Brics event sends Delhi hotel rates soaring to ₹2 lakh a night

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About 3,500 rooms in premium five-star hotels in central Delhi are already booked for delegates. PHOTO COURTESY THE LEELA NEW DELHI

Delhi hotels are humming with the arrival of foreign delegations for the Brics Summit this weekend, sending room rates to up to ₹2 lakh a night.

At The Leela Palace, the kitchen has acquired an unusual new rhythm. Chefs arrive with chopping boards, knives and other equipment, alongside the culinary teams to prepare dishes requested by visiting heads of state. Premium ingredients have arrived with the delegations, while embassy officials are helping fine-tune menus. All its restaurants and in-room dining menus have special dishes from signature Indian restaurant, Jamavar.

Elsewhere, for fully booked hotels, protocol officers are coordinating other services as it doubles as a luxury hotel and a temporary diplomatic base for the summit. "Between the embassy, their protocol team and our chefs, it is like a single team working together. We have specialists at our hotel who are trained to work on such events of national importance. It goes like clockwork," said Preeti Makhija, general manager of The Leela Palace New Delhi.

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Over 20 countries, including Brazil, China, Egypt, Ethiopia, Indonesia, Iran and Russia are participating in the summit at Bharat Mandapam, and hotels are seeing delegations, including envoys and businessmen, arriving from 10 September. Around 3,000-3,500 rooms across 12-15 premium five-star hotels in central Delhi are already booked to host delegates for up to five months, with regular traveller bookings suspended for the 12-13 September summit.

Mint has learnt that Russia's President Vladimir Putin and his envoy, and the Uzbekistan delegation, are staying at the ITC Maurya. Sheraton New Delhi (Saket) will house the Egyptian head of state.

The Philippines envoy will stay at Taj Mahal Hotel and the Chinese at the Taj Palace. It is likely for the Brazilian envoy to stay at The Imperial, while The Oberoi will house Indonesian, Ethiopian, Kazakh, and Iranian heads of state.

While ITC Hotels declined to comment, *Mint*'s queries emailed to other hotels did not elicit any reply.

Delegation members, security personnel, media, corporate visitors, and their accompanying staff typically arrive before the event and leave after it, creating what hotel operators call city-wide compression.

The LaLiT, which will host heads of state from South Africa and Burundi, has 460 rooms. Of these 90% will be booked for the summit, with average rates 30-40% higher than normal, said general manager Vishal Sharma.

Nikhil Sharma, managing director and COO, South Asia, Radisson Hotel Group, said average room rates across the portfolio are over 25% higher year-on-year due to the summit demand. "The entire city is sold out on these dates."

Roseate Hotels and Resorts expects a 30-50% pickup over normal demand, with average room rates remaining firm, said CEO Kush Kapoor.

Delhi Aerocity has about 3,500 rooms. Lemon Tree in Aerocity sees a 15-20% rise in average daily rates and a 5-7% increase in occupancy over a regular weekend. Some buoyancy was seen over the previous weekend, with another lift likely in the coming weekend, Vaibhav Jain, head of sales at Lemon Tree Hotels Ltd.

There will also be a 5-10% rise in occupancy on Thursday-Friday, with Jain seeing the entire Aerocity at 80-90% occupancy on these days.

"Revenue management at this time is about what the corporate businesses travelling with the delegation are willing to pay. But some of the really high rates we see are mainly a factor of limited inventory," said Sharma of The LaLit.

The remaining room inventory in central Delhi is going for rates as high as ₹30,000 and more a night, rising to ₹1-2 lakh depending on the hotel. Late evening Wednesday top hotels didn't have rooms available online for 10-12 September, except options such as presidential suites.

For listed hotel firms with major Delhi exposure, the event brings a visible earnings opportunity, said analysts.

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