

**SCHEME OF FINANCIAL ASSISTANCE TO THE
IHMs/FCIs/IITTM/ITIs/POLYTECHNIC
INSTITUTES/UNIVERSITIES/GOVT. COLLEGES/GOVT.
VOCATIONAL SCHOOLS/PSUs**

GUIDELINES

The Ministry of Tourism extends financial assistance for the setting up and up-gradation of Institutes of Hotel Management & Catering Technology & Applied Nutrition (IHMs), Food Craft Institutes (FCIs) in the country. The Indian Institute of Tourism & Travel Management (IITTM) and National Council of Hotel Management & Catering Technology (NCHMCT) are also eligible for this assistance. The purpose underlying these efforts is to create institutional infrastructure that could foster and facilitate professional education and training specific to tourism, travel and hospitality industry. The institutional infrastructure, however, not only needs to be expanded constantly in order to meet the ever increasing demand of skilled personnel/ professionals, but also needs to be strengthened and upgraded so that it retains/acquires internationally acceptable benchmark of quality. It is in the backdrop of this that the existing guidelines for regulating outflow of assistance have been reviewed, primarily with a view to eliminating the felt inadequacies in the scheme of things and to meet the new emerging realities, and it has been decided to adopt the following revised guidelines.

Section A - IHMs / NCHMCT / IITTM

Eligibility

2. A society created by the Central/State Government/ UT Administration to manage an IHM shall be eligible for Central assistance. The two autonomous societies created by the Central Government, namely the Indian Institute of Tourism & Travel Management & National Council of Hotel Management & Catering Technology shall also be eligible for Central assistance.

Scope

3. Central assistance shall be admissible for the following:

New Institutes

- a) Setting up of an IHM.
- b) Setting up of centres / branches of IITTM / NCHMCT / existing IHMs.

Conditions

- i) Assistance shall be considered for the setting up of an IHM proposed by a State Government / UT Administration only after the State Government/UT Administration concerned has transferred a developed piece of land, free from all encumbrances, necessary for the purpose, measuring not less than five acres and has also committed to provide basic services/utilities like electricity, water supply, provision of sewerage etc.
- ii) Assistance shall be on the condition that the proposed IHM shall also conduct skill courses.
- iii) Assistance shall be subject to ceiling of Rs.1000 lakhs for the setting up of an IHM. The cost thereof, if it exceeds the ceiling, shall be met by the State Government/UT Administration concerned. An additional assistance of upto Rs.200 lakhs may be considered in case the same is intended to meet the cost of additional hostel facilities. However, quantum of assistance for the setting up of an IHM created by the Central Government, or the setting up of a centre/branch of the IITTM or NCHMCT, shall not be subject to this ceiling.
- iv) Assistance to a new IHM proposed by the State Govt. / UT Administration shall be utilized subject to further ceilings of Rs. 800 lakhs on construction and Rs. 200 lakhs on purchase of equipments.
- v) Assistance may cover expenditure on such items as campus development, teaching block, administrative block, kitchens, laboratories, library, hostels, computer labs, mess, canteens, auditorium, seminar halls, basic recreational facilities, staff quarters, purchase of equipments and on any other incidental though indispensable items.

Existing Institutes

- a) Expansion of an existing Institute/including hostels to provide not only for a felt infrastructural inadequacy but also to up-grade the existing one to international standards.
- b) For new equipments required to make an institute to keep abreast with technological advancements.
- c) For modernization of institutes' library.
- d) For modernization of laboratories including computer labs.

Conditions

- i) Central assistance to existing IHMs including FCIs upgraded to IHMs set up by the State Govts. / UT Administrations shall be subject to over-all ceiling of Rs. 1000 lakhs in each case with ceiling of Rs. 800 lakhs on construction and Rs. 200 lakhs on equipments applied. An upgraded IHM shall be considered for assistance only upon a certification by the NCHMCT to the effect that the Institute so upgraded possesses a minimum of infrastructure (a campus with minimum area of five acres, buildings, laboratories and equipments) as to qualify as an IHM. An additional assistance of upto Rs.200 lakhs may be considered in case same is intended to meet the cost of additional hostel facilities. The ceiling of assistance to a State IHM shall take into account the assistance extended to it previously under the Scheme.
- ii) Modernization of library and laboratories shall be treated different from construction and equipments though assistance to cover them shall also be within the ceiling of Rs. 1000 lakhs.
- iii) Assistance to Central Institutes including IITTM and NCHMCT shall be need-based not subject to a ceiling.
- v) Assistance shall be on the condition that the IHM shall also conduct skill courses.

Section B - FCIs

Eligibility

4. A society created by the Central Government/State Government/ UT Administrations to manage an FCI shall be eligible for Central assistance.

Scope

I New FCIs

5. Central assistance shall be admissible for the setting up of an FCI.

Conditions

- i) Assistance shall be considered for the setting up of an FCI by the Central Government or proposed by a State Government / UT Administration. In the latter case, assistance shall be considered only after the State Government/UT Administration concerned has transferred a developed piece of land, free from all encumbrances, necessary for the purpose, measuring not less than three acres and has also committed to provide basic services/utilities like electricity, water supply, provision of sewerage etc. Assistance shall also be considered for the setting up an FCI in an existing building offered by the State Government / UT Administration concerned for the purpose provided such change over is otherwise feasible.

