

## Suba looks to expand with hotels in Dubai

**Sananda Sahoo**

An Indian hotel group is expanding into Dubai to tap into the increasing flow of business travellers through the city to the sub-continent.

Suba Group of Hotels has invested Dh10 million in a new property that it has leased in Deira and it is looking to spend about Dh100 million to build a second four-star property, said Mansur Mehta, the managing director of Suba and its parent company, MRL Group.

Both projects are to be funded from internal sources and located near the city's airports.

The Mumbai-based company opened a four-star, Sharia-compliant property in Al Rigga, Deira, yesterday to provide a UAE base for its international guests headed towards India.

The 92-room property, which Suba has leased for 10 years, is a 10-minute drive from Dubai International Airport. It targets about 77 per cent occupancy for the first year. Rooms start at Dh400 a night, almost double the cost of most similar properties in the area, according to online hotel booking portals. Suba describes its property as a boutique hotel.

"A lot of our guests such as those from Mozambique, Tanzania, Sudan, Iran and [the Commonwealth of Independent States] who work in automobile, trading and finance sectors besides leisure travellers come to India through Dubai," Mr Mehta said. "Currently, we will focus on these repeat guests."

Suba has three properties in Mumbai and the rest in the neighbouring state of Gujarat in three and four-star segments. All are Sharia-compliant.

With an average of 11 flights a day between Dubai and Mumbai, the emirate is one of the most connected destinations from the Indian financial hub. With airlines including flydubai and Emirates increasingly expanding their operations to India, Africa and central Asia, the skies are only expected to get busier.

The budget carrier flydubai launched flights last week to three cities in East Africa - Bujumbura in Burundi, Entebbe in Uganda and Kigali in Rwanda.

About 60 per cent of the travellers at Suba's six hotels in India are repeat clientele, Mr Mehta said.

As for the four-star property the company plans to build, it is scouting for land near Dubai World Central's Al Maktoum International Airport.

"We are aware that the market here is saturated and there are a lot of players, but we are keen with the [Expo] 2020 coming up and Dubai being a major transit hub from the United States and the United Kingdom, and it is near India and easier for us to operate," said Mr Mehta.

Dubai has 83 hotels accounting for 24,278 rooms waiting to come online, according to research company STR Global. More than 60 per cent of these are in the upscale to luxury segments, leaving room for growth for mid-range and budget hotels.