

January 31, 2020

BSE Limited  
Corporate Relationship Department  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building, P. J. Towers,  
Dalal Street, Fort,  
Mumbai – 400 001.  
Scrip Code: 500850

National Stock Exchange of India Limited  
Exchange Plaza  
Bandra Kurla Complex  
Bandra (E)  
Mumbai 400 051  
Symbol: INDHOTEL

Kind Attn: **Mr. S. Subramanian**  
**DCS- CRD**

Dear Sirs,

Further to our letter of date, intimating the Financial Results of the Company for the quarter / nine months ended December 31, 2019, enclosed is a copy of the investors / analyst presentation on the performance of the Company for quarter / nine months ended December 31, 2019 for your records.

Kindly acknowledge receipt.

Yours sincerely,



**BEEJAL DESAI**  
**Senior Vice President & Company Secretary**

Encl : a/a

# IHCL

## Global Conference Call FY 2019-20 – Q3 Results

31<sup>st</sup> January, 2020



SELEQTIONS

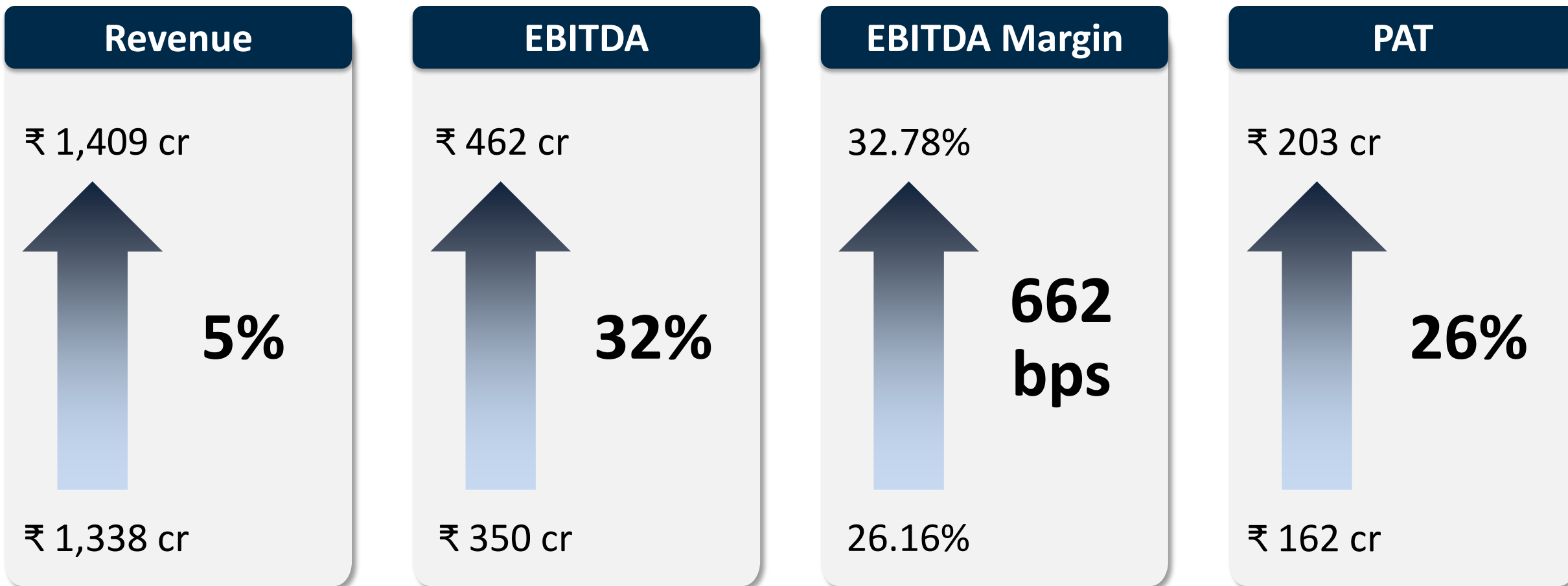
VIVANTA

GINGER

EXPRESSIONS

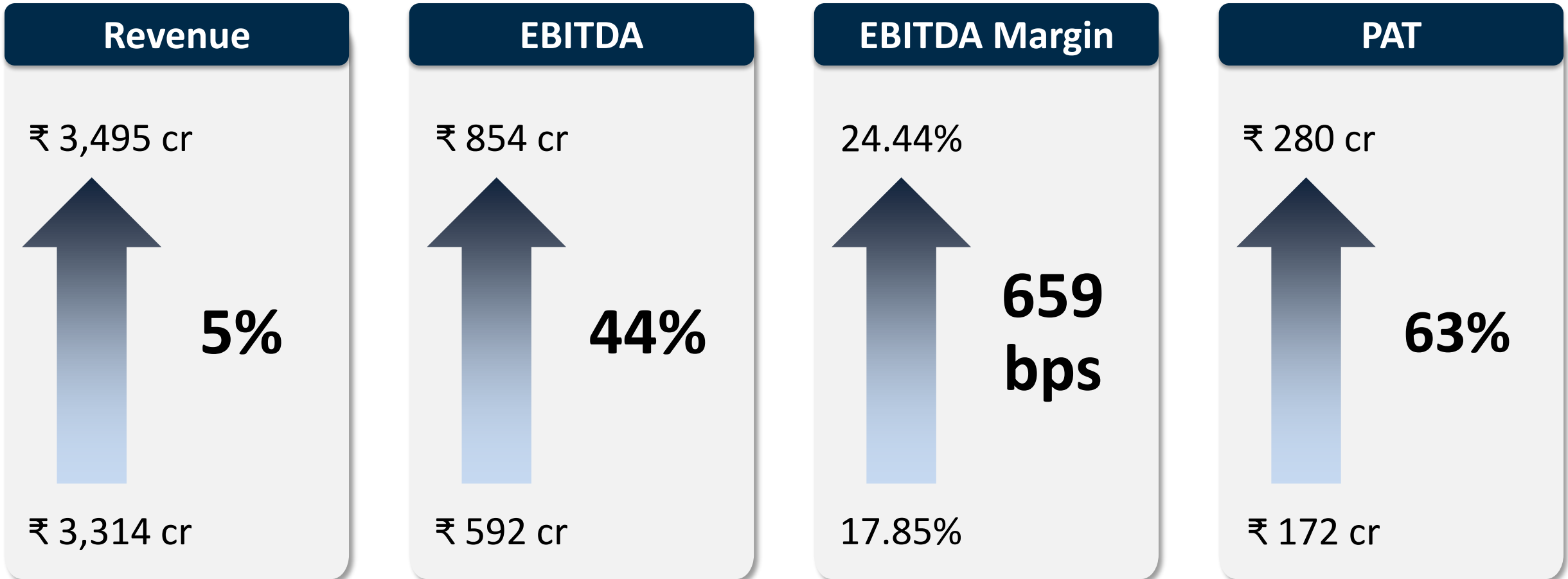


## Financial Performance Highlights – Q3 FY 2019 / 20



\*Pre-IND AS - EBITDA: ₹ 416 cr, EBITDA Margin: 29.6% (+339 bps); PAT: ₹ 214 cr

# Financial Performance Highlights – 9M FY 2019 / 20



\*Pre-IND AS - EBITDA: ₹ 719 cr, EBITDA Margin: 20.56% (+271 bps); PAT: ₹ 310 cr

## Best Q3 and 9 Months Financial Performance in a Decade

Particulars – Q3	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15	2013/14	2012/13	2011/12	2010/11
Revenue	1,409	1,338	1,217	1,146	1,185	1,235	1,169	1,074	1,027	838
EBITDA	462	350	300	280	274	266	247	223	225	194
EBITDA Margin (%)	32.8%	26.2%	24.7%	24.5%	23.1%	21.5%	21.1%	20.8%	21.9%	23.2%
PBT before Except.	276	218	150	137	104	147	125	108	108	57
PAT	203	162	108	93	13	62	60	50	49	19

