

City hotel tie-up at 3 p.c royalty

Our Staff Reporter

A French hotel firm is collaborating in the construction and marketing of the latest five star hotel that is being built in the Capital in the private sector by Congress-I MP Charanjit Singh.

A three per cent royalty on the basis of room revenue will be siphoned off by the French collaborators, though Mr Charanjit Singh was at pains to minimise the royalty issue at a press conference held on Wednesday.

The hotel, which is coming up at Windsor Place, is expected to earn Rs 55 crores in foreign exchange.

Mr Singh's estimate puts the travellers traffic volume to go up by 15 per cent annually, though tourism experts, who include the parent body of the French collaborators, Air France, recently expressed fears that the tourist traffic was going down on account of global recession and the energy crisis.

Mr Charanjit Singh, however, brushing such pessimistic approach aside, maintained that his venture was going to be a roaring success in filling the foreign exchange kitty.

About 110 rooms of the hotel will be ready in time for the Asian Games. The entire hotel will be completed by 1983.

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