



Cabinet approves transfer of property of Hotel Janpath, New Delhi to Ministry of Urban Development

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The Cabinet Committee on Economic Affairs, chaired by the Prime Minister Shri Narendra Modi, has given its 'In Principle' approval to transfer the property of Hotel Janpath, New Delhi to Ministry of Urban Development.

Hotel Janpath is located in a prime central location of the city. The property can be considered for construction of Government offices and similar purposes which would save government funds spent in hiring of government offices.

Details of implementation of the project, land usages, etc. would be taken subsequently by a Committee of Secretaries to be constituted under the chairmanship of Cabinet Secretary.

The building of Hotel Janpath has to undergo major rehabilitation work since the building structure of Hotel Janpath has been found to be unserviceable, in distressed condition and deficit in the context of seismic requirements, according to the inspection report of IIT Roorkee.

Background:

The Government of India has initiated the process of disinvestment of hotels / properties of the India Tourism Development Corporation Ltd. (ITDC). The decision on disinvestment has been made, keeping in view that running and managing hotels on professional lines is not the work of the Government or its entities.

As part of the disinvestment policy, it has been decided to lease/sub-lease the hotels / properties jointly with the concerned States or return the properties to the States, after fair valuation. The States would then, have the option to upgrade and operate the Motels by involving the private sector or to utilize the properties as per their requirements. States have exercised their options accordingly, in each case going forward with, the option best suited to their needs.

In the first stage of the disinvestment process, it was decided to disinvest three hotels, viz. Hotel Lake View Ashok, Bhopal, Hotel Brahmaputra Ashok, Guwahati and Hotel Bharatpur Ashok. Hotel Janpath, New Delhi is next in the list.

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