



सत्यमेव जयते

Government of Meghalaya



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# MEGHALAYA TOURISM HOMESTAY SCHEME

Tourism Department  
September 2023



Meghalaya Tourism Homestay Scheme





### ***Message from Hon'ble Chief Minister***

Our vision for Meghalaya is clear: to rise among the top 10 states in India within the next decade. To achieve this ambitious goal, we recognize the pivotal role that tourism plays in our state's development, and our tourism policy aligns with this commitment.

It is with great pleasure that I introduce the Government of Meghalaya's Tourism Homestay Scheme. Under this initiative, we are offering a generous subsidy of up to 70% for the establishment of homestays and associated tourism infrastructure, including wayside amenities, dhabas, and craft emporiums. This scheme, in essence, is the most lucrative tourism opportunity in the entire country.

Homestays are the linchpin of our strategy to achieve high-value tourism and generate employment opportunities for our citizens. This scheme has been meticulously designed to serve these twin objectives: promoting high-value tourism and creating employment opportunities for the people of Meghalaya.

What sets our Homestay Scheme apart is its integration with the Prime Minister Employment Guarantee Programme (PMEGP). This partnership offers several unique advantages, including the highest subsidy in the country. It exemplifies how states can creatively align with existing Government of India schemes to maximize benefits. Our scheme is tailored

to cater to the specific needs of Meghalaya's entrepreneurs, eliminating the need for land mortgages through innovative banking collaborations.

Our commitment to this endeavour is substantial, with an investment of approximately 110 Crores over five years. This investment aims not only to elevate the tourism industry but also to strengthen the overall economy of our state.

In essence, our Homestay Scheme embodies our commitment to the comprehensive development of Meghalaya. By harnessing the potential of tourism and empowering our citizens, we are paving the way for a brighter and more prosperous future.

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### ***Message from Hon'ble Tourism Minister***

Meghalaya, renowned for its breath-taking waterfalls, captivating root bridges, and vibrant culture, has long been a treasure trove for tourists seeking unforgettable experiences. As we strive to further enhance our state's appeal as a tourist destination, our focus is not only on grand infrastructural projects but also on the intimate charm of homestays.

The State Government has embarked on a multifaceted journey to improve our tourism infrastructure, with the aim of drawing more tourists and fostering employment opportunities. Within this landscape of development, homestays play an indispensable role.

I personally view the Meghalaya Tourism Homestay Scheme as a resounding success, given its immediate and significant impact on the lives of our citizens, especially those in rural areas. The Meghalaya Tourism Homestay Scheme, a collaborative effort between the Tourism Department of the Government of Meghalaya and PMEGP, represents a pivotal milestone in unlocking our state's immense tourism potential.

My earnest wish is for this scheme to achieve resounding success, benefiting countless citizens who harbour a passion for the hospitality sector. I hope that many will seize this opportunity to bring their long-held dreams of owning and operating a successful homestay to fruition.

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## 1. Introduction of the Meghalaya Tourism Homestay Scheme

The Meghalaya Tourism Homestay Scheme of the Government of Meghalaya is a convergence between Meghalaya Tourism Departments and Prime Minister Employment Generation Scheme (PMEGP) for generation of employment opportunities in the State of Meghalaya through the establishment of tourist infrastructure such as homestay, restaurants ( dhabas / wayside amenities ) and crafts emporium.

The Meghalaya Tourism Homestay Scheme will be implemented by the Tourism Department in collaboration with the District Commerce and Industry Centre (DCIC), under the Commerce and Industries Department, Government of Meghalaya as the partner agency for support related to PMEGP.

The Salient feature of the schemes are as follow:

- a. PMEGP offers a subsidy of up to 35% for project cost of up to Rs 20 Lakh.
- b. In addition to PMEGP subsidy, the Tourism Department provides an additional 35% subsidy for project cost costing up to Rs 10 Lakh.
- c. Therefore, beneficiary can access a total subsidy of 70% for project cost up to Rs 10 Lakhs, i.e., 35% from PMEGP and 35% from Tourism.
- d. The scheme employs a credit-link subsidy model. Partner bank offers 95% of the project cost as loan, with the beneficiary contributing the remaining 5%.
- e. Beneficiaries receive a one-year moratorium and a maximum loan term of 7 years from the loan disbursement date.
- f. The beneficiary repays an average Equated Monthly Instalment (EMI) of approximately Rs 6,000/- over a period of 7 years, enabling them to own an asset worth Rs 10 Lakh (a two rooms homestay, restaurants, dhabas / wayside amenities, and crafts emporium). With this EMI, a beneficiary can earn an estimated monthly income of up to Rs 60,000, while paying just Rs 6,000/- as EMI for 7 years.