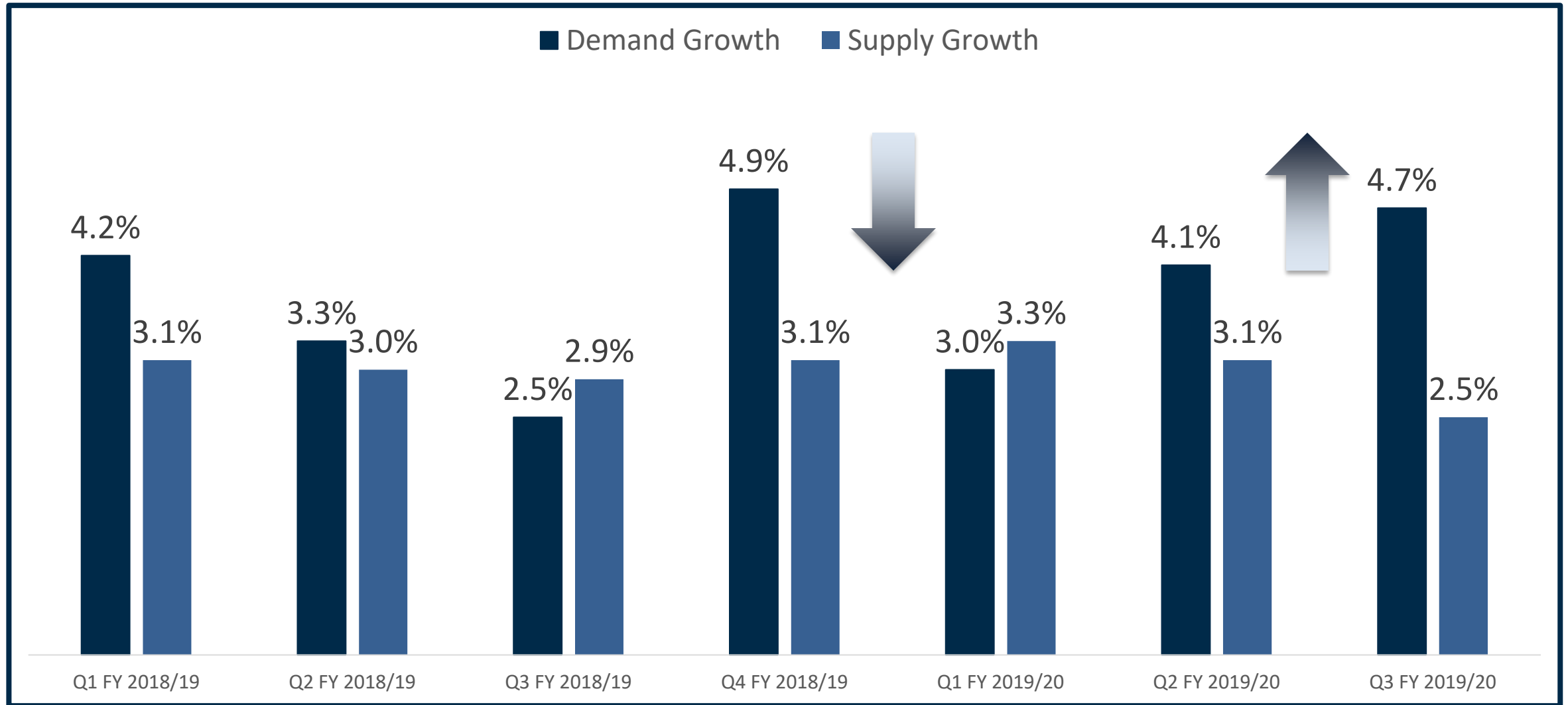
Particulars – 9M	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15	2013/14	2012/13	2011/12	2010/11
Revenue	3,495	3,314	3,001	3,006	3,035	3,148	3,021	2,775	2,522	2,088
EBITDA	854	592	467	470	480	399	439	398	417	316
EBITDA Margin (%)	24.4%	17.9%	15.6%	15.6%	15.8%	12.7%	14.5%	14.3%	16.5%	15.1%
PBT before Except.	297	206	34	14	-13	45	78	56	60	-47
PAT	280	172	25	-103	-211	-71	-393	-41	-21	-91

*\*Even on a Pre-IND AS basis, IHCL reports highest EBITDA, EBITDA Margins, PBEIT and PAT in a decade*

The image shows a bright, airy interior space, likely a dining or living area, with large arched windows and a dining table. The room is filled with natural light, creating a warm and inviting atmosphere. The text "Aided by Revival of Indian Hospitality" is overlaid on the image in a bold, dark blue font. The background features a patterned floor, a wooden coffee table, and a dining table with chairs. The overall aesthetic is clean and modern, with a focus on natural light and open spaces.

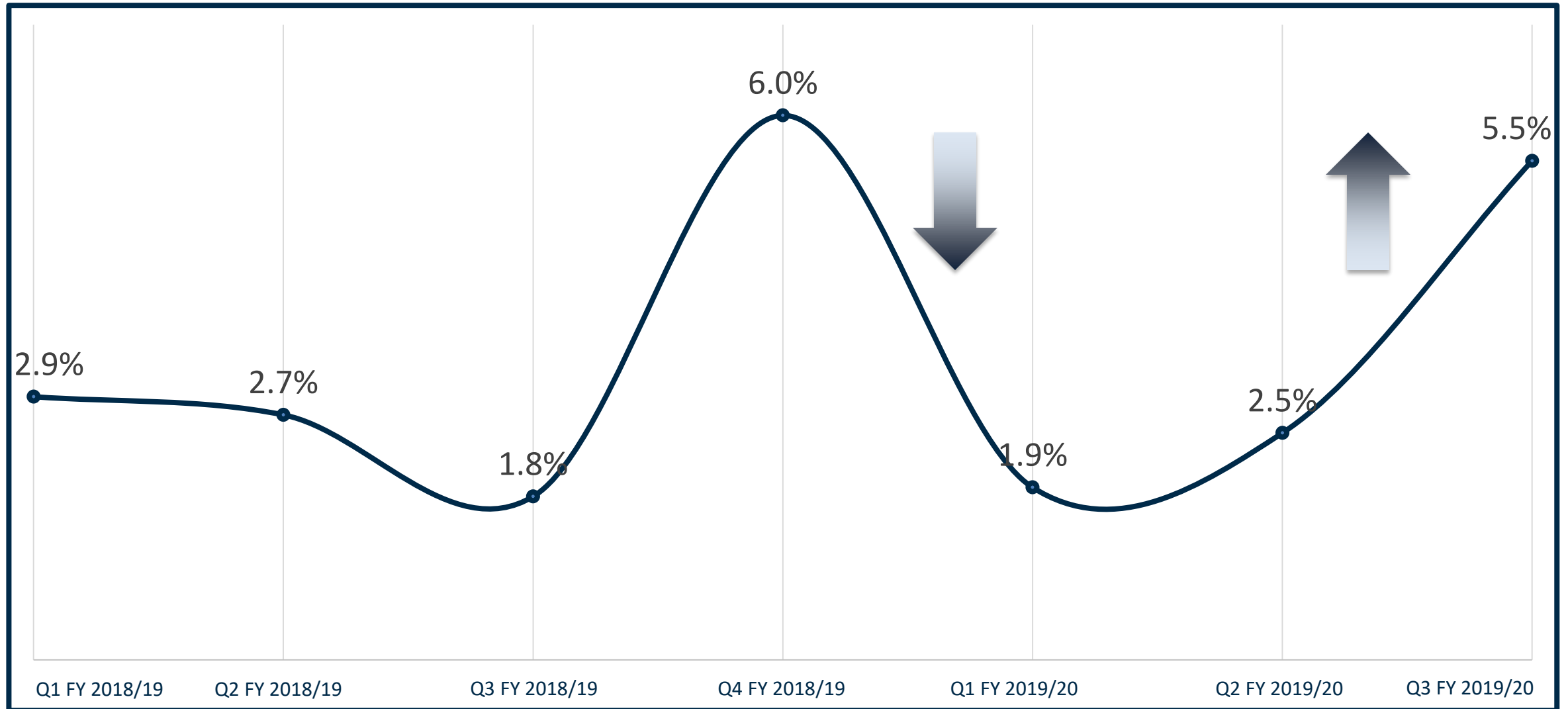
**Aided by Revival of Indian Hospitality**

# Green Offshoots of Recovery: Reversal in Demand vs Supply Growth Trend



Source: STR Global, All figures revised as per latest data refresh by STR

# Green Offshoots of Recovery: Industry RevPAR Growth Back on Track



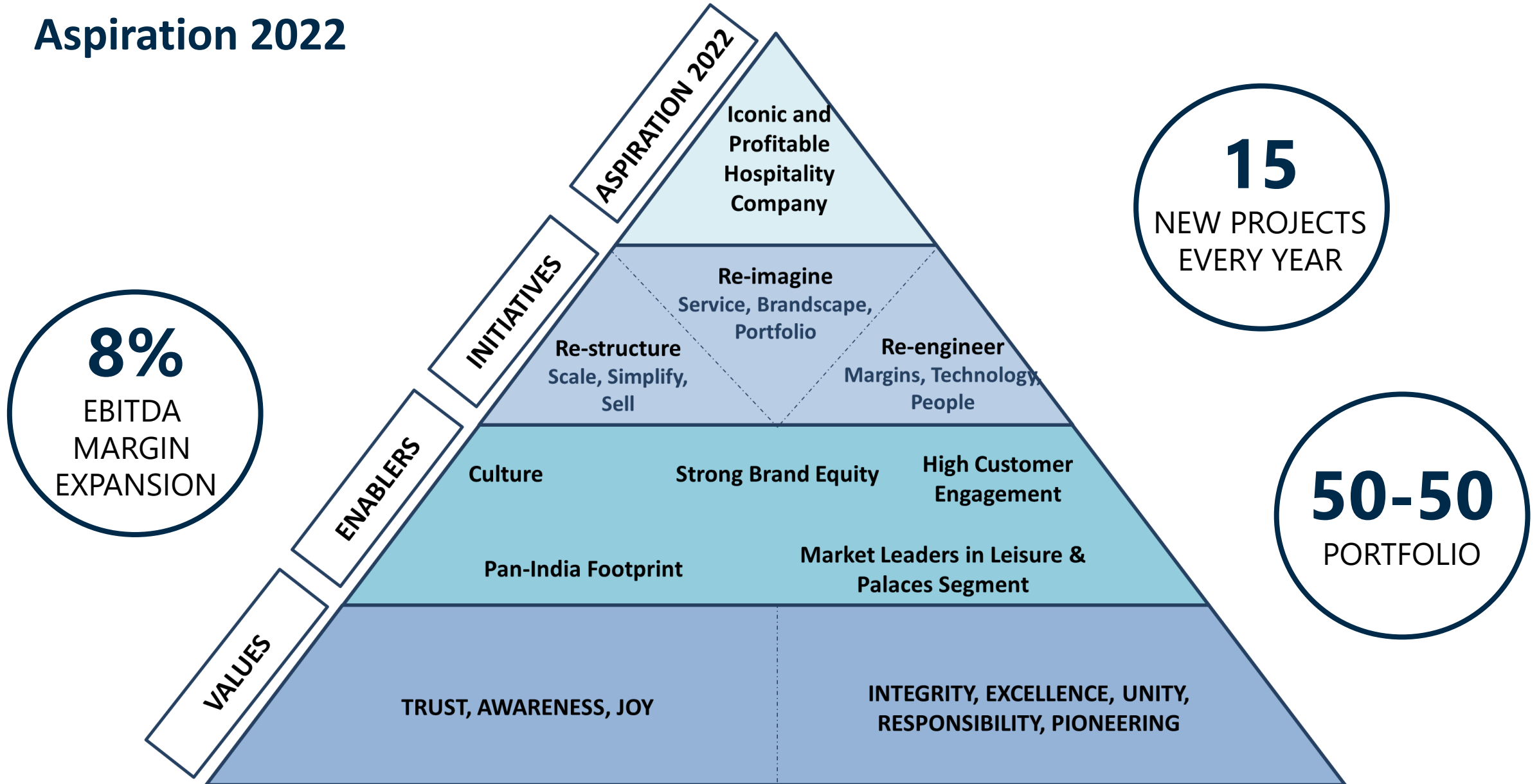
Source: STR Global, All figures revised as per latest data refresh by STR



