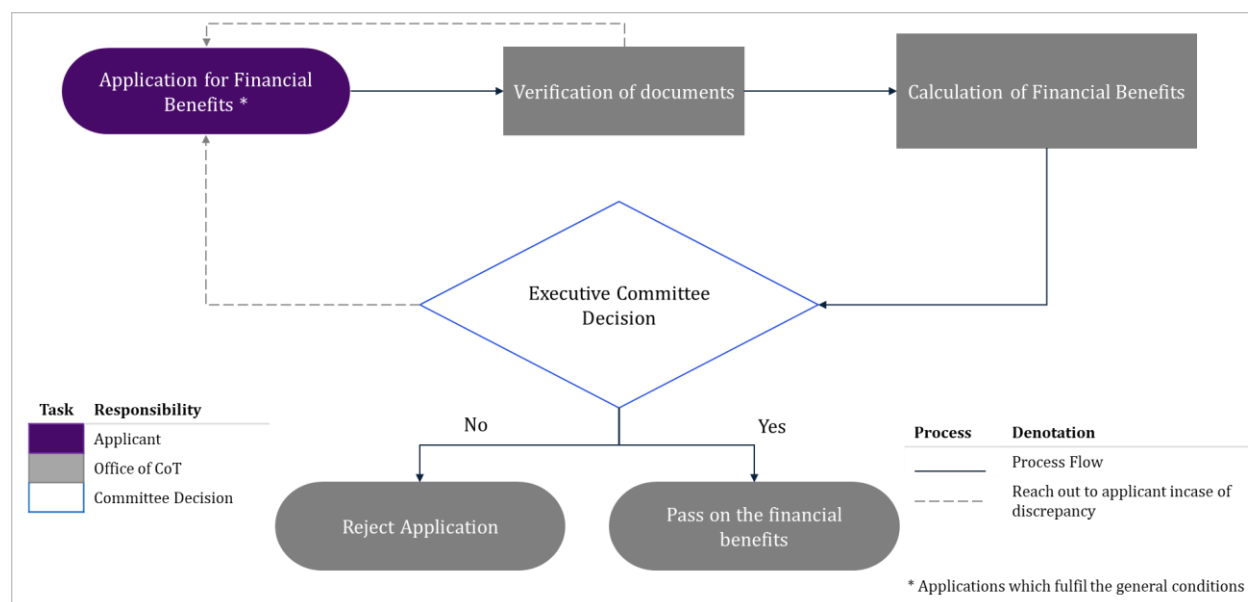
² The eligibility criteria are related to *room night* occupancy. The number of lettable rooms corresponds to the number of rooms for which registration has been obtained.

Example: Performance of ABC Homestay							
Year	No. of lettable rooms	Maximum available days in a year	Maximum possible saleable room night	Occupied Room Nights (As per Pathik Portal)	Threshold (Room Nights) for availing the financial assistances - 40% Occupancy	Threshold (Room Nights) for availing the financial assistances - 30% Occupancy	Eligible for Financial Assistances
1st year	6	365	2190	660	876	657	Yes (INR 15,000)
2nd year	6	365	2190	920	876	657	Yes (INR 25,000)
3rd year	6	365	2190	986	876	657	Yes (INR 25,000)
4th year	6	365	2190	613	876	657	No
5th year	6	365	2190	1095	876	657	Yes (INR 25,000)

5.1.2 General Condition

- The homestay unit must be in a non-Municipal Corporation area of Gujarat.
- The homestay occupancy will be checked using the Pathik Portal by the Government of Gujarat.
- The application to avail the financial assistance shall be submitted annually, during month of January, for the previous calendar year. (i.e., For availing the assistance for calendar year 2025, the applicant needs to submit the application between 1st Jan 2026 to 15th Jan 2026)
- The calculation of financial assistances will be on a pro rata basis if the application period is less than 12 months

5.1.3 Application procedure for availing the financial assistances



Application form and required documents: [Annexure 7.3](#)

5.2 Market Development Assistance (MDA)

Homestay establishments / Trade associations / Homestay associations shall be eligible for Market Development Assistance to participate in Travel and Tourism related exhibitions and tradeshows maximum 10 events during the operative period of the scheme. The purpose of participating in any exhibitions and tradeshows must be exclusively to promote homestays.