- g. The Scheme is designed to create employment and livelihood opportunities, with estimated monthly revenue nearly 10 times the EMI, even conservatively estimated.
- h. The Tourism Department pays the 35% subsidy directly to the bank as EMI support during the first three years.
- i. The PMEGP's 35% subsidy is transferred to the beneficiary's account at the beginning of the fourth year.

*Note: The numbers/subsidy percentage mentioned in points a, c, d, f and i are applicable to ST beneficiaries in rural area. For other categories, refer section 4.3.2.*

## 2. Objectives of the Scheme.

- a) To generate livelihood opportunities in both rural and Urban areas of Meghalaya by establishing new self-employment ventures like homestays, restaurants (dhabas/wayside amenities) and crafts emporiums.
- b) To promote the development of aesthetically pleasing homestays, restaurants (dhabas/wayside amenities) and crafts emporiums while providing technical assistance, such as design templates, to preserve the region's natural beauty.
- c) To stimulate ancillary employment in both rural and urban areas by significantly boosting the Tourism sector.
- d) To address the increasing demand for high-quality accommodation in the State.
- e) To unlock new potential destinations by creating high-quality accommodation options.

## 3. Rationale for the Scheme

### **A.** High Tourist Footfall in the State:

Meghalaya is a highly sought-after tourist destination, drawing approximately 1.2 million visitors in 2018, including both national and international tourists.

### **B.** Economic Boost:

The Tourism Sector currently contributes 3 to 5 percent of the GSDP and holds the potential to become a major driver of economic growth in the State. Recognized for its multiplier effect on the economy, investments in this sector are essential for creating numerous livelihood opportunities in both formal and informal sectors.

**C. Infrastructure Enhancement Necessity:**

Existing tourism infrastructure in the state is insufficient to cater to the current demand and expansion of tourism. Furthermore, most upcoming homestays, especially in rural areas with high tourism potential, require standardization to maintain the aesthetic appeal of the locations.

**D. Promotion of High-Value Tourism:**

The Tourism Department aims to establish a model of tourism that focuses on creating exceptional experience to attract discerning travellers from both the country and abroad, thereby promoting high-value tourism. To achieve this, there is a need to develop quality tourism infrastructure, particularly in terms of tourist accommodation.

## E. Rising Homestay Trend:

With the growing trend and preference for homestays, the Tourism Department recognizes the need to facilitate the growth of tourist infrastructure while simultaneously linking it to livelihood and employment opportunities. The Meghalaya Tourism Homestay Scheme of the Tourism Department aims to fulfil these needs by providing financial and technical assistance to the local entrepreneurs who aspire to establish homestays and other tourist Infrastructure in the State.

## 4. Convergence of PMEGP with Tourism

### 4.1 PMEGP Scheme

The Prime Minister's Employment Generation Program (PMEGP) Scheme, initiated by the central government, aims to provide employment opportunities to citizens by facilitating the establishment of microenterprises through credit-linked subsidies, both in rural and urban areas.

Under the Scheme, the full business cost is provided as a loan by the bank to the beneficiary, which must be repaid over a maximum period of 7 years. PMPGP subsidies are granted after a three-year lock-in period, contingent upon successful implementation and a positive physical verification report. Among the various activities listed under PMPGP, the tourism sector offers the most promising opportunity for unemployed citizens in Meghalaya to earn a livelihood.

However, many potential beneficiaries in Meghalaya's rural and urban areas, with significant tourism potential, do not utilize the scheme due to their inability to manage high EMIs during the initial three-year lock-in period. Since the tourism industry typically has a longer gestation period, the requirement for high EMI payments early on deters aspiring entrepreneurs

from embarking on the tourism ventures. Consequently, this has resulted in a low uptake of the PMEGP scheme, both in the state overall and particularly within the tourism sector.

