

**GOVERNMENT OF PUDUCHERRY  
ABSTRACT**

Tourism – Inclusion of ‘Service Apartments’ in the Scheme “Grant of Financial Incentives for Hotels, Resorts, Heritage Hotels and other Tourism projects” and framing of rules – Notification - Issued.

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**DEPARTMENT OF INDUSTRIAL DEVELOPMENT (TOURISM)**

G.O.Ms.No.02/2010/Tsm

Puducherry dt.,25.01.2010

READ : 1. G.O.Ms.No.01/2010/Tsm dated 20.01.2010 of Department of Industrial Development (Tourism), Puducherry  
2. I.D.No.96/Tourism/U1/2004 dated 05.11.2009 of Department of Tourism, Puducherry  
3. I.D.No.1575/LGS/09 dated 31.12.2009 of Lt. Governor’s Secretariat, Puducherry

**ORDER**

WHEREAS the Scheme of “Grant of Financial Incentives for Hotels, Resorts, Heritage Hotels and other Tourism projects” was framed vide G.O.Ms.No. 01/2010/Tsm dated 20.01.2010, by the Department of Industrial Development (Tourism), Government of Puducherry with the rules for the Scheme which provided for subsidies, to encourage the private entrepreneurs in the field of tourism.

2. AND WHEREAS further, to facilitate the budget tourists and group tourist, it is proposed to extend the financial incentive to ‘Service Apartments’.

3. NOW, THEREFORE, the approval of His Excellency the Lieutenant-Governor is hereby accorded to include the ‘Service Apartments’ also in the Scheme “Grant of Financial Incentives for Hotels, Resorts, Heritage Hotels and other Tourism projects”. The rules for the grant of financial incentive to ‘Service Apartments’ are given below :

(i) The ‘Service Apartment’ should conform to the guidelines of the Ministry of Tourism under the “Bed & Breakfast Scheme”.

(ii) The incentive/subsidy shall be granted only at Rs.1.00 lakh per apartment subject to a maximum of Rs.6.00 lakhs to the Service Apartments having ‘Silver’ category classification and Rs.2.00 lakhs per apartment to a maximum of Rs.12.00 lakhs to the Service Apartments having ‘Gold’ or higher category classification in the said ‘Bed & Breakfast Scheme’.

(iii) The scheme shall be applicable only to those ‘Service Apartments’ which have commenced construction, completed, commissioned and in continuous commercial use after the date of issue of this GO.

(iv) The incentive shall be released only if the Service Apartment is covered by the “Bed & Breakfast Scheme” guidelines of the Ministry of Tourism, Government of India and duly approved by Department of Tourism, Government of Puducherry.

(v) The incentive/subsidy shall be applicable only to the location of the applicant promoter who has financially invested in the property and developed the project.

(vi) The incentive shall be directly released to the authorized/approved designated/notified financial institutions, if any loan has been taken for creating/financing the project. In case, no loan has been taken, the amount of incentive will be directly released to the applicant.

(vii) The owners of the service apartment availing the incentive should give an undertaking stating that the project will be continued in the same name and style for a period of eight years from the date of release of the incentive. The apartment shall not be rented out on monthly rent or long tenure/lease or sold or mortgaged or transferred on the basis of the power of attorney or any other mode prior to the expiry of the period of eight years from the date of release of the incentive.

(viii) The service apartment shall not be eligible for this incentive Scheme, if any other capital subsidy/incentive has already been availed from the Government of Puducherry or the Government of India.

(ix) If there is any misrepresentation of facts or furnishing of false or incorrect information or the like to the Department of Tourism, Government of Puducherry, the amount paid will be recovered along with interest and penalty at Government rates prevailing at that time and further incentive will not be released and the Department of Tourism shall reserve the right to take any legal action deemed proper.

(x) The incentive may be released in installments.

(xi) The date of approval of the Bed & Breakfast rating by the Department of Tourism, Government of India will be taken as the criterion for fixing the order of priority for disbursement of incentive.

(xii) Documents required.

- Detailed Report in English about the infrastructure including ownership, structural designs, financial model, detailed estimates, audited balance sheet and Profit and Loss statements from its commencement, Income Tax returns and other relevant particulars.
- Approval and occupancy certificate issued by the Planning Authority of the respective regions of the Government of Puducherry with approved drawing.
- Certification of the building from the Departments of Fire Service, Municipality/Public Works and Electricity.
- Bed & Breakfast grading of the Department of Tourism, Government of Puducherry for Service Apartments.
- Undertaking as per the format in 50 rupees stamp paper.

