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Expansion, but in a balanced, strategic way: Vikram Lalvani

The managing director and CEO of Sterling Holiday Resorts Limited on his company’s push towards becoming more of a hotel and resorts company.



Vikram Lalvani, managing director and CEO of Sterling Holiday Resorts Limited wants to have 55 resorts by the end of the current fiscal year.

“Sterling has gone through a transformation journey and today we are positioning ourselves more as a hospitality player. Almost 80 percent of our revenues are from the hospitality segment. And we will continue to grow the hospitality segment even as

we go forward. A couple of years ago, when we started resurrecting ourselves, Fairfax took over and bought Sterling (2014-15). It was predominantly a timeshare company and over a period of time—which we accelerated right after Covid—we repositioned ourselves more as a hospitality player and not as a timeshare,” said Vikram Lalvani, managing director and CEO of Sterling Holiday Resorts Limited speaking exclusively with ET HospitalityWorld.



Further elaborating about their hotels business, which Lalvani hinted had gained precedence over their membership business, he said the company was on a strong expansion spree in the country.

"At Sterling, we are not into blind expansion. I will not do franchises. It is just thought about adding the number of hotels or resorts—my expansion is a lot more strategic. I'm moving from typical resorts into resorts, hotels and retreats," he said, adding that the new properties should network with existing portfolios, giving the example of their Kalimpong property which forms a circuit with their Gangtok and Darjeeling resorts.

This also allows the company to increase operational efficiencies with the properties run as clusters, he added.

"Today we have 43 resorts, and are at 2500 rooms. By the end of this financial year. We intend to be at 55 and have approximately 3200 rooms. We have a strong pipeline of eight to nine resorts already which are ready to open. Year after next we will continue to expand towards 70 resorts. This expansion is very balanced and strategic; it is a combination of both owned, leased as well as managed. We will also build and expand our own rooms. We are sitting on 200 acres of land banks. Many of our hotels are also capable of adding more inventory. We already have the backend built. It's just incrementally adding the number of rooms and the number of keys to the entire portfolio," Lalvani said about his expansion plans. The company owns 17 resorts, around 1300 keys of the current 2500 number and is not averse to owning more given the opportunity if the numbers make sense.

On the subject of the membership business of the company, he said they would continue to service the existing members that they had—approximately 80,000.



The 32-key Sterling Shivalik Chail in Himachal Pradesh which opened in March 2023.

"It is stronger than a loyalty programme market and it is captive. It does bring in the business even at a time when you have low room occupancies, so any incremental that comes in actually rings your cash registers—which is why all my resorts are GOP positive," he said. In leisure markets, the peaks and troughs were very high and their membership business was able to balance it out.

However, they would be focusing on shorter term products which were highly premiumised as they added value to the membership business. It would not just be about selling members rooms at a discounted rate, or a flat inflationary proof rate—it was about giving them added benefits with their shorter term deals, he added.

On the subject of funding, Lalvani said, "It's all about internal accruals/ I will not fund a future growth where I will over leverage the company every which way. That's why the growth (of the company) is a balanced approach apart from it being strategic. I will invest back into my people. I invest back into my distribution and my marketing networks."

On his wishlist was a resort in the Andaman and Nicobar Islands, a dream Lalvani said he had held close to his heart for a long time, as well as to strengthen the company's presence in the eastern part of the country.

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