## 4.2 Meghalaya Tourism Development and Investment Promotion Scheme 2012 (MTDIPS)



The State's MTDIPS Scheme has provided assistance to entrepreneurs in establishing tourism related infrastructure, such as homestay, resorts, restaurants (dhabas/wayside amenities). While the scheme has enjoyed a 100% success rate till date, its limited budget has restricted its ability to benefit more beneficiaries.

## 4.3 Challenges Addressed by the Meghalaya Tourism Homestay Scheme

The introduction of the Meghalaya Tourism Homestay Scheme aims to address the challenges associated with the two aforementioned schemes, namely PMEGP and MTDIPS, specific to the State of Meghalaya, by integrating the benefits from both the Schemes. The Scheme, through convergence, seeks to tackle the following issues:

- a. The burden of high EMI repayments during the first three years of PMEGP's lock-in period for the beneficiaries.

- b. The low utilization of the PMEGP Scheme in the State of Meghalaya.
- c. The limited coverage of Tourism Department due to budgetary constraints.
- d. The promotion of profitable business opportunities that were previously not identified by potential beneficiaries.
- e. Addressing the long gestation period of Tourism Industry and the necessity to support and encourage entrepreneurs during its initial years.
- f. Enhanced monitoring with additional support from DCIC and banks.

### 4.3.1 The Scheme

- i. The Tourism Department will add an additional subsidy of 35 percent to the existing 35 percent PMEGP Subsidy. The maximum subsidy that a beneficiary can avail from the Tourism Department is Rs 3.5 Lakh, which is 35 percent for a project cost of up to Rs 10 Lakhs.
- ii. The partner bank under the scheme will provide 95% of the total amount required for constructing homestays and other amenities, which is Rs 9,50,000 (for ST in rural areas with a project cost of Rs 10 Lakhs), while the remaining 5% is to be contributed by the beneficiary.
- iii. A one-year moratorium period will be provided after which the beneficiary will begin repaying the loan over a period of 7 years.
  - a. The approximate EMI for the first 3 years will be Rs 4,671/-
  - b. The approximate EMI for the next 4 years will be Rs 6,990/-
- iv. The Tourism subsidy of 35% will be paid in the first 3 years as an EMI.
- v. The PMEGP subsidy will be transferred to the beneficiary account at the beginning of the fourth year.

*Project Cost beyond Rs 10 Lakh:*

*While the Scheme is designed for an upper limit of up to Rs 10 lakhs, PMEGP provides a loan of up to 20 Lakhs for tourism infrastructure. Hence, a beneficiaries can also apply under the scheme for a project cost of up to Rs 20 Lakhs. However, even with the Rs 20 lakh loan, the subsidy provided by the Tourism department will be limited to 3.5 Lakh i.e., 35% of 10 Lakhs.*

*The details of the subsidy of Tourism and PMEGP for both 10 lakh and 20 Lakh Loan and the amount of subsidy are provided in Table B. of section 4.3.2.*



### 4.3.2 Total Financial Assistance

Levels of funding from PMEGP, Tourism department and thereby the total subsidy under Meghalaya Tourism Homestay Scheme is shown in the table below:

Table A: Rate of subsidy in percentage for a project cost of up to Rs 10 Lakhs

Categories of beneficiaries	Beneficiary's contribution	Rate of Subsidy (of project cost)					
		PMEGP		Tourism Department		Total Subsidy	
Scheme		Urban	Rural	Urban	Rural	Urban	Rural
Area (Location of the project)		Urban	Rural	Urban	Rural	Urban	Rural
General Category	10%	15%	25%	35%	35%	50%	60%
Special (including SC / ST / OBC / Minorities/Women, Ex-servicemen, physically handicapped etc.)	5%	25%	35%	35%	35%	60%	70%

Table B: Maximum subsidy amount for a project cost of Rs 10 Lakhs and Rs 20 Lakhs.

Categories of beneficiaries under PMEGP	Beneficiary's contribution (of project cost)	(Total Subsidy in Rupees)	
<i>For 10 Lakhs</i>			
		Urban	Rural
General Category	1,00,000/-	5,00,000/-	6,00,000/-

Special (including SC / ST / OBC / Minorities/Women, Ex-servicemen, physically handicapped etc.	50,000/-	6,00,000/-	7,00,000/-
<b>For 20 Lakhs</b>			
		Urban	Rural
General Category	2,00,000/-	6,50,000/-	8,50,000/-
Special (including SC / ST / OBC / Minorities/Women, Ex-servicemen, physically handicapped etc.	1,00,000/-	8,50,000/-	10,50,000/-

**Note:**

- i. The maximum cost of the project admissible for subsidy through Tourism Department is Rs 10 Lakh.
- ii. The maximum cost of the project admissible for subsidy through PMEGP is Rs 20 Lakh.
- iii. If the total project cost exceeds Rs 20 Lakhs, the balance amount may be provided by the Bank without any Government subsidy.