5.2.1 Quantum of Financial Assistances

S. No.	For Participation in	Quantum of Financial Assistance
1.	National / International level exhibition within Gujarat	50% of the space rent or INR 30,000 per event, whichever is lower
2.	National level exhibition outside Gujarat	75% of the space rent or INR 1.00 Lakh per event, whichever is lower
3.	International level exhibition outside Gujarat	75% of the space rent or INR 2.00 Lakh per event, whichever is lower
4.	Exhibition and Travel Tourism Show in abroad	60% of the space rent or INR 5.00 Lakh per event, whichever is lower. - Up to INR 40,000 (exclusive of taxes) per event as airfare reimbursement.

5.2.2 General Condition

- The applicant seeking assistances under the Market Development Assistance (MDA) purpose would be required to take prior approval from the Commissioner of Tourism (CoT).
- Space rent refers to the amount paid to the organiser of exhibitions and trade shows solely for securing table space. This amount (space rent) does not include any taxes that are part of the payment or invoice.
- The Trade association/ Homestay association must have a registered office in Gujarat.
- The eligible applicant shall submit the application for sanctioning of assistances under this scheme in the prescribed format along with the necessary documents within 60 days from the date of event (Travel and Tourism related exhibitions and tradeshow).
- All expenses/ payments must be paid through bank transfer (in the form of cheque, RTGS, NEFT, or UPI transaction) to be eligible as eligible capital investment.

5.2.3 Application Process

The application process for availing the financial assistances is in two sequential processes.