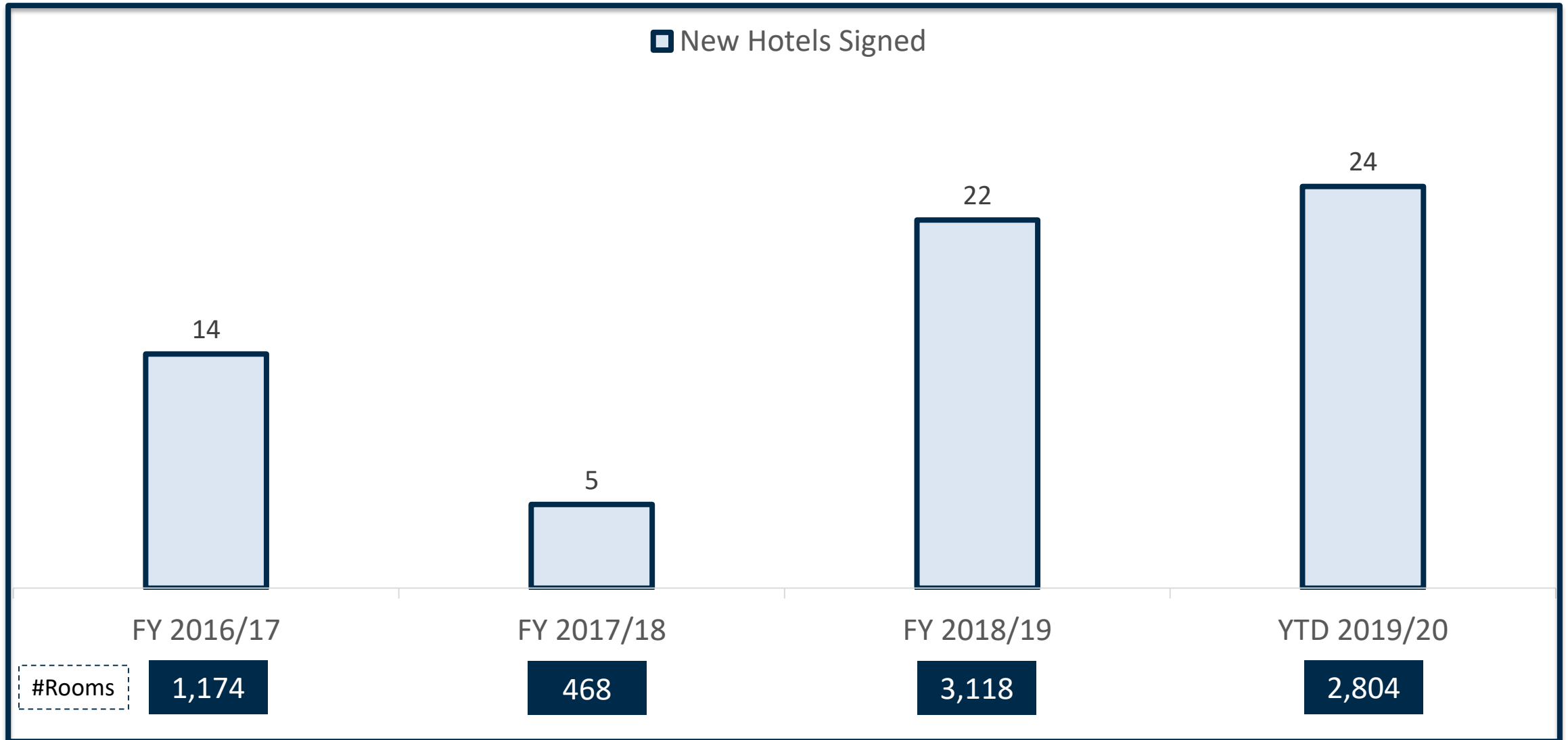


# **Aspiration to Execution: Key Highlights**

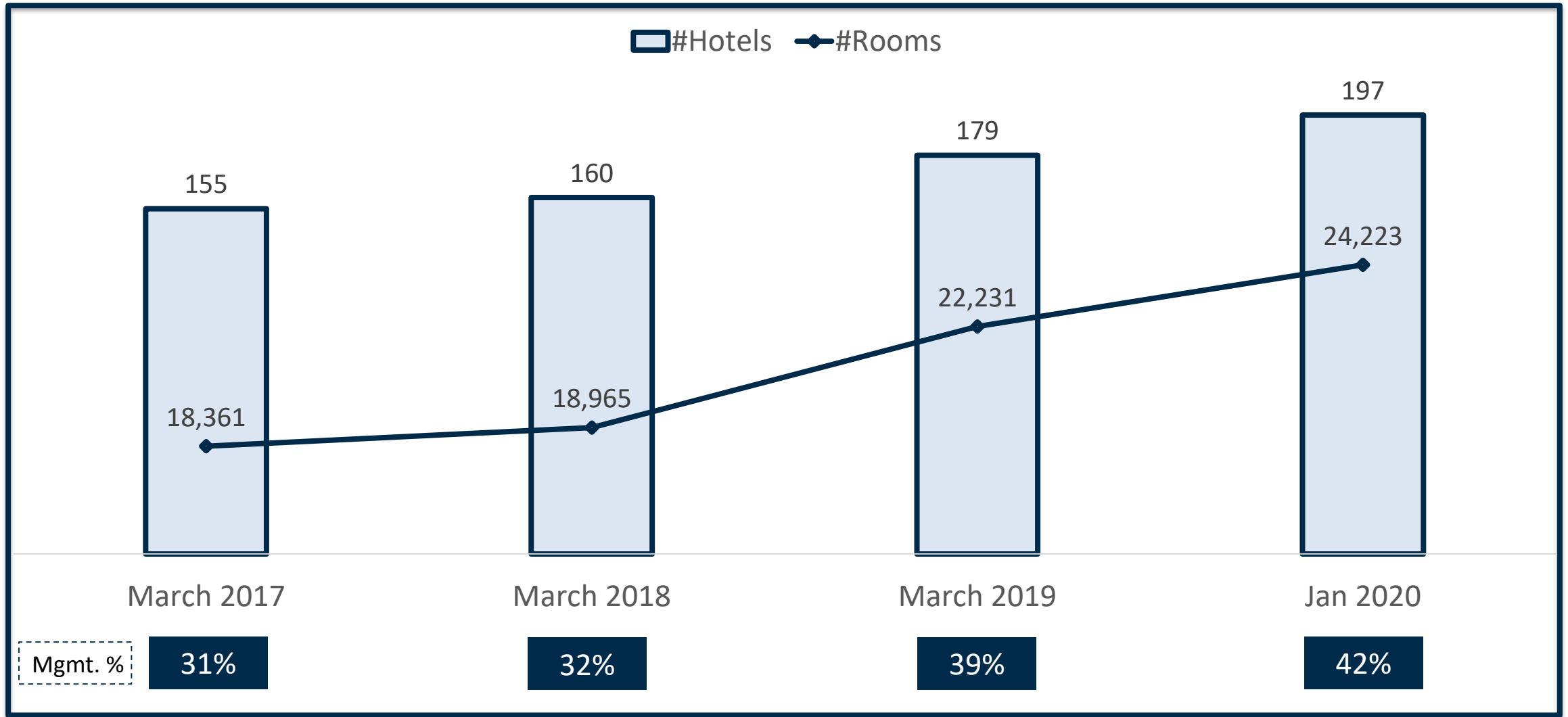
# Aspiration 2022



# All-time High Hotel Signings



## Significant Growth in Portfolio – Asset Light



*\*Including Pipeline*

## Opened One Hotel a Month in 2019, to Open More than One Hotel a Month in 2020

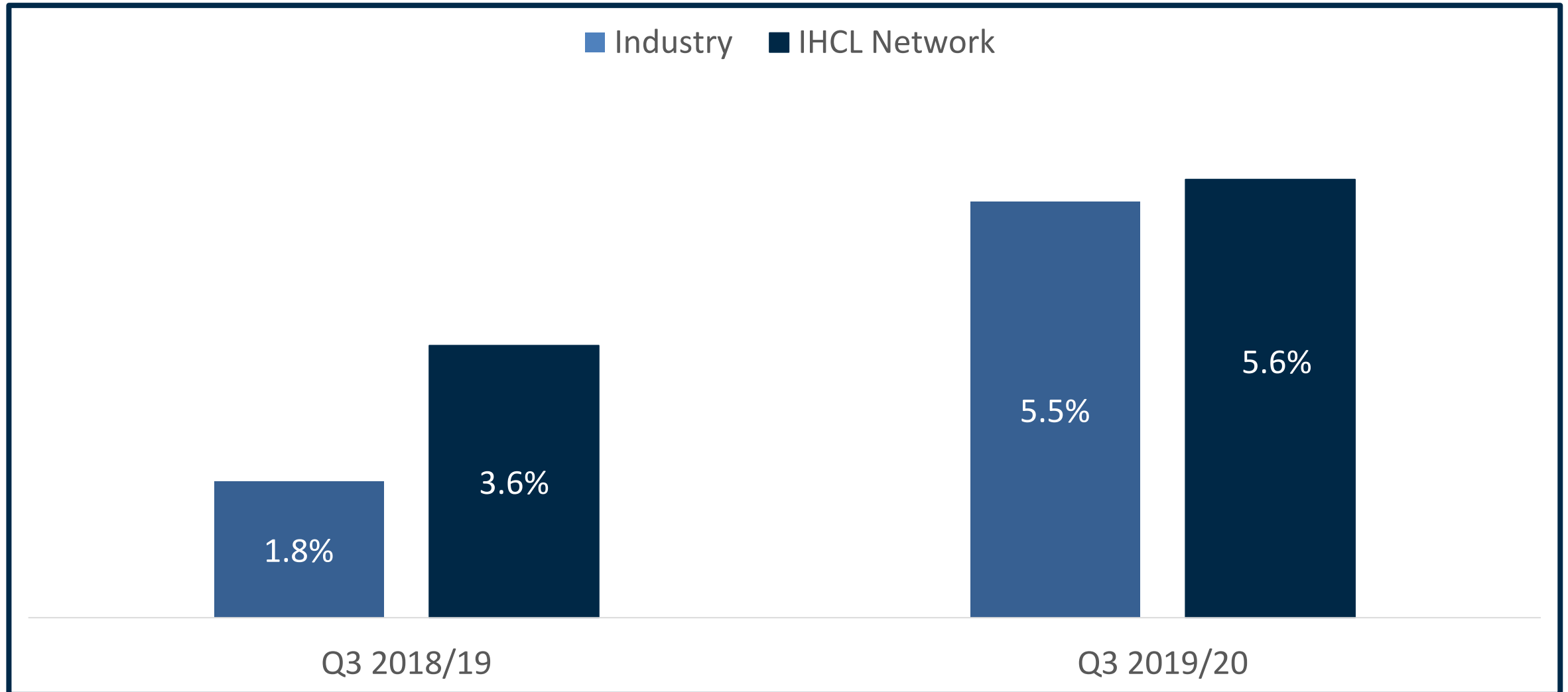
New Hotels Opened in 2019	Hotels	Rooms
Taj	5	662
SeleQtions	1	207
Vivanta	1	110
Ginger	5	428
<b>Total</b>	<b>12</b>	<b>1,407</b>

9 Hotels Opened  
in the First  
9 months of  
FY 2019/20

Total Pipeline by Brand	Hotels	Rooms
Taj	12	2,547
SeleQtions	3	345
Vivanta	12	1,599
Ginger	13	1,136
<b>Total</b>	<b>40</b>	<b>5,627</b>

84% of the  
pipeline is  
Managed

## Higher Q3 RevPAR growth compared to industry – 18/19 & 19/20



*\*IHCL RevPAR growth on same store basis*

## Q3 RevPAR Growth in Key Cities

+8%

Mumbai

+7%

New Delhi

+10%

Chennai

+9%

Hyderabad

+10%

Bangalore

*\*Network Same Store*

# Creating Alternate Revenue Streams



*The Chambers*

200+ Additions, ₹ 30 Cr Incr. Revenue

**S. M. A. R. T.**  
Asset SMART Growth Strategy

9M Management fees ₹ 163 Cr (+7%)