**4. Eligibility Conditions of Beneficiaries**

- a) Any resident of Meghalaya, above the age of 18 years.
- b) The beneficiary should possess at least VIII standard pass educational qualification for setting up of project cost above Rs 5 Lakhs.
- c) Assistance under the scheme is available only for new projects sanctioned specifically under the Meghalaya Tourism Homestay Scheme.
- d) The beneficiary should own the land for the project and should possess valid land documents. In case the applicant does not possess own property, a notarized lease agreement for minimum period of 7 years needs to be obtained.

- e) A copy of the caste/community certificate or relevant document issued by the competent authority in the case of other special categories.
- f) Only one person from one family is eligible for obtaining financial assistance for setting up of projects under the Meghalaya Tourism Homestay Scheme.

## 5. Minimum Standards

The following are the minimum standards that must be maintained:

- a) **Staffs:** Owners and beneficiaries must receive training in hospitality, including housekeeping and basic culinary skills, with a preference for expertise in local cuisine. The Tourism Department will organize this training in coordination with MSSDS (Meghalaya State Skill Development Society), involving participation from the private sectors.
- b) **Hygiene:** The cleanliness of restrooms with necessary toiletries must be maintained in the facility. Adequate water supply should be ensured to keep facility clean and hygienic.
- c) **Waste Management:** Proper disposal and solid waste management should be strictly adhered to.
- d) **Design Aesthetics:** The homestay design should preferably incorporate an ethnic touch, integrating local materials and design elements whenever possible. The Tourism Department will offer sample designs, interior suggestions, and a design manual. The department will also enlist architects to aid beneficiaries in customizing their designs, with the department covering the associated costs, in addition to the subsidy.

### 5.1 Aesthetics of the homestay:

**Aesthetic Homestays with a Traditional Touch:** Homestays within this scheme are envisioned as havens of aesthetic beauty, rooted in tradition and culture. To achieve this, they embrace a traditional touch that resonates

with the cultural heritage of the region. The design philosophy revolves around the extensive use of locally sourced materials, allowing these homestays to seamlessly blend with their natural surroundings. This commitment to aesthetics ensures that each homestay exudes an inviting ambiance and harmonizes effortlessly with the surrounding nature.

**Guidance from Design Experts:** To facilitate the realization of these aesthetic goals, the Tourism Department has taken the initiative to empanel design consultants. These experts play a pivotal role in shaping the visual identity of the homestays. They provide valuable guidance, offering sample designs, interior design suggestions, and a comprehensive design manual. Furthermore, the department's dedication to promoting aesthetics goes beyond guidance. It extends to bearing the costs associated with architects, ensuring that every homestay becomes a reflection of the region's unique cultural heritage and natural beauty.

**Recognition for Excellence:** In acknowledgment of excellence in achieving and maintaining these aesthetic standards, the scheme offers incentives to the best-performing homestay owners. As detailed in Section 16.1, awards and recognition await those who consistently provide exceptional service and maintain high-quality standards. This incentive system encourages homestay owners to continuously improve their offerings, contributing to the growth and reputation of the tourism industry in the region while upholding the aesthetic and cultural values that define these accommodations.

## 6. Implementation Agencies

The Scheme will be implemented by the Directorate of Tourism, Tourism Department, Government of Meghalaya in collaboration with Directorate of Commerce and Industries Centre (DCIC), Commerce and Industries Department, Government of Meghalaya.

At the district levels, the tourist officers/other officers from tourist information Centre/district tourism offices will help in the implementation.

Likewise, the district officers from DCIC in their respective districts will help in implementing the scheme.

## 7. Employment opportunities

With the creation of at least 500 homestays per year over a period of 5 years, about 2,500 homestays will be created. It is expected that a minimum of 2 employment will be created per homestay. Hence, creating a minimum of 5,000 direct employment opportunity through the creation of homestays.