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- ii) Assistance shall be subject to ceiling of Rs.475 lakhs for the setting up of an FCI. The cost thereof, if it exceeds the ceiling, shall be met by the State Government/UT Administration concerned. However, quantum of assistance for the setting up of an FCI created by the Central Government shall not be subject to this ceiling.
- iii) Assistance to a new FCI proposed by the State Govt. / UT Administration shall be utilized subject to further ceilings of Rs. 375 lakhs on construction and Rs. 100 lakhs on purchase of equipments.
- iv) Assistance may cover expenditure on such items as campus development, teaching block, administrative block, kitchens, laboratories, library, hostels, mess, canteens, auditorium, seminar halls, basic recreational facilities, staff quarters, purchase of equipments and on any other incidental though indispensable item.

II Existing FCIs

- i) Expansion of an existing Institute/including hostels to provide not only for a felt infrastructural inadequacy but also to up-grade the existing one.
- ii) For replacing equipments which are dated or which are spent or for acquiring new equipments necessary to keep abreast with technological advancements.
 - a) For the modernization of library.
 - b) For the modernization of laboratories.

Conditions

- i) Central assistance to an existing FCI set up by the State Govt. / UT Administration shall be subject to over-all ceiling of Rs. 475 lakhs with ceiling of Rs. 375 lakhs on construction and Rs. 100 lakhs on equipments applied. Modernization of library and laboratories shall be treated different from construction and equipments though assistance to cover them shall also be within the ceiling of Rs.475 lakhs. The ceiling of assistance to a State FCI shall take into account the assistance extended to it previously under the Scheme.
- ii) Assistance to Central FCIs shall be need-based not subject to any ceiling.

Section C - Executive Development Centres

6. No new Executive Development Centres (EDCs) shall be sanctioned though assistance to the EDCs that already stand sanctioned will continue on terms of conditions of each sanction. The Ministry of Tourism will, however, promote setting up of EDCs in public private partnership mode.

Section D - Other general conditions/norms

7. Central assistance shall be further subject to the following conditions/norms:
- i) Central assistance shall under no circumstances be utilized for meeting recurring and/or establishment expenditures.
 - ii) IHMs/FCIs shall normally charge fee as prescribed by the NCHMCT.
 - iii) There shall be at least three nominees of the Ministry of Tourism on the Board of Governors (BOGs) of an IHM/FCI society.
 - iv) IHMs/FCIs shall follow the academic/admission norms prescribed by the NCHMCT. Admissions to IHMs shall be on the basis of a joint entrance examination. An undertaking to this effect shall be given by the State Government/UT Administration concerned before funds are sanctioned for the setting up an IHM.
 - v) The State Government/UT Administration or the society concerned shall complete the building project, including expansion/up-gradation of the existing building, within a period of three years or such period as may be prescribed by the Central Ministry of Tourism depending on the nature of the project.
 - vi) Proposal for new IHM/FCI shall be submitted by the State Government/UT Administration duly supported with Detailed Project Report prepared by a reputed/established agency having experience and capability of executing such projects.
 - vii) Central assistance shall be further subject to any other project specific conditions that the Central Ministry of Tourism may impose.

Section E - Promotional initiatives

8. The Ministry of Tourism may consider, on being approached, one time Central Financial Assistance not exceeding Rs. 200 lakhs to a governmental institute, such as ITI, polytechnic institute, university, college owned by a government or a university, a public sector undertaking which offers course(s) specific to hospitality crafts (including management courses) or travel/tourism, for facilitating development of institutional infrastructure, subject to conditions that the Ministry may impose on case to case basis. Similarly, the Ministry may also consider, on being approached, one time CFA not exceeding Rs. 25 lakhs to a government school (including a Kendriya Vidyalaya) which offers hospitality/tourism course at +2 stage, to enable it to develop laboratory and acquire equipments necessary for and specific to the course. The assistance shall be subject to such conditions as the Ministry may impose on case to case basis. The assistance will broadly cover the following :

a) **INDUSTRIAL TRAINING INSTITUTES**

Recipient: Institutions planning to conduct hospitality programmes.

Amount: For expenditure on civil works, equipment, furniture and fixtures etc. subject to a maximum of Rs. 2 crores.

Courses to be conducted: One year and upto two years trade certificate (after class X) in;

- a. Food Production
- b. House keeping
- c. Front Office
- d. Food & Beverage Service
- e. Bakery & Confectionary

Group sizes: Theory: 50 Students Practical: 25 Students
(At least two trades will be offered)

Civil works: Assistance limited upto Rs.100 lakhs

1. Minor alterations & modifications.
2. Improvement of Kitchen, Pantry and training restaurant flooring.
3. Improvement in wall surface (glazed tiles etc.) of kitchen and pantry.
4. Plumbing and electrical improvement work for kitchen, pantry and training restaurant.

