

News monitored for: Lemon Tree Hotels

Lemon Tree Unit Checks into Serviced Suites Space

Varuni.Khosla@timesgroup.com

New Delhi: Lemon Tree Hotels' management arm Carnation Hotels is now operating Assotech Realty's serviced apartments Sandal Suites in Noida, following an agreement between the Delhi-based hotel chain and the realty firm's subsidiary Sandal Suites.

Carnation Hotels, set up in 2012 as a joint venture with Lemon Tree Hotels, currently manages 11 hotels across upscale, midscale, serviced apartments and economy segments.

The serviced apartments, Sandal Suites, with 195 suites, is the first property in Noida to be managed by Carnation Hotels. Noida has only about 250 branded hotel rooms, a stark contrast to Gurgaon, since only a few operators have ventured into the hospitality market here, including Carlson Rezidor Hotels that operates the brand Radisson and ITC's Fortune Park Hotels.



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"We are signing projects on a fortnightly basis and are hoping to touch a total of about 30 hotels in the next couple of months, which will open over the next few years," Rattan Keswani, deputy managing director, Lemon Tree Hotels told ET.

Carnation Hotels has ten openings lined up for this fiscal, while eight more are ready to come up in the next two to three years. The management arm plans to have 2,400 managed rooms by 2019.

Lemon Tree Hotels currently owns and operates 40 hotels in 24 cities with about 4,300 rooms. It is planning to open four-five new hotels in the next two years. Along with Carnation Hotels, it has 4,500 employees.

Assotech Realty and Carnation Hotels are also looking at scouting for similar projects in other cities such as Ahmedabad and Pune, besides other countries such as Sri Lanka.

The Delhi-based realty firm had announced the serviced apartments project in 2014, saying it would invest nearly ₹900 crore to develop suites across different locations.

Lemon Tree Hotels has venture capital participation from global private equity firm such as Warburg Pincus.