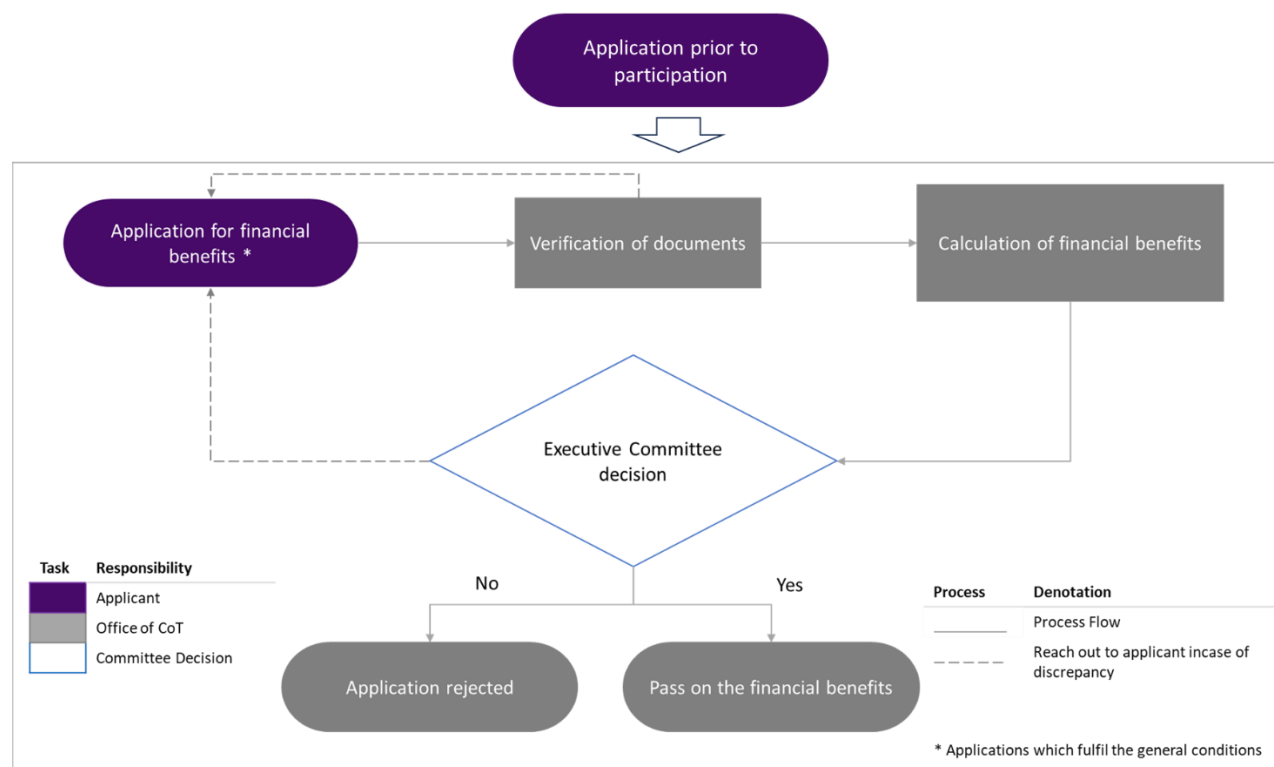
- **Step 1: Prior Application**

The application must be submitted at least 5 days prior to the exhibition or show. It is mandatory to inform the department about your participation before attending any travel and tourism-related exhibition or show.

- **Step 2: Application for Financial Assistances**

The application for availing financial assistances shall be submitted within 60 days from the date of the exhibition or show.

5.2.3.1 Application procedure for availing the financial assistances



- **Step 1: Prior Application**
Application form and required documents: Annexure 7.4.1
- **Step 2: Application for Financial Assistance**
Application form and required documents: Annexure 7.4.2

5.3 One-time logistics support for maintaining the facilities of homestay

The purpose of this support is to maintain the facilities, furnishing, furniture, etc. of the registered homestay.

5.3.1 Quantum of Assistances

Homestay units shall be eligible for receiving a one-time support of worth INR 10,000 after successful completion of one year from the date registration under Commissionerate of Tourism. And completing training by Gujarat Tourism or authorised agency.