Heavy & Small Equipment, Furniture & Fixtures etc. in; (Assistance limited upto Rs.150 lakhs)

1. Basic Training Kitchen
2. Advanced Training Kitchen / Pantry / Scullery
3. Quantity Food Kitchen & Pot Wash Area
4. Larder
5. Demonstration Kitchen
6. Basic Training Restaurant
7. Advanced Training Restaurant
8. Bar
9. Student Dining Hall & Scullery
10. General Stores
11. Front Office Lab
12. House Keeping Lab
13. Linen Room
14. Laundry
15. Demonstration Lab (House Keeping)
16. Bakery
17. Confectionery

Note: It is only an illustrative list and not exhaustive.

b) VOCATIONAL SCHOOLS

Recipient: +2 level Vocational stream schools planning to conduct hospitality programmes.

Amount: For expenditure on civil works, equipment, furniture and fixtures etc. subject to a maximum of Rs. 25 lakhs.

Courses to be conducted:

- a) Two year Vocational course in Food Production
- b) Two year Vocational course in Food & Beverage Service

Group sizes: Theory: 60 Students Practical: 30 Students

Civil works: Assistance limited to Rs. 5 lakhs

1. Minor alterations & modifications.
2. Improvement of Kitchen, Pantry and training restaurant flooring.
3. Improvement in wall surface (glazed tiles etc.) of kitchen and pantry.
4. Plumbing and electrical improvement work for kitchen, pantry and training restaurant.

Heavy & Small Equipment, Furniture & Fixtures etc. in; (Assistance 20 Lakhs)

1. Training Kitchen:
2. General Stores:
3. Basic Training Restaurant

Note: It is only an illustrative list and not exhaustive.

c) UNIVERSITIES & OTHER COLLEGES

Recipient: Institutions planning to conduct hospitality & travel tourism programmes.

Amount: For expenditure on civil works, equipment, furniture and fixtures etc. subject to a maximum of Rs. 200 lakhs.

Courses to be conducted after 10+2 stage:

- a) Three year diploma/degree in Hotel Management, Travel & Tourism
- b) One/Two year trade diploma in; atleast one of the following :
- c) Food Production
- d) House keeping
- e) Front Office
- f) Food & Beverage Service
- g) Bakery & Confectionary

Group sizes: Theory: 40 Students & Practical: 20 Students

Civil works: Assistance limited to 50 lakhs.

1. Minor alterations & modifications.
2. Improvement of Kitchen, Pantry and training restaurant flooring etc.
3. Improvement in wall surface (glazed tiles etc.) of kitchen and pantry.
4. Plumbing and electrical improvement work for kitchen, pantry and training restaurant.

Heavy & Small Equipment, Furniture & Fixtures etc. in; (Assistance 150 Lakhs)

1. Basic Training Kitchen
2. Advanced Training Kitchen / Pantry / Scullery
3. Quantity Food Kitchen & Pot Wash Area
4. Larder
5. Demonstration Kitchen
6. Basic Training Restaurant
7. Advanced Training Restaurant
8. Bar
9. Student Dining Hall & Scullery
10. General Stores
11. Front Office Lab
12. House Keeping Lab
13. Linen Room
14. Laundry
15. Demonstration Lab (House Keeping)
16. Bakery
17. Confectionery

Note: It is only an illustrative list and not exhaustive.

d) POLYTECHNICS & PSUs

Recipient: Institutions planning to conduct hospitality & travel tourism programmes.

Amount: For expenditure on civil works, equipment, furniture and fixtures etc. subject to a maximum of Rs. 200 lakhs.

Courses to be conducted after 10+2 stage:

- a. Three year diploma/degree in Hotel Management, Travel & Tourism
- b. One/Two year trade diploma in atleast one of the following ;;
- c. Food Production
- d. House keeping
- e. Front Office
- f. Food & Beverage Service
- g. Bakery & Confectionary

Group sizes: Theory: 40 Students & Practical: 20 Students

Civil works: Assistance limited to 50 lakhs.

1. Minor alterations & modifications.
2. Improvement of Kitchen, Pantry and training restaurant flooring etc.
3. Improvement in wall surface (glazed tiles etc.) of kitchen and pantry.
4. Plumbing and electrical improvement work for kitchen, pantry and training restaurant.

Heavy & Small Equipment, Furniture & Fixtures etc. in; (Assistance 150 Lakhs)

1. Basic Training Kitchen
2. Advanced Training Kitchen / Pantry / Scullery
3. Quantity Food Kitchen & Pot Wash Area
4. Larder
5. Demonstration Kitchen
6. Basic Training Restaurant
7. Advanced Training Restaurant
8. Bar
9. Student Dining Hall & Scullery
10. General Stores
11. Front Office Lab
12. House Keeping Lab
13. Linen Room
14. Laundry
15. Demonstration Lab (House Keeping)
16. Bakery
17. Confectionery

Note: It is only an illustrative list and not exhaustive.