SHAMIANA

*House of Ming*

THAI  
PAVILION

GOLDEN DRAGON

Focus on F&B – Scale & Synergy

niu&nau

Launched and Scaling Up



Launching Soon in Bengaluru

amã

STAYS & TRAILS

13 Bungalows operational



# Ginger Achieves a Key Milestone



**50**  
Hotels

**~4,500**  
Keys

**35**  
Locations Across India

# Lean Luxe Delivering Results for Ginger

**20%**

Lean Luxe Today

**50%**

Lean Luxe by Mar '21

**26%**

Growth in Q3 ARR for  
Lean Luxe Portfolio

**7.4%**

RevPAR Growth  
in 9M FY 19/20

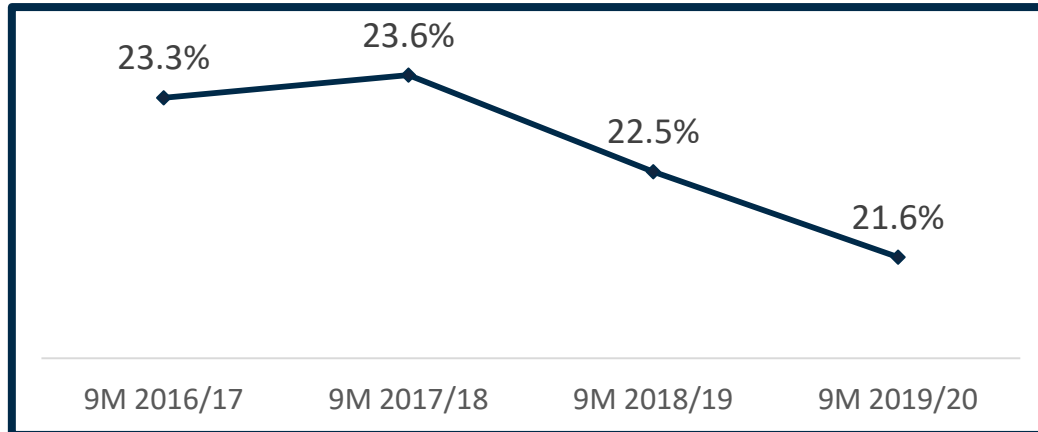
**4.27**

Highest Trip Advisor  
Score

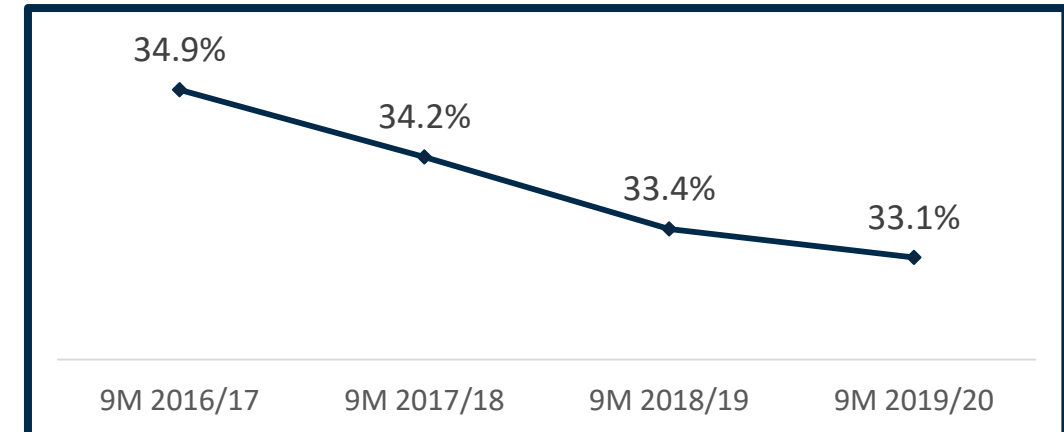


# Continuous Improvement in Operating Cost Base

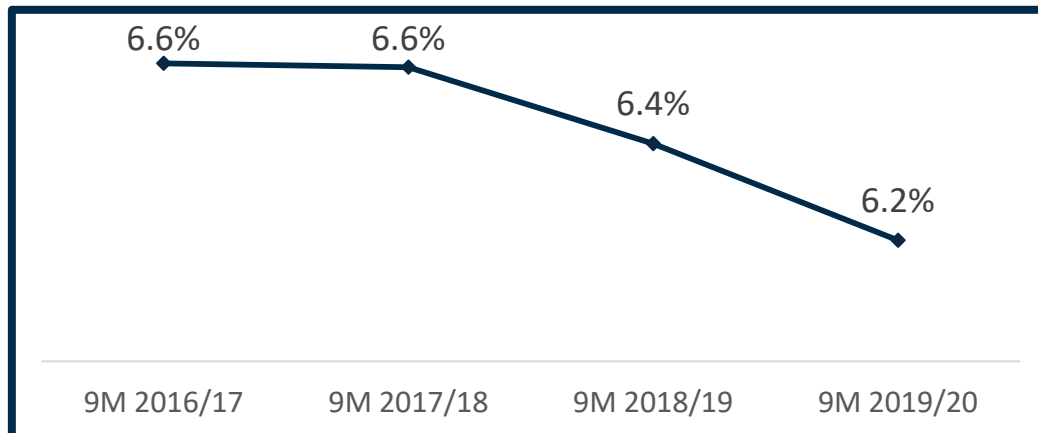
## Raw Material Cost



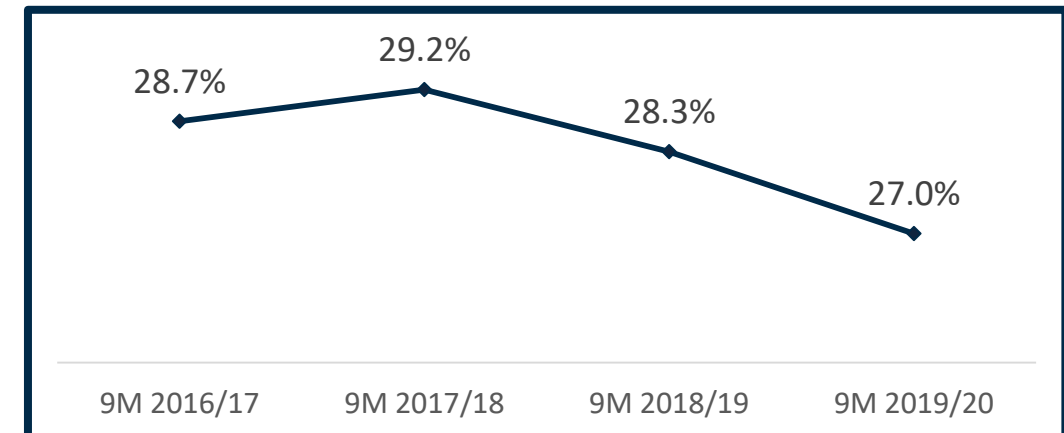
## Payroll Cost



## Fuel, Power and Light



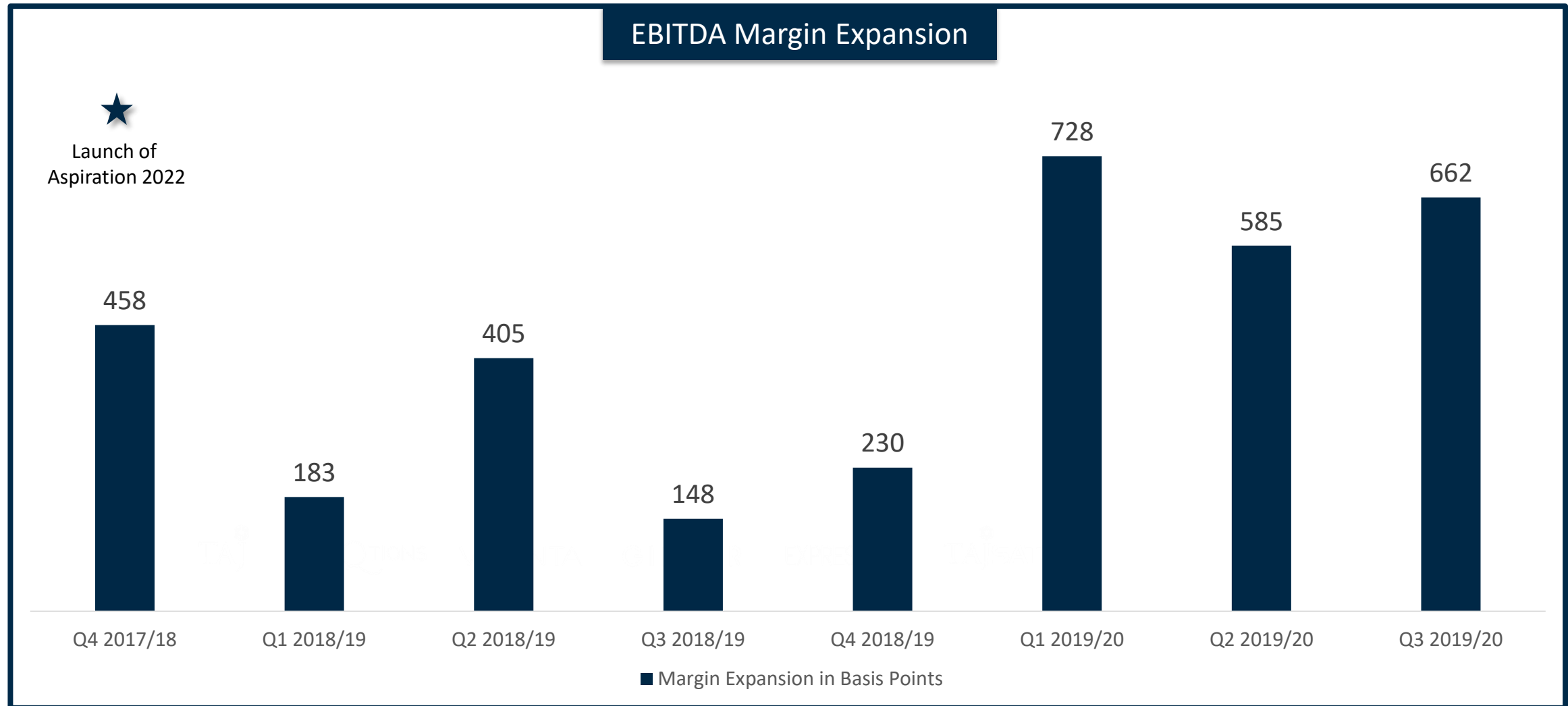
## Other Expenditure



\*All Percentages of Consolidated Revenue

\*Other Expenditure excludes License fees

# Continuing our Journey of EBITDA Margin Expansion

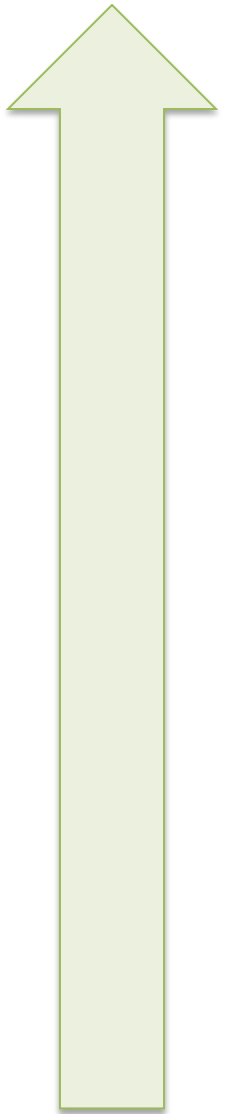


\*EBITDA Margin Expansion is calculated Y-o-Y.

\*\*FY 2019/20 EBITDA Margin is on Post IND AS Basis

## Summary: Strong performance exhibited across parameters

- Highest number of Hotels signed in any Financial Year ever
- Significant Growth in Portfolio – Asset Light
- Opened One Hotel a Month in 2019, to Open More than One Hotel a Month in 2020
- Higher Q3 RevPAR growth compared to industry – 18/19 & 19/20
- Creating Alternate Revenue Streams
- Ginger Reaches a Milestone of 50 Hotels
- Lean Luxe Delivering Results for Ginger