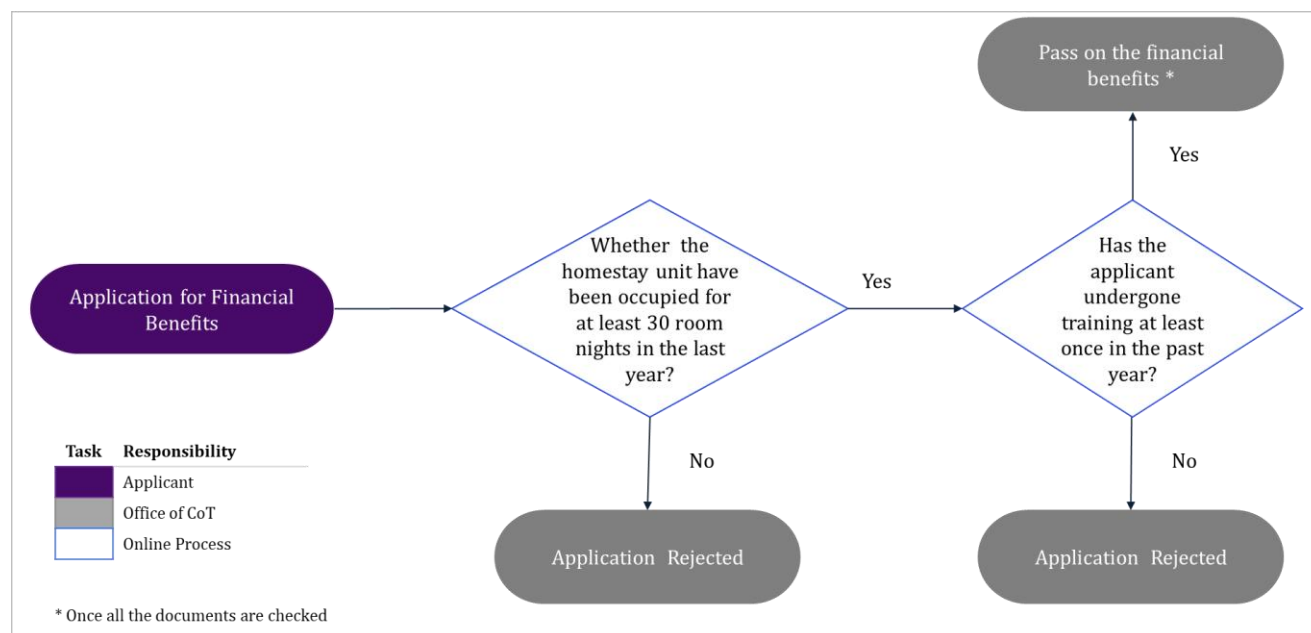
5.3.2 General Condition

- To be eligible for the financial assistance, the homestay unit must have been occupied for at least 30 room nights in the last year (365 days prior to the date of application to avail financial support).
- A homestay unit which is already registered under the Commissionerate of Tourism as per 2020 guideline, will be eligible to avail this financial assistance. The claim will only be validated with supporting from Pathik portal. In case of non-availability of proof from the Pathik portal, a

self-attestation (from the legal owner / lessee of homestay) stating that the homestay was occupied for at least 30 room nights in the last year.

- Homestay unit owner has to complete training by Gujarat Tourism or authorised agency.
- The eligible applicant shall submit the application for sanctioning of assistances under this scheme in the prescribed format along with the necessary documents within 15 days from the completion of one year from the date registration under Gujarat Tourism.

5.3.3 Application procedure for availing the assistances



Application form and required documents: [Annexure 7.5](#)

6 Administrative Functions

6.1 Nodal Agency

The Commissionerate of Tourism (CoT), Government of Gujarat will act as a nodal agency for the implementation of the scheme.

6.2 Executive Committee

The members of the Implementation Committee

1.	Commissioner of Tourism	Chairperson
2.	General Manager, Accounts (TCGL)	Member
3.	General Manager, Projects Branch (TCGL)	Member
4.	Representative from Commissionerate of Tourism	Member
5.	HoD / General Manager (Investment, Policy)	Member Secretary

The committee members are suggestive and may be changed; the Commissioner of Tourism holds the authority to nominate any member or subject matter expert to the committee.

6.2.1 Roles and Responsibilities:

- i. Overall implementation of the scheme;
- ii. Approval of applications for granting financial assistances;
- iii. Supervise and guide the Commissionerate of Tourism (CoT), Government of Gujarat for administering and implementation of the scheme;
- iv. Implementation of recommendations received from to Executive Committee.

6.3 Steering Committee

The members of the Implementation Committee shall be as follows:

1.	Secretary – Tourism	Chairperson
2.	Commissioner of Tourism	Member
3.	Joint Secretary / Deputy Secretary – Tourism (Industries and Mines Dept.)	Member
4.	General Manager, Accounts (TCGL)	Member
5.	HoD / General Manager (Investment, Policy)	Member Secretary

Other Department/s and / or subject matter experts may be invited from time to time as per the requirement.

6.3.1 Roles and Responsibilities

- i. Overall monitoring, providing guidance and making amendments / modifications in the scheme if required;
- ii. All matters of interpretation, dispute or contention under this scheme will be referred to Executive Committee and whose decision will be final and binding on the applicant;

6.4 Budgetary provision

The expenditure on this account will be debited to the following budget head: or such other head as may be decided by the State Government hereinafter and shall be incurred from the grants sanctioned thereunder for each relevant financial year of the Operative Period of the scheme.

7 Annexure

7.1 Self-Certificate / Declaration format

I (*Name of the owner*), having a homestay facility in (*Complete Address*), do hereby solemnly affirm and declare that:

- ☐ The homestay unit complies all the rules and clauses as stated in the Homestay Registration Guidelines 2025 and Scheme for Assistance to Homestays – 2025.
- ☐ The homestay unit will be operational and open to bookings for a minimum of 100 days per year for 5 years after receiving any financial assistances.
- ☐ I/We understand that all the submitted documents are final and further addition of documents will not be entertained.
- ☐ I/We understand that the incentive sanction letter is intended solely for the financial assistance under the Scheme for Assistance to Homestays – 2025. It does not constitute and should not be construed as, proof of guarantee of the legal status.
- ☐ I/We affirm that no other party is entitled to claim the same assistance for this project; it may lead to legal proceedings if any such instances occur.
- ☐ I/We ensure that the project will remain in operation continuously for at least five years after the date of receipt of financial assistances.
- ☐ In case any of the statement / information furnished in the application or documents are found to be wrong or misleading, I/We do hereby bind myself and my / our unit to pay to the Government on demand, the full amount received (with current rate of interest) as reimbursement in respect of the above-mentioned activity, within 15 (Fifteen) days of such a demand being made to me in writing.

