

News monitored for: M&M - Holidays & Resorts

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Mahindra Holidays to invest Rs 300 crore to add rooms

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Vacation home operator Mahindra Holidays & Resorts India Ltd (MHRIL) is looking to expand its room inventories, through both organic and inorganic routes, at an investment of Rs 300-350 crore during this financial year.

"We will fund the expansion through our internal accruals. Currently, we are a debt-free company," Managing Director Ramesh Ramanathan

told *Business Standard*.

"We are planning to increase the number of units by adding another 500-600 units during the current financial year." The company has inventory of 1,476 apartments with one lakh members.

He said the proposed expansion would be through promoting properties on their own, long lease, short lease and they were also open for acquisition, mainly to get access to assets.

"We are on constant lookout for new properties that meet our requirements in terms of quality standards." According to him, 2010-11

would be a year of transformation for the company, both in offering and management. The company plans to launch four new products in this financial year to boost its product offering.

"We are launching four new products during 2010-11. These include a camping

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product (tented accommodation), a membership product for senior citizens, another for the high-income group and a weekend or short visit products and deeded product. This

will help us to ensure that there is a product offering across different age and income segments." Deeded product is a fractional ownership product of high-end villas, aimed at high networth individuals in close proximity to Mahindra's existing resorts.

The leisure holiday company is also diversifying into education. He said the company was planning to set up a hotel management school in Puducherry next year. The school would offer three-year degree course in hotel management and could accommodate 300 students.