- Continuing our Journey of Cost Optimization & EBITDA Margin Expansion





# **FINANCIAL UPDATE**

Giridhar Sanjeevi, Chief Financial Officer

# Consolidated – Reported P&L Statement (Post Ind AS) – Q3 2019/20

₹ /crores

Particulars	Q3		
	2019/20	2018/19	Growth Vs PY
Revenue from Operations	1,373	1,323	4%
Non Operating Revenue	36	15	149%
<b>Total Revenue</b>	<b>1,409</b>	<b>1,338</b>	<b>5%</b> ↑
<b>Total Expenditure</b>	<b>947</b>	<b>988</b>	<b>-4%</b>
<b>EBITDA</b>	<b>462</b>	<b>350</b>	<b>32%</b>
<b>EBITDA Margin</b>	<b>32.78%</b>	<b>26.16%</b>	<b>662 bps</b> ↑
Depreciation and Amortization Expense	101	83	21%
Finance Costs	85	49	73%
<b>Profit Before exceptional Items &amp; Tax</b>	<b>276</b>	<b>218</b>	<b>27%</b> ↑
Exceptional items Gain/(Loss)	(1)	41	-
<b>Profit/ (Loss) before tax</b>	<b>275</b>	<b>259</b>	<b>6%</b> ↑
Provision for Taxes	81	99	-
<b>Profit/ (Loss) After Tax</b>	<b>194</b>	<b>160</b>	<b>21%</b> ↑
Add: Share of Profit/(Loss) in Associates & JV's	19	10	+
Less : Profit / (Loss) due to Non Controlling interest)	(10)	(8)	-
<b>Profit / (Loss) after Non controlling interest, share of associates and JV</b>	<b>203</b>	<b>162</b>	<b>26%</b> ↑

# Consolidated Exceptional Items - Q3 2019/20

₹ /crores

Particulars	2019/20	2018/19	Var.
Change in fair value of derivative contracts	(1)	41	(42)
<b>Total</b>	<b>(1)</b>	<b>41</b>	<b>(42)</b>

<b>Gain on Sale of Flats included in Non Operating Revenue</b>	<b>30</b>	<b>-</b>	<b>30</b>
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Financial Results for the Quarter ended 30th September 2019