Besides the flagship unit of Homestay, other units such as restaurants ( dhabas / wayside amenities ) and crafts emporium are expected to create at least 5 employment per unit. Thus, generating at least a minimum of 2,500 direct employment opportunities.

The boost in tourism through the scheme will also create thousands of indirect employments. Thus, in total the programme is estimated to create at least 10,000 employment opportunities for the people of Meghalaya.

## 8. Financial Institution

Meghalaya Rural Bank (MRB) has been selected as the financing bank for the Meghalaya Tourism Homestay Scheme. An MoU has been signed between the Tourism Department, Government of Meghalaya and MRB to formalize this partnership. The Tourism Department is also further exploring collaborations with other banks to provide beneficiaries with multiple options for ease of access.

## 9. Application process

The Process:

- a. All eligible applicants can directly make the applications online (*mandatory*) in the PMEGP portal:  
<https://www.kviconline.gov.in/pmegpeportal/pmegphome/index.jsp>
- b. However, in case of any assistance required, the beneficiary may approach the Directorate of Tourism, Shillong / Tourist officers at

Tourist Information Centres at the district level or alternately through DCIC at the District/State levels.

- c. The applications received through the Tourism Department will be directed to DCIC for uploading the required document and details on the PMEGP portal
- d. The nodal officers from DCIC will hand hold and assist applicants at every stage of the application process.

Documents Required:

- e. The following documents are required while applying:
  - i. Loan application form as per bank prescribed format fully filled up and signed by the applicant and the sponsoring agency.
  - ii. Schedule Tribe Certificate.
  - iii. Population certificate from Office of Block Development Officer if location of unit is in Rural Area
  - iv. Passport size photo - 2 Nos
  - v. Detailed Project Report\*
  - vi. Birth Certificate/EPIC/PAN Card
  - vii. Land document\*\*/Lease Agreement\*\*\*/ Rent agreement of proposed unit
  - viii. Educational Qualification: Pass certificate / Marksheet
  - ix. Front page of KYC compliant Saving Accounts passbook
  - x. NOC for setting up of the unit\*\*\*\*.
- f. The Tourism department shall also provide necessary materials to assist in the application process such as sample project report, designs and financial estimation.

Details:

*\*Project Report incorporating all details (Term Loan, Working Capital Loan, Own Contributions, Subsidy etc.).*

*\*\*Legal patta/land registration given by community/clan/Raid, etc countersigned by the Headman/Sirdar/Syiem/Doloi/Nokman of the*

*village Elaka on a stamp paper of Rs 50.00 (Rupees Fifty only) duly notarised.*

*\*\*\*A notarized lease Agreement for a minimum period of 7 years and above for applicant who do not possess own property for setting up the unit (including building construction in property belonging to close relatives) countersigned by Headman/Sirdar/Syiem/Doloi/Nokman in case of lease documents duly notarized on stamp paper of Rs 50.00 (Rupees Fifty only).*

*\*\*\*\* NOC to be obtained from the Local Authority or Municipal Authority wherever applicable.*

#### Processing and Sanction:

- g. Once the required details are uploaded on the PMEGP portal, DCIC will set a date for the joint inspection with representatives from all the three implementing agencies viz Tourism Department, DCIC and the Bank.
- h. The Banks may either participate in the joint inspection or later conduct inspection on their own based on its own discretion.
- i. Upon successful application acceptance, beneficiaries will participate in a 2-day Entrepreneurship Development Programme (EDP) conducted by DCIC. Subsequently, they will undergo a three to four-week training programme organized by the Tourism Department at a later stage.
- j. Applicants who do not conform to the scheme guidelines, or which remains incomplete even after consultation with the applicant will be rejected by the concern nodal officer, recording reasons of rejection. Reasons of rejection will also be conveyed to the applicant.
- k. The Scheme shall be applicable across the State. However, depending on the Tourism potential of a particular area, The Tourism Department may notify priority clusters from time to time.

## 10. Bank Finance

- a) The Bank will sanction 90 percent of the project cost in case of General Category and 95 percent in case of Special Category and disburse full amount suitably for the setting up of the project in three tranches in the ratio 40:30:30.
- b) Maximum project cost under the Meghalaya Tourism Homestay Scheme is Rs 20 Lakhs. However, for projects where the Capital expenditure reaches the maximum ceiling of the project cost, the bank can consider sanctioning additional funds over and above Rs 20 Lakhs. In such case, the additional funds over and above Rs 20 Lakhs will not be covered for subsidy.
- c) The maximum cost of the project admissible for subsidy is Rs 10 Lakhs for Tourism department and Rs 20 Lakh for PMEGP.

