

**GOVERNMENT OF INDIA
MINISTRY OF TOURISM**

**LOK SABHA
UNSTARRED QUESTION NO.2147
ANSWERED ON 02.08.2021**

ROLE OF ITDC IN PROMOTION OF TOURISM

2147. SHRI KULDEEP RAI SHARMA:

SHRI MANICKAM TAGORE B.:

DR. AMOL RAMSING KOLHE:

SHRI SUNIL DATTATRAY TATKARE:

DR. SUBHASH RAMRAO BHAMRE:

DR. DNV SENTHILKUMAR. S.:

SHRIMATI SUPRIYA SULE:

SHRI RATANSINH MAGANSINH RATHOD:

Will the Minister of TOURISM be pleased to state:

- (a) the role of India Tourism Development Corporation (ITDC) in the hospitality industry and the promotion of tourism in the country along with the number of ITDC hotels in the country presently functioning;**
- (b) whether the ITDC has not been able to achieve its objective for which it was set up and if so, the details thereof and the reasons therefor;**
- (c) whether the Government has taken note of the huge losses suffered by ITDC in recent years and if so, the steps taken by Government to streamline the economic condition of these hotels;**
- (d) whether the Government has directed ITDC to transfer some of its hotels, beach resorts, travellers lodges/restaurants to the State Governments or jointly lease them with the State Governments and if so, details thereof and the reasons therefor; and**
- (e) the steps taken by Government to improve the profitability of ITDC so as to avoid it from closure?**

ANSWER

MINISTER OF TOURISM

(SHRI G. KISHAN REDDY)

(a): At present, India Tourism Development Corporation Limited (ITDC) is running the following verticals:

Ashok Group of Hotels: ITDC as part of one of its main objectives had been running various hotels, motels, restaurants, canteens, cafeterias etc. for the purpose of boarding, lodging and stay of tourists. A number of units have been handed over to respective State Governments while some were disinvested / divested as per directions of the Government of India. At present the following hotels etc. are being operated by ITDC / Joint Venture Company (JVC):

S. no.	Name of Hotel	State / UT
1	The Ashok Hotel	New Delhi
2	Samrat Hotel	New Delhi
3	Hotel Kalinga Ashok	Bhubaneswar, Odisha
Joint Venture Hotels		
1	The Ashok Beach Resort	Puducherry
2	Hotel Nilachal Ashok (Operations Closed and sub-judice)	Puri, Odisha
Restaurant		
1	Taj Restaurant	Agra, Uttar Pradesh

Ashok Travels and Tours (ATT) Division is providing various travel related services like air ticketing (domestic and international), car rental services and cargo handling.

Ashok Consultancy and Engineering Services (ACES) Division has been preparing DPR's / Feasibility Reports for Promotion / Development of tourism infrastructure in the Country. Further the division also executes various tourism infrastructure projects under Swadesh Darshan, PRASHAD and CFA Scheme of Ministry of Tourism and State Governments.

Sound & Light Show (SEL) Division of ITDC has a major role of developing Tourism Infrastructure and SEL Projects. The company has been able to assist Ministry of Tourism and various State Govts. for preparation of Detailed Project Reports, Feasibility Reports, Tourism Master Plans etc. in almost every part of the country and has executed prestigious projects in North East and various other states. As far as implementation of SEL Shows is concerned, the organization is the oldest in the country and has contributed to give its best SEL shows at Red Fort, Purana Quilla, Cellular Jail, Konark Sun Temple, Ross island, Shilpgram Deoghar, Diu Fort, Tilyar lake Rohtak etc. The Division at present is implementing shows at Leh Palace, Kargil, Dal Lake, Udaigiri, Sarkis Roza Gujarat, Dhordo Kutch, Pinjore, Brahm Sarovar Kurukshtra etc.

Ashok Events Division (AED):

- (i) Manages events, conferences and exhibitions etc. both at national and international level for various Ministries and Government Bodies.**
- (ii) Provides designing and printing solutions (posters, brochures, folders, invite cards etc.).**
- (iii) Manages Literature Distribution Centre, Palam on behalf of Ministry of Tourism.**
- (iv) AED is the designated agency of the Ministry of Tourism for executing their events etc. in promoting Tourism.**

Ashok Institute of Hospitality & Tourism Management (AIHTM) vertical of ITDC, is a skill imparting centre in the Hospitality sector. AIH&TM is conducting various skill development programmes of Ministry of Tourism, Government of India (Hunar Se Rozgar, Skill Testing and Certification, Entrepreneurship Development Programme, Tourism Awareness Programme etc.) alongwith skill certification and Diploma Courses such as One Year Diploma in Hospitality Trades in association with NIOS, Ministry of HRD and One Year Diploma in Hospitality Management (DHM) with JMI Central University. AIH&TM is also conducting 3 years B.Sc. (Hotel and Hospitality Administration) Course in affiliation with NCHMCT-IGNOU and 3 years B.VoC. in Food Production in affiliation with JMI Central University. These courses help in generating skilled manpower in the hospitality trade and thus helps in bridging gap in requirement versus availability of trained manpower.

Ashok International Trade Division (AITD) currently has Duty Free Shops at Seaports, thereby facilitating the International traveller to buy Duty free goods. The division currently has shop at 14 seaport locations.

(b): ITDC has been able to achieve its primary objectives for which it was set up and has been able to develop and promote tourism in the country over a period of time.