Place:

Date:

Signature of the owner

7.2 Application Form and Required Documents -Performance based incentive

7.2.1 Application Form:

1. How many guests have you hosted in last calendar year? _____
2. How many lettable rooms does your unit have? _____
3. Is the homestay unit located in non-municipal corporation areas? _____
4. Bank Details (For the financial incentive)

Name of the Beneficiary:
Account Number:
Name of the Bank:
Name of the Branch:
Branch Address:
Branch IFSC code:
Permanent Account Number (PAN):

7.2.2 Documents Required for availing financial assistances:

1. Occupancy certificate of Pathik Portal
2. Valid Training Certificate issued by Gujarat Tourism
3. Photos of the homestay unit (current facilities)
4. Proof of Bank Details (Cancelled Cheque/ any other means of proof) for availing financial assistance
5. Self-Certificate / Declaration format (in Annexure 7.1 format)

7.3 Application Form and Required Documents - Market development assistance (MDA)

7.3.1 Application Form - Prior Application:

1. Name of the Exhibition/ Event: _____
2. Name of the Exhibitor/ Event organiser: _____
3. This application is for the ____rd/th event during the scheme period
4. Purpose of attending the Exhibition/ Event: _____
5. The exhibition is
 - i. National level
 - ii. International level
6. The location of the exhibition is in
 - i. Gujarat
 - ii. Other Indian State; Name of the State: _____
 - iii. Abroad; Specify the country: _____
7. Date of the exhibition: (DD/MM/YYYY)

Additional Questions when the applicant is an association:

1. Name of the association:
2. Registered Office address:
3. Proof of registered office address:

7.3.2 Documents Required for Prior Approval:

1. Exhibition/ Event Brochure or URL of the Exhibition/ Event
2. Proof of local address for Trade Association/ Homestay Association

7.3.3 Application Form for Financial Assistances:

1. Activities performed during the exhibition: _____ (brief details) _____
2. Total Expenditure during the program/ activity (INR):
 - i. Space rent (INR):
 - ii. Airfare (INR) – (Only for Exhibition and Travel Tourism Show in abroad):
3. Bank Details (For the financial incentive)

Name of the Beneficiary:

Account Number:

Name of the Bank:
Name of the Branch:
Branch Address:
Branch IFSC code:
Permanent Account Number (PAN):

7.3.4 Documents Required for availing financial assistances:

1. Valid Training Certificate issued by Gujarat Tourism
2. Certificate of participation from the organiser
3. Copy of original rent receipt – from the organiser
4. Proof of payment as attachment - Picture of bank transaction
5. Boarding Pass, Flight ticket (with cost of ticket), copy of Immigration (Exhibition and Travel Tourism Show in abroad)
6. Photos of event - entry gate and stall (with time stamp)
7. Proof of Bank Details (Cancelled Cheque/ any other means of proof) for availing financial assistance
8. Self-Certificate / Declaration format (in Annexure 7.1 format)

7.4 Application Form and Required Documents - One-time Logistics Support for maintaining the facility

7.4.1 Application Form:

1. How many room nights were occupied in your homestay during the past year? _____
2. Have you participated in at least one training session organised by Gujarat Tourism in the past year?

Yes/ No

3. Bank Details (For the financial incentive)

Name of the Beneficiary:
Account Number:
Name of the Bank:
Name of the Branch:
Branch Address:
Branch IFSC code:
Permanent Account Number (PAN):

7.4.2 Documents Required for availing assistances:

1. Occupancy certificate of Pathik Portal
2. Valid Training Certificate issued by Gujarat Tourism
3. Proof of Bank Details (Cancelled Cheque/ any other means of proof) for availing financial assistance
4. Self-Certificate / Declaration format (in Annexure 7.1 format)