# Consolidated – Reported P&L Statement (Post Ind AS) – 9M 2019/20

₹ /crores

Particulars	9M		
	2019/20	2018/19	Growth Vs PY
Revenue from Operations	3,400	3,268	4%
Non Operating Revenue	94	46	104%
<b>Total Revenue</b>	<b>3,495</b>	<b>3,314</b>	<b>5%</b> ↑
<b>Total Expenditure</b>	<b>2,641</b>	<b>2,722</b>	<b>-3%</b>
<b>EBITDA</b>	<b>854</b>	<b>592</b>	<b>44%</b>
<b>EBITDA Margin</b>	<b>24.44%</b>	<b>17.85%</b>	<b>659 bps</b> ↑
Depreciation and Amortization Expense	301	243	24%
Finance Costs	256	143	80%
<b>Profit Before exceptional Items &amp; Tax</b>	<b>297</b>	<b>206</b>	<b>44%</b> ↑
Exceptional items Gain/(Loss)	1	(8)	+
<b>Profit/ (Loss) before tax</b>	<b>297</b>	<b>198</b>	<b>50%</b> ↑
Provision for Taxes	13	70	-
<b>Profit/ (Loss) After Tax</b>	<b>284</b>	<b>128</b>	<b>122%</b> ↑
Add: Share of Profit/(Loss) in Associates & JV's	3	46	-
Less : Profit / (Loss) due to Non Controlling interest	(7)	(2)	-
<b>Profit / (Loss) after Non controlling interest, share of associates and JV</b>	<b>280</b>	<b>172</b>	<b>63%</b> ↑

## Consolidated Exceptional Items – 9M 2019/20

Particulars	₹ /crores		
	2019/20	2018/19	Var.
Change in fair value of derivative contracts	(1)	(56)	55
Profit on sale of TMFK shares	2	-	2
Boston Lease Modification Income	0	48	(48)
<b>Total</b>	<b>1</b>	<b>(8)</b>	<b>9</b>
<b>Gain on Sale of Flats included in Non Operating Revenue</b>	<b>62</b>	<b>-</b>	<b>62</b>

# IHCL Network Revenue – Q3 2019/20

Particulars	Domestic (₹ / Crores)			International (\$ MI)		
	CY	PY	Growth over PY %	CY	PY	Growth over PY %
F & B Revenue	664	619	7.1%	28	32	-10.4%
Room Revenue	733	659	11.3%	39	41	-4.9%
<b>RevPAR*</b>	₹ 7,224	₹ 6,841	5.6%	\$ 231	\$ 241	-4.2%

\*RevPAR is for Same Store

No of Hotels: 105 - Domestic hotels: 88, International Hotels: 17

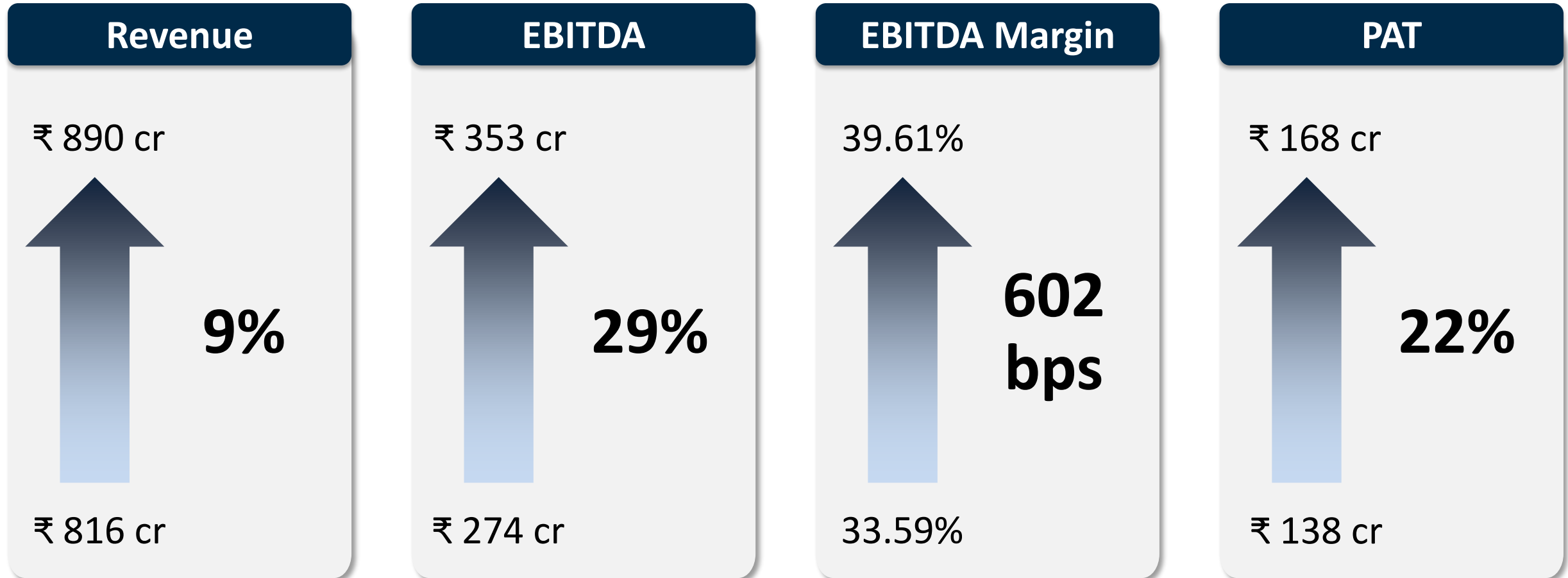
# IHCL Network Revenue – 9M 2019/20

Particulars	Domestic (₹ / Crores)			International (\$ MI)		
	CY	PY	Growth over PY %	CY	PY	Growth over PY %
F & B Revenue	1,602	1,534	4.4%	72	76	-4.9%
Room Revenue	1,703	1,570	8.5%	107	108	-0.3%
<b>RevPAR*</b>	₹ 5,635	₹ 5,458	<b>3.3%</b>	\$ 212	\$ 211	<b>0.3%</b>

\*RevPAR is for Same Store





No of Hotels: 105 - Domestic hotels: 88, International Hotels: 17

# Standalone Financial Highlights – Q3 FY 2019 / 20



# Standalone – Reported P&L Statement (Post Ind AS) – Q3 2019/20

₹ /crores

Particulars	Q3		
	2019/20	2018/19	Growth Vs PY
Revenue from Operations	855	803	6%
Non Operating Revenue	36	13	164%
<b>Total Revenue</b>	<b>890</b>	<b>816</b>	<b>9%</b> 
<b>Total Operating Expenditure</b>	<b>538</b>	<b>542</b>	<b>-1%</b>
<b>EBITDA</b>	<b>353</b>	<b>274</b>	<b>29%</b>
<b>EBITDA Margin</b>	<b>39.61%</b>	<b>33.59%</b>	<b>602 bps</b> 
Depreciation and Amortization Expense	51	43	17%
Finance Costs	59	40	46%
<b>Profit Before exceptional Items &amp; Tax</b>	<b>243</b>	<b>191</b>	<b>28%</b> 
Exceptional items	(1)	41	-
<b>Profit/ (Loss) before tax</b>	<b>242</b>	<b>231</b>	<b>5%</b>
Provision for Taxes	74	94	-21%
<b>Profit/ (Loss) After Tax</b>	<b>168</b>	<b>138</b>	<b>22%</b> 

# Standalone Exceptional Items – Q3 2019/20

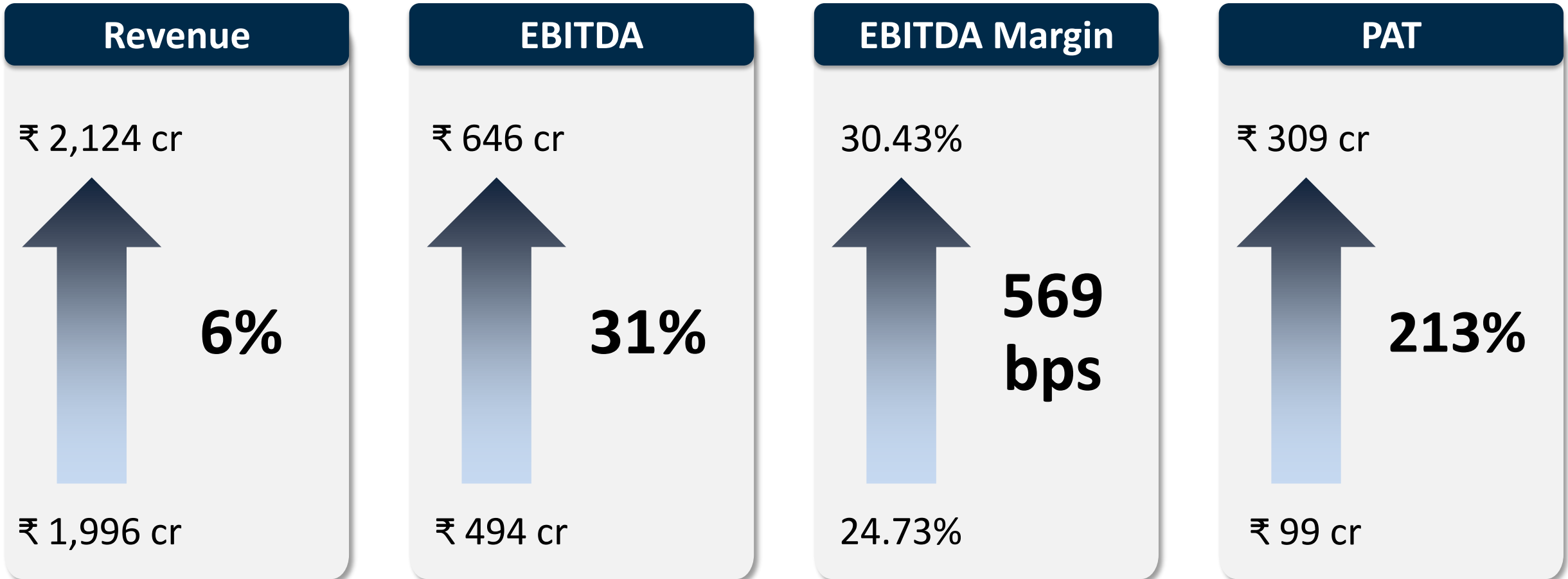
₹ /crores

Particulars	2019/20	2018/19	Var.
Change in fair value of derivative contracts	(1)	41	(42)
<b>Total</b>	<b>(1)</b>	<b>41</b>	<b>(42)</b>

