

Sh. Jai Krishan Mehta vs. The Himachal Pradesh Tourism
Development Corporation Ltd. and another

CWP No. 9681 of 2023

19.11.2024 Present: Mr. Om Prakash Goel, Advocate, for the petitioner.
Mrs. Shilpa Sood, Advocate for respondent No. 1.
Mr. Pushpender Jaswal, Addl. AG for respondent No. 2.

In compliance to last order passed by the Court, learned Counsel for the Tourism Development Corporation has handed over the occupancy position of the 56 Hotels being currently run by the Himachal Pradesh Tourism Development Corporation as from the month of January to December, 2022, 2023 and till October, 2024.

A perusal of the occupancy position, which is taken on record, demonstrates that the things are much more dismal than what was being apprehended by the Court.

To give a few illustrations, the Hotel Pinewood of HPTDC at Badog, which has 30 rooms, had 40.02 occupancy in the year 2022, 31.61% in the year 2023 and 36.84% in the year 2024. Similarly, the Palace Hotel, Chail, District Solan, which comprises of 50 rooms, had occupancy of 28.39% in the year 2022, 24.42% in the year 2023 and 26.62% in the year 2024.

This Court would only be referring to those Hotels which in the course of the arguments before this Court were claimed to be the flagship Hotels of the Tourism Development Corporation.

Proceeding further, Hotel Lake View of Bilaspur, which comprises of 25 rooms, had occupancy of 46.50% in the year 2022, 44.73% in the year 2023 and 34.12% in the year 2024. Hotel Iravati, District Chamba, which comprises of 19 rooms, had 48.97% occupancy in the year 2022, 42.41% in the year 2023 and 45.42% in the year 2024. The 10 room Hotel Mamleshwar at Chindi, had occupancy of 44.88% in the year 2022, 40.58% in the year 2023 and 44.10 % in the year 2024. Similarly, Hotel Geetanjali at Dalhousie, again a 10 room Hotel, had occupancy of 25.42% in the year 2024, 24.38% in the year 2023 and 21.67% in the year 2024. The 33 room Manimahesh Hotel at Dalhousie, had occupancy of 26.00% in the year 2022, 24% in the year 2023 and 24.93% in the year 2024. The 16 room Hotel Baghal at Darlaghat, District Solan, had occupancy of 35.91% in the year 2022, 35.19% in the year 2023 and 32.04% in the year 2024. The 27 room Hotel Dhauladhar at Dharamshala, had occupancy of 35.21% in the year 2022, 37.37% in the year 2023 and 34.75% in the year 2024. The 11 room Kashmir House Hotel at Dharamshala, had occupancy of 25.50% in the year 2022, 21.89% in the year 2023 and 16.36% in the year 2024. Hotel Kunal, Dharamshala, having 27 rooms, had occupancy of 32.31%, 37.50% in the year 2023 and 41.87% in the year 2024. Hotel Apple Blossom at Fagu, having 26

rooms, had occupancy of 23.76% in the year 2022, 19.88% in the year 2023 and 22.76% in the year 2024. Hotel Kinner Kailash, at Kalpa, District Kinnaur, having total 24 rooms, had occupancy of 23.59% in the year 2022, 27.77% in the year 2023 and 36.02% in the year 2024. New Ros Common, Kasauli, having 32 rooms, had occupancy of 36.47% in the year 2022, 30.06% in the year 2023 and 32.26% in the year 2024. Hotel The Spiti at Kaza, having 25 rooms, had occupancy of 61.46% in the year 2022, 38.67% in the year 2023 and 39.20% in the year 2024. A 24 rooms Hotel Chanderbhaga at Keylong, had occupancy of 49.73% in the year 2022, 34.05% in the year 2023 and 49.41% in the year 2024. Similarly, Hotel Devdar at Khajiar, District Chamba, a 20 rooms property, had occupancy of 45.97% in the year 2022, 42.07% in the year 2023 and 41.85% in the year 2024. Hotel Giriganga at Kharapatthar, having 17 rooms, had occupancy of 28.27% in the year 2022, 22.82% in the year 2023 and 23.32% in the year 2024. Hotel Meghdoot at Kiarighat, a 34 room hotel, had occupancy of 16.56% in the year 2024, 19.48% in the year 2023 and 19.46% in the year 2024. Hotel Sarvari, Kullu, having 18 rooms, had occupancy of 36.03% in the year 2022, 31.67% in the year 2023 and 31.84% in the year 2024. A 20 rooms Hotel Log Huts, at Manali, had occupancy of 20.78% in the year 2022, 19.79% in

