

**Scheme of Financial Assistance to the  
IHMs/FCIs/IITTM/ICI/NCHMCT/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), Indian Culinary Institute(ICI) and National Council of Hotel Management & Catering Technology (NCHMCT) are also eligible for this assistance

**Section A**

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

**Section A - IHMs / NCHMCT / IITTM**

- 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. However, In hilly areas and the six cities classified as large (UA), namely Mumbai, Bengaluru, Hyderabad, Chennai, Kolkata and Delhi, a developed piece of land, free from all encumbrances, measuring not less than 2 (two) acres would be considered as adequate for the setting up of a SIHM. This special dispensation would, however, be subject to a very strict adherence to the norms of affiliation related to academic and equipment infrastructures including the covered areas.

- iii. 'Assistance shall be subject to ceiling of Rs.1250 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.400 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 IITM 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. 1000 lakhs on construction and Rs. 250 lakhs on purchase of equipments.
- v. Inter-component adjustments of assistance ceilings, subject to a maximum of 10%, prescribed for construction of academic block, construction of Hostels and purchase of equipments will be allowed on case-to-case basis as a pre-sanction dispensation and no flexibility will be allowed after the sanction of the project.'
- vi. Central financial assistance can also be considered for the setting up a State IHM in an existing building offered free-of-cost by the State Government/UT Administration concerned for the purpose provided the building is suitable for housing the IHM. The central financial assistance will however be limited to Rs.6.00 Crore or 75% of the ceiling on construction of academic block for renovation/remodelling the existing buildings. The ceiling of Rs.2.00 Crore each on construction of hostel and purchase of equipment shall remain unchanged.

## **Section B - FCIs**

- 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. However, In hilly areas and the six cities classified as large (UA), namely Mumbai, Bengaluru, Hyderabad, Chennai, Kolkata and Delhi, a developed piece of land, free from all encumbrances, measuring not less than 1 (one) acre would be considered as adequate for the setting up of a FCI. This special above dispensation would, however, be subject to a very strict adherence to the norms of affiliation related to academic and equipment infrastructures including the covered areas.
- ii. Central assistance to an existing FCI set up by the State Govt. / UT Administration shall be subject to over-all ceiling of Rs. 550 lakhs with ceiling of Rs. 435 lakhs on construction and Rs. 115 lakhs for 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.530 lakhs. The ceiling of assistance to a State FCI shall take into account the assistance extended to it previously under the Scheme.

- iii. Inter-component adjustments of assistance ceilings, subject to a maximum of 10%, prescribed for construction of academic block, construction of Hostels and purchase of equipments will be allowed on case-to-case basis as a pre-sanction dispensation and no flexibility will be allowed after the sanction of the project.
- iv. 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
- v. Assistance can also be considered for the setting up a FCI in an existing building offered free-of-cost by the State Government/UT Administration concerned for the purpose provided the building is suitable for housing the FCI. The central financial assistance will however be limited to Rs.280 lakhs or 75% of the ceiling on construction of academic block for renovation/remodelling the existing buildings. The ceiling of Rs. 115 lakhs on purchase of equipment shall remain unchanged.

### **Section C - Applied Training Centre(ATC)**

Assistance up to the tune of Rs 500 lakhs would be provided to only the Central IHMs for construction of Applied Training Centre(ATC) attached to the Institute. Expenditure over and above this limit would be borne by the Institutes themselves. However, CFA would be extended only to such Institutes where there are no Hotels in the vicinity.

### **Section D - Other general conditions/norms**

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. However, a State IHM brought up with central financial assistance from the Ministry of Tourism under the aegis of a university will be allowed to award the degree of that university. This will be subject to the condition that the curriculum of the concerned university matches the NCHMCT/IGNOU syllabus and the university is recognised by UGC.

### **Section E - Promotional initiatives**

The Ministry of Tourism may consider, on being approached, one time Central Financial Assistance not exceeding Rs. 240 lakhs to a governmental institute such as ITI, polytechnic institute, university, college owned by a government or a university, a public sector undertaking and an autonomous body owned by the Central or State or Union Territory government 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. 30 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**

**Amount:** For expenditure on civil works, equipment, furniture and fixtures etc. subject to a maximum of **Rs. 2.40 crores**.

**Civil works:** Assistance limited upto **Rs.100 lakhs**

**Heavy & Small Equipment, Furniture & Fixtures etc. in; Assistance limited upto Rs.140 lakhs**

**b) VOCATIONAL SCHOOLS**

**Amount:** For expenditure on civil works, equipment, furniture and fixtures etc. subject to a maximum of **Rs. 30 lakhs**.

**Civil works:** Assistance limited to **Rs. 6 lakhs**

**Heavy & Small Equipment, Furniture & Fixtures etc. in; Assistance Rs. 24 lakhs**

**c) UNIVERSITIES & OTHER COLLEGES**

**Amount:** For expenditure on civil works, equipment, furniture and fixtures etc. subject to a maximum of **Rs. 240 lakhs**.

**Civil works:** Assistance limited to **Rs 60 lakhs**.

**Heavy & Small Equipment, Furniture & Fixtures etc. in; Assistance Rs180 Lakhs**

**d) POLYTECHNICS & PSUs**

**Amount:** For expenditure on civil works, equipment, furniture and fixtures etc. subject to a maximum of **Rs. 240 lakhs**.

**Civil works:** Assistance limited to **Rs 60 lakhs**.

**Heavy & Small Equipment, Furniture & Fixtures etc. in; Assistance Rs 180 Lakhs**

**Inter-component adjustments of assistance ceilings, subject to a maximum of 10%, prescribed for civil works and purchase of equipments will be allowed on case-to-case basis as a pre-sanction dispensation and no flexibility will be allowed after the sanction of the project.**