

MR. CHAIRMAN: Question No. 24.
What do you intend doing?

SHRI KHURSHEED ALAM KHAN:
What can we do?

MR. CHAIRMAN: Employ prettier
air hostesses.

SHRI KHURSHEED ALAM KHAN:
I think they are already.

MR. CHAIRMAN: After this satis-
factory conclusion, Question No. 24.

*Reduction in tariff of hotels etc run
by I.T.D.C.*

24. SHRI BISWA GOSWAMI:†

SHRI SUSHIL CHAND
MOHUNTA:

Will the Minister of TOURISM AND
CIVIL AVIATION be pleased to state:

(a) whether there is any proposal
under Government's consideration to
reduce the tariff of Hotels, Guest
Houses, Inns and Motels under the
management of India Tourism Deve-
lopment Corporation in view of their
low occupancy rate;

(b) whether any experiment in this
regard has been initiated in any of the
establishments referred to above; and

(c) if not, what steps have been
taken to make these establishments
viable?

THE MINISTER OF STATE IN THE
MINISTRY OF TOURISM AND CIVIL
AVIATION (SHRI KHURSHEED
ALAM KHAN): (a) to (c) A Statement
is laid on the Table of the House.

Statement

*Reduction in Tariff of Hotels Etc. run by
I.T.D.C.*

The ITDC does not operate guest
houses, Inns and Motels. There is no

†The question was actually asked
on the floor of the House by Shri
Biswa Goswami.

proposal to reduce tariff of ITDC
hotels, as it is considered that tariff
is not the only factor contributing to
low occupancy in hotels.

The steps taken to make the ITDC
establishments viable include, grant of
additional discount to Travel Agents
and local Business Houses; introduc-
tion of summer and winter discount
and cheap package for domestic clients,
inclusion of ITDC hotels for chain use
by foreign tourists, setting up ITDC's
own travel agency, promotion of ITDC
properties in overseas markets, the
strengthening of ITDC's Marketing
Division etc.

SHRI BISWA GOSWAMI: Sir, in
the statement the hon. Minister has
said that there is no proposal to reduce
tariff of ITDC hotels as it is consid-
ered that tariff is not the only factor
contributing to low occupancy in hotels.
This means that the Minister has
agreed that tariff is one of the factors
for low occupancy in the ITDC hotels.
These hotels are incurring heavy
losses and I would like to know from
the hon. Minister whether with the
steps he has enumerated, there has
been any improvement in the perfor-
mance of the ITDC hotels after tak-
ing those steps.

SHRI KHURSHEED ALAM KHAN:
Sir, it is a fact that the occupancy of
ITDC hotels was not really encourag-
ing during the last year. But as men-
tioned by me, there are many other
factors. One was the recessionary con-
dition all over the world which reduc-
ed the arrivals of tourists in this
country. Therefore what we did was,
we gave a special concession, we made
out special package tours, we made
our special stop-over tours in order
to attract more and more clients to
our hotels and I am sure whatever has
been done, will improve the conditions
in due course.

SHRI BISWA GOSWAMI: Sir, there
are certain duty-free shops and it has
been noticed that these shops have
increased their profits after they were
made duty-free. Does it not mean

therefore that if tariff is reduced, then the losses in the ITDC hotels will also be reduced?

SHRI KHURSHEED ALAM KHAN: Sir, in the first instance, I would like to mention that the tariff of ITDC hotels compares very favourably with that of other hotels in the city or in the country. Besides if you reduce the tariff of the hotels having five star or four star categorisation, it gives a very bad impression to the people outside and they think that most probably these hotels are not upto the standard and therefore they are reducing their tariffs.

