

» EXPANDING BUSINESS AT LEISURE

The Park lines up Rs 1k cr for four new hotels

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Park Hotels plans Rs 1k-cr expansion

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NEW DELHI

APEEJAY Surrendra Group's hospitality arm — The Park Hotels — plans to invest Rs 1,000 crore to add four new hotels in the country, said its chairperson Priya Paul. The privately-held company would open hotels in Hyderabad, Pune and Jaipur, besides opening its second hotel in Kolkata in the next 3-4 years.

This expansion would be funded through internal accruals of the company, besides funds from its financial partner Credit Suisse which picked up approximately 15% in 2007 for over Rs 220 crore (\$55 million).

"We would be opening our 280-room hotel in Hyderabad this year. This will be followed by hotels in Pune, Jaipur and Kolkata which will double our room inventory to 1,700 rooms," said Ms Paul.



The Park is a luxury boutique hotel chain with properties in Bangalore, Chennai, Navi Mumbai, Kolkata, New Delhi and Vishakhapatnam with 834 rooms.

"We are investing about Rs 320 crore in Hyderabad and estimated Rs 270 crore in the Pune property. Another Rs 500 crore would be put in the Jaipur and Kolkata hotels," she

said. Park Hotels is scouting for land to build a second hotel in Mumbai and is also open for management contracts.

"By this year end, we will take up our first management contract and will manage a luxury cruise and resort in Kerala which will also be our first leisure property," Ms Paul added.

The company is looking to eventually have 20-25 properties in the long run under the brand — The Park.

The hospitality firm, which is largely catering to business travellers, believes that Indian corporate travel spending has witnessed an upswing in the past 2-3 months.

"International corporate spends are still recovering, but Indian companies have already started spending on travel and conferences. The hospitality industry's revenue will improve further in the winter season," she added.