Gain on Sale of Flats included in Non Operating Revenue	30	-	30
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Financial Results for the Quarter ended 30th September 2019

# Standalone Financial Highlights – 9M FY 2019 / 20





# Standalone – Reported P&L Statement (Post Ind AS) – 9M 2019/20

₹ /crores

Particulars	9M		
	2019/20	2018/19	Growth Vs PY
Revenue from Operations	2025	1937	5%
Non Operating Revenue	99	59	67%
<b>Total Revenue</b>	<b>2124</b>	<b>1996</b>	<b>6%</b> ↑
<b>Total Operating Expenditure</b>	<b>1478</b>	<b>1503</b>	<b>-2%</b>
<b>EBITDA</b>	<b>646</b>	<b>494</b>	<b>31%</b>
<b>EBITDA Margin</b>	<b>30.43%</b>	<b>24.73%</b>	<b>569 bps</b> ↑
Depreciation and Amortization Expense	152	125	22%
Finance Costs	178	119	49%
<b>Profit Before exceptional Items &amp; Tax</b>	<b>316</b>	<b>250</b>	<b>27%</b> ↑
Exceptional items	(7)	(87)	+
<b>Profit/ (Loss) before tax</b>	<b>310</b>	<b>162</b>	<b>91%</b>
Provision for Taxes	1	63	-
<b>Profit/ (Loss) After Tax</b>	<b>309</b>	<b>99</b>	<b>213%</b> ↑

## Standalone Exceptional Items – 9M 2019/20

₹ /crores

Particulars	2019/20	2018/19	Var.
Change in fair value of derivative contracts	(1)	(55)	54
Profit on sale of TMFK shares	21	-	21
Provision for impairment of investment in Pierre that incurred cash losses	(27)	(32)	5
<b>Total</b>	<b>(7)</b>	<b>(87)</b>	<b>80</b>
<b>Gain on Sale of Flats included in Non Operating Revenue</b>	<b>62</b>	<b>-</b>	<b>62</b>

# Cost Optimization – 9M 2019/20

## Corporate Overheads as a % of Revenue

**7.7%** 2018/19



**6.8%** 2019/20

## Raw Mat. Costs as a % of F&B Revenue

**22.5%** 2018/19



**21.6%** 2019/20

## HLP Costs as a % of Revenue

**6.4%** 2018/19



**6.2%** 2019/20

## Payroll Costs as a % of Revenue

**33.4%** 2018/19



**33.1%** 2019/20

*\*All Percentages of Consolidated Revenue*

# Unlocking value through Simplification and Monetization

## Sale of Land



Land in Pune - ₹ 63 crore

## Sale of Residential Apartments



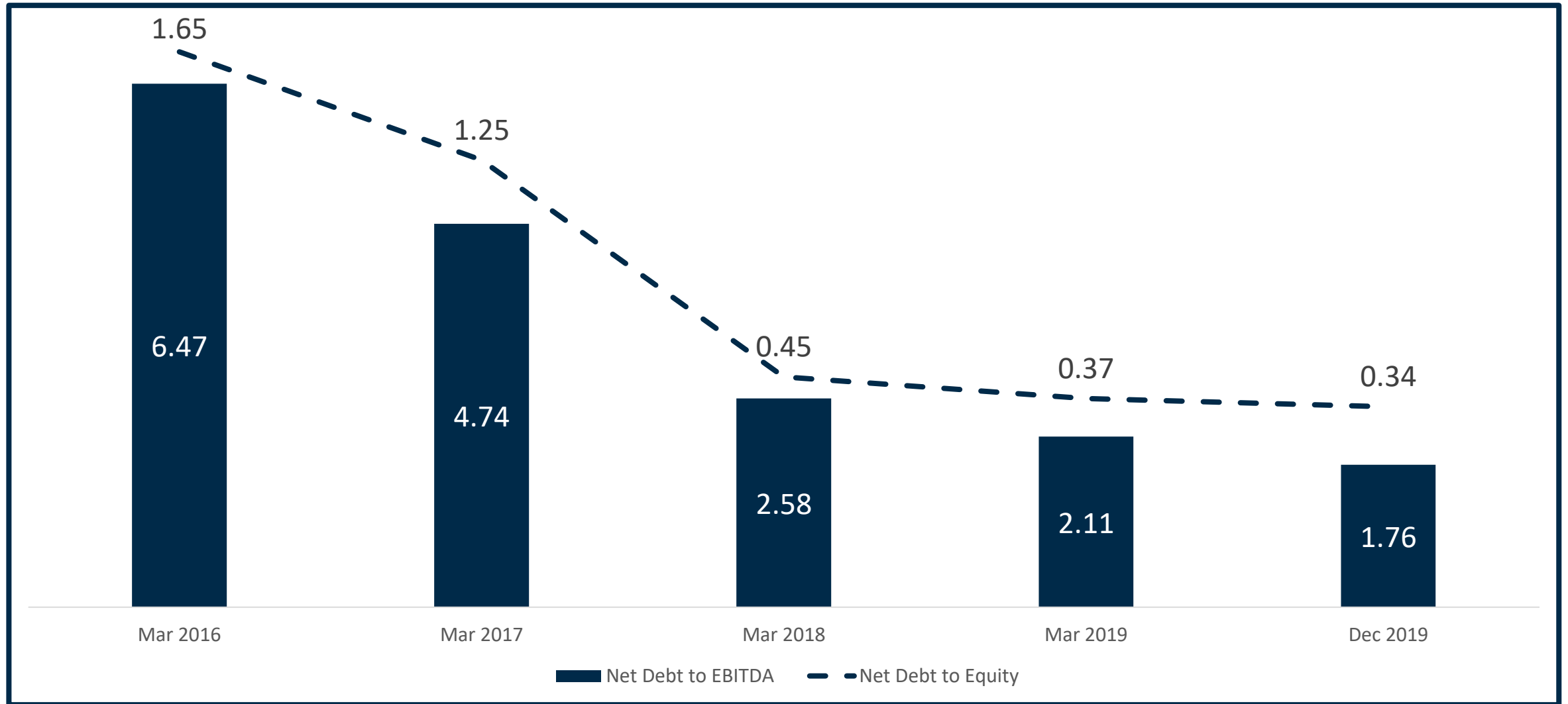
18 Apartments  
₹ 73.2 crore sale proceeds

## Simplification



Sale proceeds – ₹ 29.8 crore

# Continuous Improvement in Net Debt / EBITDA and Net Debt / Equity



\*Trailing Twelve Months Basis

\*\*Net Debt, EBITDA on Pre IND AS basis

# Debt Position

₹ /crores

Particulars	Standalone			Consolidated		
	December 31, 2019 (Post Ind AS)	December 31, 2019 (Pre Ind AS)	March 31, 2019	December 31, 2019 (Post Ind AS)	December 31, 2019 (Pre Ind AS)	March 31, 2019
Gross Debt	1,708	1,708	1,784	2,269	2,269	2,326
Liquidity	-269	-269	-282	-434	-434	-401
<b>Net Debt</b>	<b>1,438</b>	<b>1,438</b>	<b>1,502</b>	<b>1,836</b>	<b>1,836</b>	<b>1,925</b>
Lease Liability	923	-	-	1,995	-	-
<b>Net Debt (incl. Lease Lia)</b>	<b>2,362</b>	<b>1,438</b>	<b>1,502</b>	<b>3,831</b>	<b>1,836</b>	<b>1,925</b>
Weighted cost of Debt	7.9 *	7.9	8.2	7.0 *	7	7.2

\* Excludes implicit cost of lease liability

Q&A



# Disclaimer

These presentations may contain forward-looking statements within the meaning of applicable securities laws. Similarly, statements that describe our business strategy, outlook, objectives, plans, intentions or goals also are forward-looking statements.

Forward-looking statements are not guarantees of future performance and involve risks and uncertainties and other factors that may cause actual results to differ materially from those anticipated at the time the forward-looking statements are made. Future results, performance and achievements may be affected by general economic conditions, regulatory environment, business and financing conditions, foreign exchange fluctuations, cyclicity and operating risks associated with the hospitality industry and other circumstances and uncertainties.

