

News monitored for: Lemon Tree Hotels

Lemon Tree Hotels to deploy ₹1,700 cr for expansion

TIMES NEWS NETWORK

Hyderabad: Mid-price segment hospitality giant Lemon Tree Hotels Ltd will be deploying Rs 1,700 crore funds in the next three years for adding 1,500 rooms which are currently under construction, a top official of the company said here on Monday.

Currently, Lemon Tree operates 4,907 rooms in 49 hotels across 31 cities. It plans to add another 29 hotels with 3,245 rooms across 23 cities by FY21. "We have already deployed half of

The company, he said, will be focussing on what he called 'asset light' model where the emphasis will be on leasing

the capital expenditure and will be investing another Rs 850 crore by FY21 to complete these rooms," Lemon Tree Hotels President Vikramjit Singh said while inaugurating the company's fourth hotel at Banjara Hills. The 85-rooms property will have fitness centre, cafe and banquet facilities, among other facilities. He said 64% of Lemon Tree's rooms are company-owned, while the rest are owned by others and managed by the company. The company, he said, will be focusing on what he called 'asset light' model where the emphasis will be on leasing as well as managing other hotel properties in the coming days. He expects the room tariffs to move Northwards as there is likely to be a demand-supply mismatch. Quoting an unnamed industry report, he said demand is expected to grow over 12% whereas the supply will be just 7% leading to hike in tariffs.