

GOVERNMENT OF INDIA
MINISTRY OF TOURISM

RAJYA SABHA
UNSTARRED QUESTION NO. 2209
ANSWERED ON 07.08.2025

SCHEME OF FINANCIAL ASSISTANCE FOR INSTITUTES

2209 SHRI RATANJIT PRATAP NARAIN SINGH:

Will the Minister of **TOURISM** be pleased to state:

- (a) the details of the objectives of the Scheme of Financial Assistance for Institutes and the institutes which are eligible for it;
- (b) the types of projects that are eligible for funding under this scheme, and the key criteria for approval;
- (c) the details of funds allocated for the setting up, expansion and upgrading of institutes under this scheme in the past year; and
- (d) the manner in which the Ministry ensure proper utilization of the financial assistance provided to the institutes under this scheme?

ANSWER

THE MINISTER OF TOURISM

(SHRI GAJENDRA SINGH SHEKHAWAT)

(a) to (c): The Ministry of Tourism, under the scheme of “Central Financial Assistance to the Institute of Hotel Management (IHMs)/ Food Craft Institutes (FCIs)/ Indian Institute of Tourism & Travel Management (IITTM)/ Indian Culinary Institute (ICI)/ National Council for Hotel Management & Catering Technology (NCHMCT)/ Public Sector Undertakings (PSUs)” extends central financial assistance for the projects including setting up of central/state IHMs, hostels, staff quarters, campus development works, expansion/addition & alternation of building, replacement/up- gradation of equipment etc. with the objective of making these institutes capable of generating manpower sufficient to meet the needs of the tourism and hospitality industry, both quantitatively and qualitatively.

Under the scheme a total of Rs.30.41 crore was allocated to institutes via CNA during the past year i.e. 2024-25 for projects including setting up, expansion and upgrading of institutes.

(d): The Ministry ensures proper utilization of funds released in the following manner:

- i. Phased Release of Funds: 1st tranche (40%) after land transfer, society registration, and other required due diligence. Next tranches (40%, 15%) upon Utilization Certificate (UC) and progress report submission. Final 5% after project completion and submission of all documentation (completion certificate, display of credit, etc.).
- ii. Utilization Certificate (UC) Requirements: UC for 75% of previous release with supporting accounts and physical progress.
- iii. Implementing Agency Accountability: Funds managed via Central Nodal Agency (CNA). Sub-agencies (implementing agencies) to open zero-balance accounts in SBI. Drawing limit and fund release linked to real-time utilization. Unspent balances must be deposited back into CNA’s account.
- iv. Online Management Information System (MIS) under development for tracking.