SHRI SUSHIL CHAND MOHUNTA: Sir, the question is that when the ITDC went in for construction of these hotels all over the country and, specially, when the hotel on Janpath was constructed, the original idea was that this hotel should cater to the needs of the average Indian. The average Indian is a poor man; he is not a rich man who can stay in 5-Star luxury hotel. So, that was the idea. But subsequently when the Janata Government resigned and your new Government came into being, you revised the tariff and increased it. I have got the figures. For a single room the tariff was Rs. 50; for a double room it was Rs. 60; for a four-bed room it was Rs. 72. This was in 1982-83. After 1982-83, you were not satisfied with the substantial increase in the tariff of this hotel. After that you have further increased it now and made Rs. 75 for a single room, Rs. 100 for a double room and Rs. 120 for a four-bed room. Now, with this increase it amounts to an increase of 50 per cent to 80-85 per cent. This is the increase in tariff. Now, with this increase in tariff, how do you expect that an average person will be in a position to come and stay in these hotels and pay these exorbitant rates? It is not possible at all. So, on the one hand you are having a low occupancy rate and on the other you are depriving your own people of coming and staying in these hotels. Tell me one thing. A person comes to Delhi from a far-

off place. Where should he stay? Have you got any place where an ordinary man, an average Indian who is a poor man, can stay anywhere in this big city? The only method is, he should go and sleep on the payment. That is the only place where he can find lodging. Otherwise, there is no place. After all, it is a Government undertaking and you must consider that it is not only for big people who have got black money in their pockets.

MR. CHAIRMAN: I think you have framed your question; Whether they should sleep under the Minto Bridge?

SHRI KHURSHEED ALAM KHAN: Sir, I quite agree that we have been forced to revise these rates, but the problem is that in the Yatri Niwas Hotel and in the Ashok Hotel we have to pay the same wages to the staff, and comparing the rates that we charge there, how is it possible really to run the hotel paying high wages to the staff and then not to increase the rates? Number 2: The occupancy of this hotel has been 88 per cent during the year and people have been coming and staying there. Besides, it is also a fact that in Delhi, right from 1-star to 5-star hotels are available and there is no difficulty for people of any budget to stay in the city when they come from outside.

SHRI SUSHIL CHAND MOHUNTA: I want to know what is the rate of occupancy at which the hotels will break even.

MR. CHAIRMAN: Eighty-eight per cent. You haven't heard it.

SHRI R. RAMAKRISHNAN: Sir, the real problem with the ITDC hotels...

MR. CHAIRMAN: All of you are not staying in these hotels. You have got your own houses here.

SHRI R. RAMAKRISHNAN: The real problem with the ITDC hotels is that the quality of service is lagging. It is not a question of reducing the rates or increasing the rates. Most of

these hotels conform to international specifications in construction and furnishing, but both the maintenance and quality of service are lagging. I do not know whether the hon. Minister has had the pleasure or displeasure of staying in any of these hotels. In the ITDC hotel at Kovalam near Trivandrum, cockroaches are running about in the rooms and even about the Ashok which boasts of the new face-lift and the facade, if you just go there—the tariff compares with any other private management hotel—you will know the difference. So, I would like to know from the Minister whether any concrete steps are being taken by the ITDC to improve the quality of service to the persons who patronise these hotels.

SHRI KHURSHEED ALAM KHAN: Sir, I would only request the hon. Member to come and stay as my guest in Ashok Hotel and see things for himself.

AN HON. MEMBER: As your guest, it is a different matter.

MR. CHAIRMAN: Don't be so generous! Then you will have 244 guests!

SHRI KHURSHEED ALAM KHAN: When I say 'as my guest', he stays in Ashok, pays for it, and is my guest.

MR. CHAIRMAN: You want to increase the occupancy to 100 per cent!

MISS JAYALALITHA: The hon. Minister has stated that anyhow the Government has to pay the salaries which have already been fixed for the employees of the hotels. I understand from the hon. Minister's reply that despite the occupancy being low, whether the hotels are fully occupied or not, anyhow the Government has to pay their salaries. Am I right? In that case, what does the Government lose by lowering the rates? There will be more income generated on account of increased occupancy.

SHRI KHURSHEED ALAM KHAN: Sir, as I mentioned, for our five-star hotels, if we reduce the tariffs as compared to those outside, people think that these are not worth staying in.

Five-star hotels charging such a low tariff!

SHRI SURESH KALMADI: That is no answer.

MR. CHAIRMAN: Mr. Yadav.