(c): ITDC has not suffered losses during last 5 years except in the financial year 2020-21 due to COVID-19 impact and lock down restrictions. Profitability position of the Company during last five years is as follows:

(In Rs. Lakh)

Financial Year	Profit After Tax (PAT)	Total Comprehensive Income (TCI)
2020-21	-2,720.29	-2,583.86

2019-20	2,195.47	1,429.90
2018-19	3,957.44	4,135.04
2017-18	1,770.72	1,322.32
2016-17	1,143.20	1,062.33

(d): Yes, as per its Disinvestment Policy, the Government of India is in the process of disinvesting the hotels and properties of ITDC through leasing out or transferring the property to the concerned State Governments / Ministry. The policy has been formulated keeping in view that running and managing hotels on professional lines is not the job of Government or its entities.

Status of disinvestment is placed at Annexure.

(e): The steps taken to improve the profitability of ITDC, are as follows:

- (i) Renovation of some rooms in The Ashok Hotel, New Delhi in recent past.**
- (ii) Renovation of 48 rooms, addition of a new swimming Pool for guests and a new licensed F&B outlet has been done in Samrat Hotel, New Delhi.**
- (iii) Modernization of the products & upgradation of services in all Hotels & Catering Establishments of ITDC.**
- (iv) Tie ups with most of the Online Travel Agents for online room bookings has been done.**
- (v) ATT has closed down its non-viable units in various cities and also intends to improve its business of cargo segment by appointing more cargo agents to improve its performance.**
- (vi) AED has been utilized by many Central Ministries, Government departments, Autonomous bodies etc. for executing their events in India and internationally for which Event Management Fee (EMF) is paid to ITDC- Ashok Events.**
- (vii) AITD has been profitable and even as on date when due to the Novel Corona Virus COVID-19 Pandemic, most of the travel and tourism related business have taken big hits, ITDC's Duty Free business continues to earn profits for ITDC and Government of India.**

STATEMENT IN REPLY TO PART (d) OF LOK SABHA UNSTARRED QUESTION NO.2147 ANSWERED ON 02.08.2021 REGARDING ROLE OF ITDC IN PROMOTION OF TOURISM

Status of Disinvestment

No. of Hotels handed over	:	9
To State Governments		
(i) Hotel Lake View Ashok, Bhopal, Madhya Pradesh		
(ii) Hotel Brahmaputra Ashok, Guwahati, Assam		
(iii) Hotel Bharatpur Ashok, Bharatpur, Rajasthan		
(iv) Hotel Jaipur Ashok, Jaipur, Rajasthan		
(v) Incomplete Hotel Project of Gulmarg Ashok, Gulmarg, UT of J&K		
(vi) Hotel Donyi Polo Ashok, Itanagar, Arunachal Pradesh		
(vii) Hotel Lalitha Mahal Palace, Mysore, Karnataka		
(viii) Hotel Patliputra Ashok, Patna, Bihar		
To Ministry of Urban Development (now Housing & Urban Affairs)		
(ix) Hotel Janpath, New Delhi, Delhi		
No. of Hotels to be handed over to the State Governments	:	2
(i) Incomplete Hotel Project of Anandpur Sahib, Punjab		
(ii) Hotel Jammu Ashok, Jammu, UT of J&K		
No. of Hotels for Joint Leasing / O&M contract	:	2
(i) Hotel Kalinga Ashok, Bhubaneswar, Odisha		
(ii) Hotel Pondicherry Ashok, UT of Puducherry		
No. of Hotels for transferring equity stake	:	1
(i) Hotel Ranchi Ashok, Ranchi, Jharkhand		
No. of Hotels where disinvestment proceedings have been stayed due to order of Hon'ble Supreme Court:	:	1
(i) Hotel Nilachal Ashok, Puri, Odisha		
No. of Hotel for which Consultant has been appointed for study and advise for optimization of revenue / lease / O&M etc.		
(i) Hotel The Ashok, New Delhi	:	1

Detailed status of hotels etc. undergoing the disinvestment process, is as follows:

S. No.	Name of property	Status
1	Hotel Pondicherry Ashok, Puducherry (UT)	IMG decided to give the existing hotel along with 8 Acres of land for development on O&M basis for 50 years and monetization of remaining land of Hotel Pondicherry Ashok through DIPAM.
2	Incomplete Project of Anandpur Sahib, Punjab	In IMG meeting, representative of Govt. of Punjab proposed for sharing depreciated cost of building and actual cost of other expenditure being incurred by the company. Punjab Govt. to send the proposal for the same.
3	Hotel Kalinga Ashok, Bhubaneswar, Odisha	RFP floated thrice but remained unsuccessful. IMG decided to retender with revised selection criteria of Minimum Guarantee Option.
4	Hotel Ranchi Ashok, Ranchi, Jharkhand	Operations of the hotel are closed. IMG approved valuation of RABHCL on "as is where is basis" for the purpose of transfer of 51% equity stake of ITDC in RABHCL to Govt. of Jharkhand. Consideration against the equity shares and dues of ITDC received, however the loan recently given by ITDC for VRS and other statutory dues and outstanding dues of employees of RABHCL, are to be paid by Jharkhand Government.
5	Hotel Nilachal Ashok, Puri, Odisha	Matter is sub-judice in the Hon'ble Supreme Court of India.
6	Hotel Ashok, New Delhi	Transaction Advisor (TA) appointed by DIPAM, MoF, Gol for studying lease terms & conditions of land, O&M / sub-leasing of Hotel Ashok and utilization of vacant land in Hotel Ashok-Hotel Samrat Complex, New Delhi. TA submitted the report to DIPAM which was discussed in the IMG held by DIPAM. Core Group of Disinvestment (CGD) approved the recommendations of IMG meeting.
7	Hotel Jammu Ashok, UT of J&K	Govt. of J&K informed about non-renewal of lease and resumption of land by the J&K Govt. Pursuant to the Board decision, operation of hotel closed and employees were offered VRS. Those who did not opt for VRS, were adjusted in other units of ITDC. For taking possession of the hotel by J&K Government, payment of compensation in accordance with the lease deed applicable.