### *Rate of interest and repayment schedule*

- d) The rate of interest shall be worked out by the Tourism department along with the Bank. The repayment period as per PMEGP guideline shall range from 3 to 7 years

## 11. Rural Area

Any area classified as Village as per the revenue record of the State, irrespective of population.

## 12. Description of Infrastructure listed for development

### 11.1 Homestay





Homestays are private houses providing accommodation to tourists, offering bed and breakfast services. The Provision of affordable accommodation in private homes with basic amenities helps address the shortage of lodging during the tourist season in the state. These homestays can be either additions to existing ones or entirely new units.

Homestays are expected to have basic amenities such as bed, table, chair, closet, Wi-Fi, electric kettle, toiletries, proper lighting, and good ambience to enhance the overall experience for visitors in the State.

## 11.2 Restaurants/Cafes/Wayside Amenities



Restaurants/Cafes are establishments that serve food and beverages to customer. Wayside amenities encompass various options, including restaurants, cafes, dhabas, and other basic tourist Infrastructure like toilets and parking spaces. These establishments should provide a pleasant ambience with comfortable seating, whether located in the heart of the city or at tourist sites on the outskirts. They aim to offer tourists better food and service options while exploring the State's tourist sites.

## 12.3 Crafts Emporium



Crafts emporiums are retail stores that offer a wide variety of handicraft merchandise, with a focus on products created by local craftsmen. The State's broader objective is to support creative entrepreneurs and prioritize people in brand building. This approach also promotes tourism by creating an immersive cultural experience for those interested in delving deeper into the place's culture and traditions.

### 13. Proposed Estimated Target

The scheme aims to establish 500 homestays and 100 other units, including restaurants, dhabas, wayside amenities, and craft emporiums, annually over a 5-year period (FY 2022-27). The estimated budget for the scheme is Rs. 110 crores, with the flexibility to revise targets based on demand and estimated potential by the Tourism Department.

Table C: Estimate for cost of the project.

Sl No.	Units	Subsidy/Rate	Per Year		For 5 years
			Number	Total Subsidy	Total Subsidy
1	Homestay	3,50,000	500	17,50,00,000	87,50,00,000
2	Restaurants, dhabas, wayside amenities, craft emporium	3,50,000	100	3,50,00,000	17,50,00,000
	Total :			21,00,00,000	105,00,00,000
3	PMU cost @3%	3.00%		63,00,000	3,15,00,000
4	Other cost: Administration, logistics.	1.76%		37,00,200	1,85,01,000
	Grand Total :			22,00,00,200	110,00,01,000

Hence, the estimated financial implication to the department per year for a period of five years is Rs 22 Crores.

### 14. Trainings and Capacity building

#### 14.1 Entrepreneurship Development Programme (EDP)

The EDP programme will adhere to the two-day format outlined in PMEGP guideline for the service sector. Its objective is to raise awareness about various managerial and operational functions, including finance, marketing, enterprise management, banking formalities, and book-keeping, enabling entrepreneurs to run their business effectively.

#### 14.2 Training in collaboration with Tourism Department

As part of the scheme, beneficiaries must undergo mandatory training within six months of receiving the first instalment. These training sessions, organized by the Tourism Department in collaboration with private hotels or leading institutes, will span three to four weeks (subject to change based on the requirements). They will cover various aspects of hospitality management and guest services.

The training aims to equip homestay owners with essential skills and knowledge to provide exceptional services to their guests, including customer service, housekeeping, food preparation, cultural sensitivity, and marketing strategies. Learning from experienced hospitality professional and instructors, beneficiaries will gain valuable insights into best practices, ensuring that their homestays meet the expectations of high-value tourists while maintaining high-quality standards.

## 14 Physical verification

There will be a three-stage verification process:

**Stage 1: At the time of Loan sanction,** a physical verification will be conducted either jointly by the three implementing agencies or separately on a case-by-case basis before the subsidy is approved.