SHRI SUSHIL CHAND MOHUNTA: Sir, how long are we going to shut the world that because we have got high tariff hotels, our faces are worth looking at?

MR. CHAIRMAN: I do not know.

श्री हुसशेद नारायण यादव :
माननीय सभापति जी, मैं सरकार से यह जानना चाहता हूँ और माननीय सदस्य यह प्रश्न उठा रहे हैं कि पंच सितारा जो सरकारी होटल है उनके किराये कम कर दिए जाएँ। तो सरकार क्या इस बात पर सोच रही है कि जो सुविधाभोगी वर्ग है जो पंच सितारा होटलों में ठहरते हैं, अधिकतर लोग सरकारी खर्च पर इन होटलों में ठहरते हैं अपने पैसे से ठहरने वाले लोगों की संख्या बहुत ही कम है। किसान जो गेहूँ, चावल, मक्का, बाजरा पैदा करता है वह जा कर इन होटलों में नहा ठहरता है। सरकारी अधिकारी और जो दो नम्बर का पैसा अर्जित करते हैं व इन होटलों में ठहरते हैं। जहाँ उनका सुविधाओं को बढ़ाया जाना चाहिये वह बढ़ाने की बात सरकार छोड़े और सरकार क्या इस बात को भी समझती है कि जो गरीब लोग पैदल यात्रा कर के किसी तीर्थ स्थान पर जाते हैं जिनके ठहरने की कोई व्यवस्था नहीं है तो क्या सरकार इन पंच सितारा होटलों में लगे हुए पैसे को निकास कर पैदल चलने वाले यात्रियों के लिए तीर्थ यात्रियों के लिए कोई आवास की व्यवस्था करेगी, यात्री निवास की व्यवस्था करेगी। क्या पर्यटन विभाग इसके लिए कोई आवासीय योजना बनाने के लिए तैयार है ?

MR. CHAIRMAN: Just a minute. Everybody wants to ask a question.

श्री सुशील चन्द महन्त : : चारमैन माह्व, ऐसे यात्रियों को तो मिट्टी ब्रिज के नीचे ही ठहरना होगा ।

श्री खुरशीद आलम खान : मान्यवर, मैं समझता हूँ कि दिल्ली या किसी भी शहर के अन्दर हर किस्म के होटल मौजूद हैं । जैम मैंने कहा कि एक सितारा से ले कर पाच सितारा तक मौजूद हैं । यह तो आपकी मर्जी पर है कि किस सितारा होटल में आप ठहरना चाहते हैं ।

SHRI K. L. N. PRASAD: The reply of the Minister is that the foreigners may not come and stay in these hotels if the tariff is low. But what about the people living in this country?

MR. CHAIRMAN: He said that you have got even half a star hotel!

SHRI K. L. N. PRASAD: Where are such hotels? If you go to Bombay, Calcutta, or even in Delhi, if you want to stay in a place which is at least liveable—I am not asking for any great luxuries, but at least a decent, comfortable room—it costs you a lot. For instance, in Bombay, it ranges between Rs. 500 and Rs. 1,000 per day for a room in Taj Hotel or in Sharaton.

MR. CHAIRMAN: Why must you go and stay in Taj Hotel when there are other hotels also?

SHRI K. L. N. PRASAD: I am coming to that, the other hotels like Ambassador, Ritz, etc. There also it is anything between Rs. 450 and Rs. 500 plus the high taxation in the name of luxury tax, service charges, etc. which comes to another Rs. 200 per room. Is there a proposal before the Government to reduce the tariffs both in the private and the public sector? After all, you cannot allow the private sector to go on increasing the tariffs sky high and loot the people.

MR. CHAIRMAN: What is your suggestion or question?

SHRI K. L. N. PRASAD: My question is whether the Government is considering a reduction in the tariff both in the ITDC hotels and in the private hotels, so that people could go and stay there.

MR. CHAIRMAN: The hotels are about to close down.

SHRI K. L. N. PRASAD: No, they are not closing down. Sir. And I am really surprised that the ITDC hotels even with low occupancy which should be around 60 per cent are not making some money. When other hotels have 100 per cent occupancy, why the ITDC hotels only have a lower occupancy rate. I am not able to understand. There must be something wrong somewhere, and the leakages must be somewhere else, not in the occupancy.