(xiii) (A) A Committee consisting of the following officers is constituted to look into the application for financial incentives to be availed under this scheme, to decide on the eligibility, quantum of incentive, payable under this scheme in each case:

- |     |  |       |          |
|-----|--|-------|----------|
| (a) | Secretary to Govt. (Tourism)               | ..... | Chairman |
| (b) | Managing Director, (PTDC)                  | ..... | Member   |
| (c) | Member Secretary, PPA                      | ..... | Member   |
| (d) | Commissioner, Puducherry Municipality..... | ..... | Member   |
| (e) | Representative of Finance Department       | ..... | Member   |
| (f) | Architect, Representative of INTACH        | ..... | Member   |
| (g) | Director of Tourism                        | ..... | Convener |

(B) The Chairman may, if he deems if necessary, co-opt any subject expert, from Government or Private sector, on a case to case basis.

4. This issues with the concurrence of the Finance Department vide their I.D.No. 076587/F3/2009 dated 18.01.2010.

**// BY ORDER OF THE LIEUTENANT-GOVERNOR//**

**(K.DURGA PRASAD)  
UNDER SECRETARY TO GOVT. (TOURISM)**

To  
The Director, Tourism Department, Puducherry

Copy to

1. The Finance Department, Puducherry
2. The Directorate of Accounts & Treasuries, Puducherry
3. The Accountant General, Audit-I, TN&PDY, Puducherry
4. The Central Record Branch, Puducherry
5. The Accounts Section, Tourism Department, Puducherry
6. GO/Spare.

## SUBSIDY UNDERTAKING

I \_\_\_\_\_ (Name) aged \_\_\_\_\_ years, Director General/Director/Partner/Owner of \_\_\_\_\_ (Name of the Service Apartment) situate at \_\_\_\_\_ (Address) which is conform to the guidelines of the Ministry of Tourism for "Bread & Breakfast Scheme" and graded by the Department of Tourism, Government of Puducherry from \_\_\_\_\_ on \_\_\_\_\_ after having gone through and understood the terms and conditions of the scheme of "**GRANT OF FINANCIAL INCENTIVE FOR SERVICE APARTMENTS**" contained in G.O.Ms.No.02/2010/Tsm dated 25.01.2010 and published in the Gazette on \_\_\_\_\_, I on my behalf and on behalf of \_\_\_\_\_ (Name of other partners/Service Apartment), do hereby accept and undertake to abide by the rules/terms and conditions imposed by the Department of Tourism, Government of Puducherry. I further state that I have been authorized by the other partner(s)/Company and I am competent myself to file this undertaking, for which the letter of authority is enclosed.

2. I further state that the requisite Form/Application to avail myself/ourselves of the Scheme of the "**GRANT OF FINANCIAL INCENTIVE FOR SERVICE APARTMENT**" has been filled in, in agreement/consent with the other partner(s) namely \_\_\_\_\_ and the company. The particulars and the statements given therein are true and correct to the best of my knowledge, information and belief, and nothing material has been concealed therefrom.

I, on my behalf and on behalf of the partner(s)/company named above do hereby undertake as under :

(I) That the \_\_\_\_\_ (Name of the Service Apartment) will continue in the same name and style for a period of eight years from the date of release of incentive and the property and the building will not be rented out on monthly rent or long tenure/lease or sold or mortgaged or transferred on the basis of the power of attorney or any other mode prior to the expiring of the period of eight years from the date of release of the incentive.

(II) If there is any misrepresentation of facts or furnishing of false or incorrect information or the like to the Department of Tourism, Government of Puducherry, the amount paid shall be recovered along with interest and penalty at the Government rates prevailing at that time and the Department of Tourism will be at liberty to take any legal action deemed proper.

(III) That in case funds are not available with the Department of Tourism, Government of Puducherry, the entire/balance of the incentive shall be claimed only as and when the Department of Tourism has made the required budgetary provisions.