Although we believe the expectations reflected in such forward looking statements are based upon reasonable assumptions, we can give no assurance that our expectations will be attained or that results will not materially differ. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Please visit our corporate website [www.ihcltata.com](http://www.ihcltata.com) for previous investor communications.



# Annexure

# Consolidated P&L – Q3 2019/20

₹ /crores

Particulars	2019/20 Post Ind AS	2019/20 Pre Ind AS	2018/19	Growth % (Pre Ind AS)
Revenue	1,409	1,409	1,338	5%
Operating Expenses	947	992	988	0%
<b>EBITDA</b>	<b>462</b>	<b>416</b>	<b>350</b>	<b>19%</b>
<b>EBITDA Margin</b>	<b>32.78%</b>	<b>29.56%</b>	<b>26.16%</b>	<b>339 bps</b>
Depreciation	101	83	83	0%
Interest	85	45	49	-9%
<b>Profit Before Exceptional items &amp; Tax</b>	<b>276</b>	<b>288</b>	<b>218</b>	<b>32%</b>
Exceptional items	(1)	(1)	41	-
<b>Profit Before Tax</b>	<b>275</b>	<b>287</b>	<b>259</b>	<b>11%</b>
<b>Profit After Tax</b>	<b>203</b>	<b>214</b>	<b>162</b>	<b>32%</b>

\*Pre-Ind AS - Operating EBITDA: ₹ 380 cr, Operating EBITDA Margin: 27.70% (+235 bps)

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# Consolidated P&L – 9M 2019/20

₹ /crores

Particulars	2019/20 Post Ind AS	2019/20 Pre Ind AS	2018/19	Growth % (Pre Ind AS)
Revenue	3,495	3,495	3,314	5%
Operating Expenses	2,641	2,776	2,722	2%
<b>EBITDA</b>	<b>854</b>	<b>719</b>	<b>592</b>	<b>21%</b>
<b>EBITDA Margin</b>	<b>24.44%</b>	<b>20.56%</b>	<b>17.85%</b>	<b>271 bps</b>
Depreciation	301	250	243	3%
Interest	256	137	143	-4%
<b>Profit Before Exceptional items &amp; Tax</b>	<b>297</b>	<b>332</b>	<b>206</b>	<b>61%</b>
Exceptional items	1	1	(8)	+
<b>Profit Before Tax</b>	<b>297</b>	<b>332</b>	<b>198</b>	<b>68%</b>
<b>Profit After Tax</b>	<b>280</b>	<b>310</b>	<b>172</b>	<b>80%</b>

\*Pre-IND AS - Operating EBITDA: ₹ 624 cr, Operating EBITDA Margin: 18.36% (+167 bps)

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# Standalone P&L – Q3 2019/20

₹ /crores

Particulars	2019/20 Post Ind AS	2019/20 Pre Ind AS	2018/19	Growth % (Pre Ind AS)
Revenue	890	890	816	9%
Operating Expenses	538	559	542	3%
EBITDA	353	331	274	21%
EBITDA Margin	39.61%	37.20%	33.59%	361 bps
Depreciation	51	43	43	0%
Interest	59	39	40	-2%
Profit Before Exceptional items & Tax	243	249	191	31%
Exceptional items	(1)	(1)	41	-
Profit Before Tax	242	247	231	7%
Profit After Tax	168	172	138	25%

\*Pre-IND AS - Operating EBITDA: ₹ 296 cr, Operating EBITDA Margin: 34.58% (+211 bps)

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# Standalone P&L – 9M 2019/20

₹ /crores

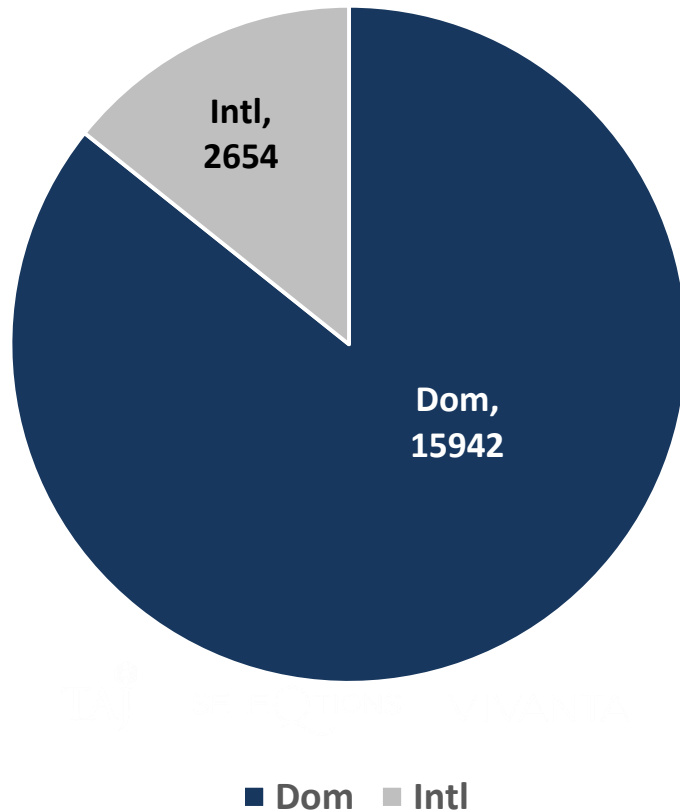
Particulars	2019/20 Post Ind AS	2019/20 Pre Ind AS	2018/19	Growth % (Pre Ind AS)
Revenue	2124	2124	1996	6%
Operating Expenses	1478	1542	1503	3%
EBITDA	646	582	494	18%
EBITDA Margin	30.43%	27.39%	24.73%	266 bps
Depreciation	152	130	125	4%
Interest	178	120	119	1%
Profit Before Exceptional items & Tax	316	332	250	33%
Exceptional items	(7)	(7)	(87)	+
Profit Before Tax	310	325	162	100%
Profit After Tax	309	321	99	224%

\*Pre-IND AS – Operating EBITDA: ₹ 483 cr, Operating EBITDA Margin: 23.86% (+141 bps)

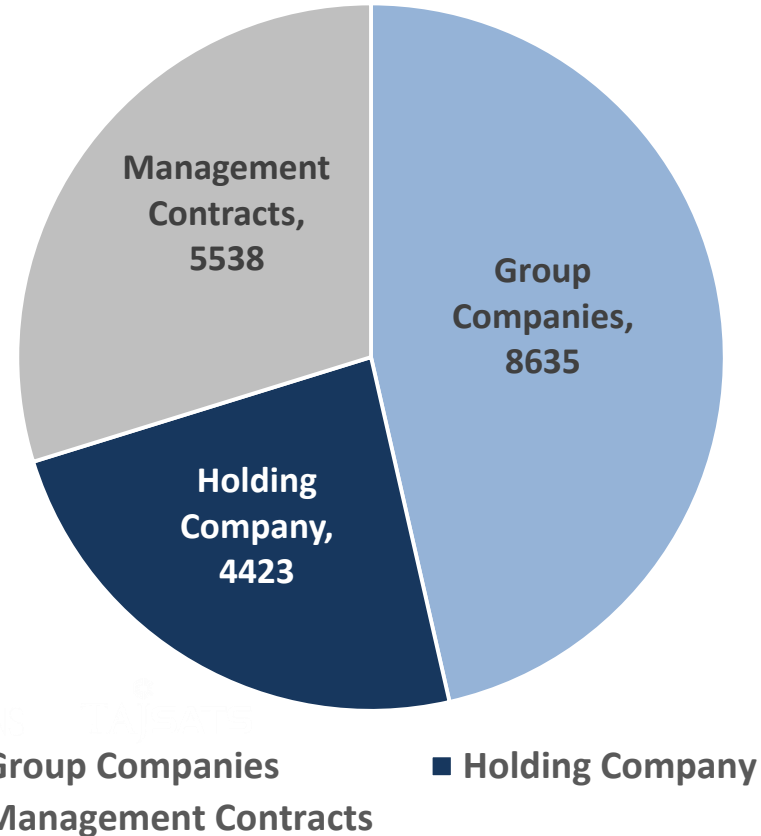
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# Our Operational Portfolio

## Inventory by Geography



## Inventory by Contract Type



As of 31<sup>st</sup> January 2020, IHCL has **157 hotels** with **18,596 Rooms**

# Group Major Companies

Company Name	Effective Holding %	Company Name	Effective Holding %
<b><u>Subsidiaries</u></b>		<b><u>Joint Ventures</u></b>	
Piem Hotels Ltd	51.57	Taj SATS Air Catering Ltd	51.00
Benares Hotels Ltd	51.68	Taj GVK Hotels & Resorts Ltd	25.52
United Hotels Ltd	55.00	Taj Kerala Hotels & Resorts Ltd	28.30
Roots Corporation Ltd	63.74	Taj Karnataka Hotels & Resorts Ltd	44.27
Skydeck Properties Pvt Ltd	100.00	Taj Safaris Ltd	40.98
IHOCO BV [ <i>Investment Company</i> ]	100.00	Kaveri Retreat & Resorts Ltd	50.00
United Overseas Holdings, Inc.	100.00	IHMS (SA) Pty Ltd	50.00
St James Court Hotel Ltd	72.25	TAL Hotels & Resorts Ltd	27.49
		<b><u>Associates</u></b>	
		Oriental Hotels Ltd	35.67
		Lanka Island Resorts Ltd	24.66
		TAL Lanka Hotel PLC	24.62

# Awards and Accolades continue to reinforce our direction



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**freddie**  
awards