MR. CHAIRMAN: Let us see what the Minister says. He may be knowing.

SHRI K. L. N. PRASAD: I would like to know from the Minister exactly what the Government proposals are in this regard.

MR. CHAIRMAN: Yes, Mr. Minister. (Interruptions) Please keep quiet. I don't want this noise.

SHRI KHURSHEED ALAM KHAN: Sir, I assure the hon. Member, every possible step is being taken to improve the working of the ITDC hotels. In fact, these ITDC hotels have acted as a pace-setter in this country. And we have to keep in view that the ITDC is also the India Tourism Development Corporation, and it has to build up infrastructure irrespective of the fact that somewhere it has to lose money and somewhere it has to earn money.

SHRI VITHALRAO MADHAVRAO JADHAV: We are not interested in 5-star hotels. Why are you giving so much of importance to this question, Sir? Our Members do not stay in 5-star hotels.

MR. CHAIRMAN: They all want to stay in 5-star hotels if the rates come down.

SHRIMATI USHA MOLHOTRA. Will the Minister of Tourism and Civil Aviation be pleased to clarify his statement? He has said that he was counting on the tariff to boost tourism, and that he was wanting to publicise tourism abroad through it. And if the tariff comes down or is reduced, he feels that the influx of the tourist traffic would be low. I would request him to look actually into the publicity part of tourism abroad, and later on count on the tariff, to play up the policy of having more of international tourists coming to India and helping us out of the problem of running tourism industry successfully. It is actually the tariff that is deterrent to the influx, and we have to look into it, and this has been actually our demand from all the four corners of the country on the tourist side.

SHRI KHURSHED ALAM KHAN: Sir, the hon. Member, perhaps, is not aware that our tariffs, tariffs in this country, compare very favourably with the tariffs in other countries, even in the neighbouring countries. Therefore, she should have no apprehension that the tourists will not come because our tariffs are very high.

SHRIMATI USHA MALHOTRA: I did not say that.

MR. CHAIRMAN: That is all right. I think we will pass on to the next question, question No. 25.

Mr. Minister, I do not know what the second sentence of part (a) in the reply is meant. What does it mean?

SHRI R. VENKATARAMAN: I will explain, Sir. It is a little technical language.

Prototype trials of the main battle tank

*25. SHRI JASWANT SINGH: Will the Minister of DEFENCE be pleased to state:

(a) what are the results of the prototype trials of the Main Battle Tank held recently; and

(b) by when the Main Battle Tank is likely to be made available for user trials as per the existing schedule?

THE MINISTER OF DEFENCE (SHRI R. VENKATARAMAN): (a) Trials on the first prototype of the Main Battle Tank (MBT) have already started and this will be an on-going activity till the design is frozen. As this trial involves a closed loop between evaluation and modifications, it is not possible to give results of individual sub-system trials.

(b) The first prototype was made available for users trials at Avadi on 22nd March, 1984 and is planned, never prototypes with improvements desired by the services will be made available at six monthly intervals for evaluation and assessment.

MR. CHAIRMAN: You say 'evaluation', not 'evaluation'. I thought loop must... (Interruptions)

SHRI SURESH KALMADI: That is the loophole, Sir.

SHRI R. VENKATARAMAN: Sir, there are several loops.

MR. CHAIRMAN: I thought, it is the other loop. I thought it is a mere loop.

SHRI R. VENKATARAMAN: It is a technical expression which I will explain. As and when the improvements are suggested by the user of Army then they (the technical agencies) make immediate improvements. A sort of closed circuit—the improvement, and evaluation and improvement and the evaluation goes on. That is the closed circuit.

SHRI JASWANT SINGH: Mr. Chairman, Sir, I would like to state that the progress on the Main Battle Tank (MBT) is a significant and whatever, therefore, I say is in the context of my commendation of the progress already made. There are two or three objective facts about the MBT programme. One is that it was earlier classified as MBT-80. Referring, of course, to the fact that in the Eighties we will have this main battle tank—