the year 2023 and 21.65% in the year 2024. Hotel Hadimba Cottage, a 12 rooms Hotel at Manali, had occupancy of 20.21% in the year 2022, 18.52% in the year 2023 and 20.44% in the year 2024. Hotel Kunzum at Manali, having 47 rooms, had occupancy of 40.59% in the year 2022, 37.30% in the year 2023 and 42.26% in the year 2024. Hotel Rohtang Manalsu at Manali, having 26 rooms, had occupancy of 27.21% in the year 2022, 26.10% in the year 2023 and 25.96% in the year 2024. Hotel Bhagsu at Mcleodganj, having 23 rooms, had occupancy of 48.41% in the year 2022, 49.17% in the year 2023 and 49.03% in the year 2024. Hotel the Castle at Naggar, Kullu, having 17 rooms, had occupancy of 31.20% in the year 2022, 26.51% in the year 2023 and 30.99% in the year 2024. Hotel Yamuna, Paonta Sahib, having 20 rooms, had occupancy of 37.66% in the year 2022, 41.72% in the year 2023 and 47.23% in the year 2024. Hotel Shivalik at Parwanoo, having 23 rooms, had occupancy of 25.19% in the year 2022, 27.06% in the year 2023 and 27.66% in the year 2024. Hotel Holiday Home, Shimla, having 69 rooms, had occupancy of 49.28% in the year 2022, 44.30% in the year 2023 and 40.44% in the year 2024.

These are only a few of the hotels which stand highlighted by the Court out of the total of 56 hotels. The hotels in terms of occupancy position, which have occupancy of more

than 50% are Hotel Hamir, Hamirpur, Hotel Jwalaji, Jawalamukhi, Hotel Ros Common (Old) Kasauli, Hotel Tourist Inn, Rewalsar, The Suket Sundernagar and Himachal Bhawan, Chandigarh.

The above clearly demonstrates that the Tourism Development Corporation has not been able to utilize its properties to earn profit therefrom. The continuation of the functioning of these properties but natural is nothing but a burden on the exchequer of the State and the Court can take judicial notice of the fact that there is a financial crunch which is daily being propagated by the State in the matters being listed before the Court involving finances.

In fact, when this Court firstly took up the issue and passed a detailed order on 17.09.2024, it expected the respondents to come up with something cogent and concrete, so as to augment the resources of the Tourism Development Corporation, but as from the 17.09.2024 till the time of dictation of this order, not even a small pebble has been moved/turned by the Tourism Development Corporation in said direction.

Therefore, in order to ensure that public resources are not wasted by the Tourism Development Corporation in the upkeep of these white elephants, it is hereby ordered that the following

properties of the Tourism Development Corporation shall be closed forthwith w.e.f. 25.11.2024, , as running of these properties is apparently not financially viable as of now:-

- (i) The Palace Hotel, Chail,
- (ii) Hotel Geetanjali, Dalhousie,
- (iii) Hotel Baghal, Darlaghat,
- (iv) Hotel Dhauladhar, Dharamshala,
- (v) Hotel Kunal Dharamshala,
- (vi) Hotel Kashmir House, Dharamshala,
- (vii) Hotel Apple Blossom, Fagu,
- (viii) Hotel Chanderbhaga, Keylong,
- (ix) Hotel Devdar, Khajjar,
- (x) Hotel Giriganga, Kharapatthar,
- (xi) Hotel Meghdoot, Kiarighat,
- (xii) Hotel Sarvari, Kullu,
- (xiii) Hotel Log Huts Manali,
- (xiv) Hotel Hadimba Cottage, Manali,
- (xv) Hotel Kunzum, Manali,
- (xvi) Hotel Bhagsu Mcleodganj,
- (xvii) Hotel the Castle, Naggar,
- (xviii) Hotel Shivalik Parwanoo.

The Managing Director of the Tourism Development Corporation shall be personally responsible to ensure the

enforcement of this order. Skeletal staff which is necessary for the upkeep of the property be retained in the premises of the properties which have been named hereinabove and the Tourism Development Corporation shall be at liberty to transfer the remaining of its employees so that its need in other places, as have been put forth before the Court in another application filed by the Corporation, are duly met.

List for further orders on 03.12.2024. On the said date, the Managing Director of Tourism Development Corporation shall file a compliance affidavit qua implementation of the order that has been passed by the Court today and also furnish a list of those superannuated employees who belong to Class-IV category and those employees who are no more in the world, so that amount that has been generated from the dues that have been received by the Tourism Development Corporation can be ordered to be released in favour of the retired employees and family members of deceased employees. On the next date of hearing, the Tourism Development Corporation shall also apprise the Court that how much more amount has been received from the dues which are payable by the government and private entities to the Corporation.

(Ajay Mohan Goel)
Judge

November 19, 2024
(narender)