Place : \_\_\_\_\_ Applicant Name \_\_\_\_\_  
Date : \_\_\_\_\_ Seal \_\_\_\_\_ :

**Application form to avail financial incentive/subsidy for SERVICE APARTMENTS under the scheme of Grant of Financial Incentives for Hotels, Resorts, Heritage Hotels, Service Apartments and other Tourism Projects in the Union Territory of Puducherry**

1	Name of the Applicant	
2	Address of the Applicant (Proof to be attached)	
3	Name & Style of the Project/ Property for which incentive/subsidy required.	
4	Location of the Project/Property mentioned in Sl.No.3 with complete postal address	
5	Whether the Project/Property mentioned in Sl.No.3 is Proprietary Concern or Partnership Concern or Limited Company (Please attach proof)	<input type="checkbox"/> Ownership <input type="checkbox"/> Partnership <input type="checkbox"/> Company <input type="checkbox"/> Others (please specify)
6	Relation of the applicant with the Project/Property mentioned in Sl.No.3	<input type="checkbox"/> Proprietor <input type="checkbox"/> Partner <input type="checkbox"/> Board of Director <input type="checkbox"/> Others (please specify)
7	Details of the Financial Institution and loan taken, if the loan was taken for creating/financing the Project/Property mentioned in Sl.No.3. (Supporting documents to be enclosed).	
8	Whether any other capital subsidy or incentive had been availed from the Government of Puducherry or from the Ministry of Tourism, Government of India for the Project/Property mentioned in Sl.No.3. If so, please provide the details	
9	<b>Details to be filled for Service Apartments.</b>	

(a)	Date of commencement of construction	
(b)	Date of completion of construction	
(c)	Date of commencement of the Service Apartment for commercial use (Occupancy certificate from PPP to be enclosed).	
(d)	Whether the Project/Property mentioned in sl.no.3 is a Service Apartment and covered by the "Bed & Breakfast Scheme" guidelines of the Ministry of Tourism, Government of India and duly approved by Department of Tourism, Government of Puducherry. If yes please specify.	<input type="checkbox"/> Silver Category Service Apartment. <input type="checkbox"/> Gold Category Service Apartment.
(e)	If yes, please mention date of issue and validation of the grading. (attach the proof)	
<b>10</b>	<b>Documents to be enclosed</b>	
(a)	Detailed Project Report in English about the infrastructure including ownership, structural designs, financial model, detailed estimates, audited balance sheet and Profit and Loss statements from its commencement, Income Tax returns and other relevant particulars.	
(b)	Approval and occupancy certificate of the Planning Authority of the respective regions of the Government of Puducherry with approved drawing.	
(c)	Certification of the building from the Departments of Fire Service, Municipality/Public Works and Electricity.	
(d)	Bed & Breakfast grading of the Department of Tourism, Government of Puducherry for Service Apartments	
(e)	Undertaking as per the format in 50 rupees stamp paper.	

### **UNDERTAKING**

The particulars furnished above are true and I completely read and understand the scheme "Grant of Financial Incentives for Hotels, Resorts, Heritage Hotels, Service Apartments and other Tourism Projects in the Union Territory of Puducherry" issued vide Government Order Nos. G.O.Ms.No.02/2010/Tsm dated 25.01.2010.

Place :  
Date :

Signature :  
Name of the Applicant :  
Seal :

## CHECK LIST

SL NO	DOCUMENTS TO BE ENCLOSED	WHETHER ENCLOSED OR NOT (YES / NO )
1	Proof of Address	
2	Registration of the Company/Partnership	
3	Bed & Breakfast grading of the Department of Tourism, Government of Puducherry for Service Apartments	
4	Documents for land ownership and Encumbrance Certificate	
5	Certificate from Advocate/Notary of clear title	
6	Supporting documents for loan sanction/loan disbursement and details of loan paid and pending from the Financial Institution.	
7	Detailed Project Report in English about the infrastructure including ownership, structural designs, financial model, detailed estimates, audited balance sheet and Profit and Loss statements from its commencement, Income Tax returns and other relevant particulars.	
8	Approval and occupancy certificate of the Planning Authority of the respective regions of the Government of Puducherry with approved drawing.	
9	Certification of the building from <input type="checkbox"/> Fire Service, <input type="checkbox"/> Municipality/Public Works <input type="checkbox"/> Electricity Department.	
10	Undertaking as per the format in 50 rupees stamp paper.	