**Stage 2: After a Moratorium period of twelve month** or upon project completion, whichever comes first, and based on satisfactory progress in accordance with the guideline, the Tourism Department may issue a certificate. Concurrently, the Tourism Department can initiate co - EMI repayments.

**Stage 3: After a lock-in period of three years,** DCIC/Tourism Department shall conduct a physical verification and assessment of the unit. Upon satisfactory implementation of the unit/project for which the credit was extended, the PMEGP subsidy will be awarded and transferred to the beneficiary account.

## 15 Awareness Camp & Support Mela

Awareness camps will be held in every district by tourist officers or in collaboration with nodal officers from DCIC to facilitate the onboarding process of beneficiaries. Additionally, the bank will organize Melas/camps at locations where it has no physical presence

## 16 Monitoring and Evaluation

The Tourism department, in conjunction with the Industries Department and the bank, will closely monitor and evaluate projects on a regular basis, taking corrective measures based on beneficiary performance. Additionally, the Tourism Department may develop a monitoring mechanism by partnering with tech vendors to create an app and dashboard for this purpose.

## 16. Incentive for high Performers

Homestay owners who excel in providing exceptional services and maintaining high-quality standards will receive additional incentives through a grading system implemented on the tourism portal. Homestays that receive positive feedback and achieve higher grades will be eligible for further incentives, such as additional grants for enhancing their facilities, including furniture and other amenities. This incentivization aims to reward and encourage homestay owners to continuously improve and deliver outstanding experiences to guests, contributing to the overall growth and reputation of the tourism industry in the region.

## 17 Financial Model for repayment

The table D below show the EMI repayment model for a project cost of Rs 10 Lakh for special category (see Table A under Section 4.3.2 for level of subsidy) with a subsidy of 35 percent from PMEGP and 35 percent from Tourism department (Total subsidy of 70%), with a moratorium period of 12 months.

Both the Tourism Department and beneficiary will co-pay the EMI from the 13th month till the 36th month after a moratorium period of 12 months (One Year moratorium). After the three years lock in period, on the 37th Month, the PMEGP subsidy of Rs 3.5 Lakhs will come into effect (transferred into beneficiary's loan account) as is shown in the table below and Tourism Department will stop the EMI repayment. The overall EMI will then reduce to 6,990/- for the next 37th to 84th month which will be paid entirely by the beneficiary.

Table D: Repayment Schedule (Special Category, Rural)

Month	EMI by beneficiary	EMI by Tourism Department	Total EMI
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Meghalaya Tourism Homestay Scheme



Month	EMI by beneficiary	EMI by Tourism Department	Total EMI
1st - 12th	Moratorium Period		
13th - 36th	4,671	14,583	19,254
37th	<i>PMEGP Subsidy</i>		3,50,000
37th - 84th	6,990		6,990
Total:	5,24,786	3,50,000	

Likewise for other category, the repayment schedule is shown table E, table F and table G for a Project cost of Rs 10 Lakhs.

Table E: Repayment Schedule (Special Category, Urban)

Month	EMI by beneficiary	EMI by Tourism Department	Total EMI
1st - 12th	Moratorium Period		
13th - 36th	5,450	14,583	20,033
37th	<i>PMEGP Subsidy</i>		3,50,000
37th - 84th	9,740		9,740
Total:	5,98,320	3,50,000	

Table F: Repayment Schedule (General Category, Rural)

Month	EMI by beneficiary	EMI by Tourism Department	Total EMI
1st - 12th	Moratorium Period		
13th - 36th	9,342	14,583	23,925
37th	<i>PMEGP Subsidy</i>		3,50,000
37th - 84th	23,485		23,485
Total:	13,51,488	3,50,000	

Table G: Repayment Schedule (Special Category, Urban)

Month	EMI by beneficiary	EMI by Tourism Department	Total EMI
1st - 12th	Moratorium Period		
13th - 36th	13,017	14,583	27,600
37th	PMEGP Subsidy		3,50,000
37th - 84th	27,600		27,600
Total:	16,37,208	3,50,000	

**Note:** These figures may change based on actual factors such as the amount of the loan, beneficiary contributions, moratorium period, and other factors that may directly affect the EMI amount.

**Link for Application:**

1. [www.cmelevate.in](http://www.cmelevate.in)
2. <https://www.kviconline.gov.in/pmegpeportal/pmegphome/index.jsp>







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