

June 10, 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  
Scrip Code: INDHOTEL

**Re: Outcome of Board Meeting**

Dear Sirs,

Further to our letter dated June 4, 2020 the Board of Directors of the Company at their meeting held earlier today, transacted the following business:

**1. Financial Results**

Approved the Audited Financial Results (Standalone and Consolidated) for the financial year ended March 31, 2020 along with the Auditor's Report thereon. In this regard please find enclosed:

- Audited Standalone and Consolidated Financial Results of the Company for the financial year ended March 31, 2020.
- Auditor's Report in respect of the aforesaid Financial Results.

These are also being made available on the website of the company [www.ihcltata.com](http://www.ihcltata.com).

**2. Unmodified Opinion**

BSR & Co. LLP, the Statutory Auditors of the Company have issued the Auditor's Report with an unmodified opinion on the Audited Standalone and Consolidated Financial Statements for financial year ended March 31, 2020. This declaration is made pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**3. Recommendation of Dividend**

Recommended a dividend of ₹ 0.50/- per Equity Share of ₹ 1/- each fully paid up of the Company @ 50% (previous year ₹ 0.50/- per Equity Share of ₹ 1/- each fully paid up @ 50%), subject to approval of the Members at the Annual General Meeting (AGM).

Accordingly :

- i. the dividend payable on one Equity Share of ₹ 1/- each fully paid up will amount to ₹ 0.50/- (Fifty paise Only)

- ii. the dividend payable on 100 Equity Shares of ₹ 1/- each fully paid up will amount to ₹ 50/- (Fifty- Only).

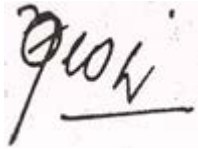
**4. Annual General Meeting**

The AGM of the Company is scheduled to be held on July 27, 2020. Dividend, if declared at the said AGM, will be paid on and from August 3, 2020, to the Members entitled to receive the same.

The meeting commenced at 3.00 pm and concluded at 6.45 pm.

Kindly take the above on record and circulate the same for the information of the Members of the Stock Exchange.

Sincerely,



**BEEJAL DESAI**

**Senior Vice President – Corporate Affairs and Company Secretary (Group)**

# B S R & Co. LLP

Chartered Accountants

5th Floor, Lodha Excelus,  
Apollo Mills Compound  
N. M. Joshi Marg, Mahalaxmi  
Mumbai - 400 011  
India

Telephone +91 (22) 4345 5300  
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## **Independent Auditors' Report on Standalone Annual Financial Results of The Indian Hotels Company Limited pursuant to Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To the Board of Directors of  
The Indian Hotels Company Limited

### **Report on the audit of the Standalone Annual Financial Results**

#### **Opinion**

We have audited the accompanying standalone annual financial results of The Indian Hotels Company Limited (hereinafter referred to as the "Company") for the year ended 31 March 2020, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 and Regulation 52 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31 March 2020.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the Standalone annual financial results.

#### **Emphasis of matter**

We draw attention to Note 9 to the standalone annual financial results, which describes the possible effect of uncertainties relating to COVID-19 pandemic on the Company's financial performance as assessed by the management.

Our opinion is not modified in respect of the above matter.

B S R & Co (a partnership firm with  
Registration No. BA61223) converted into  
B S R & Co. LLP (a Limited Liability, Partnership  
with LLP Registration No. AAB-8181)  
with effect from October 14, 2013

Registered Office:  
5th Floor, Lodha Excelus  
Apollo Mills Compound  
N. M. Joshi Marg, Mahalaxmi  
Mumbai - 400 011 .India

## **Independent Auditors' Report (*Continued*)**

### **The Indian Hotels Company Limited**

#### **Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results**

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process

#### **Auditors' Responsibilities for the Audit of the Standalone Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

## **Independent Auditors' Report (Continued)**

### **The Indian Hotels Company Limited**

#### **Auditors' Responsibilities for the Audit of the Standalone Annual Financial Results (Continued)**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Other Matters**

The standalone annual financial results include the results for the quarter ended 31 March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

**TARUN K** Digitally signed by  
TARUN K KINGER  
Date: 2020.06.10  
**KINGER** 14:10:09 +05'30'

**Tarun Kinger**

*Partner*

Place: Mumbai  
Date: 10 June 2020

Membership No: 105003  
ICAI UDIN: 20105003AAAABO1826

# IHCL

## THE INDIAN HOTELS COMPANY LIMITED

### STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

₹ lakhs

Particulars	Quarter Ended 31.03.2020 (Audited) (Refer Note 3)	Quarter Ended 31.12.2019 (Reviewed)	Quarter Ended 31.03.2019 (Audited) (Refer Note 3)	Year Ended 31.03.2020 (Audited)	Year Ended 31.03.2019 (Audited)
<b>Revenue</b>					
Revenue from Operations	71828	85479	84300	274347	278041
Other Income (Refer Note 6)	3579	3559	3162	13441	9050
<b>Total Income</b>	<b>75407</b>	<b>89038</b>	<b>87462</b>	<b>287788</b>	<b>287091</b>
<b>Expenses</b>					
Food and Beverages Consumed	5606	7431	7021	23574	24676
Employee Benefit expenses and Payment to Contractors	18876	18515	18851	72507	70385
Finance Costs	5989	5871	3942	23755	15864
Depreciation and Amortisation expense	5149	5071	4424	20378	16910
Other Operating and General Expenses	25996	27822	28974	102160	110036
<b>Total Expenses</b>	<b>61616</b>	<b>64710</b>	<b>63212</b>	<b>242374</b>	<b>237871</b>
<b>Profit before exceptional items and tax</b>	<b>13791</b>	<b>24328</b>	<b>24250</b>	<b>45414</b>	<b>49220</b>
Exceptional items (Refer Note 7)	(986)	(120)	1272	(1640)	(7466)
<b>Profit Before Tax</b>	<b>12805</b>	<b>24208</b>	<b>25522</b>	<b>43774</b>	<b>41754</b>
<b>Tax Expense</b> (Refer Note 8)					
Current Tax	5409	8365	7964	16238	16466
Deferred Tax (credit)/ charge	(1829)	(934)	1081	(12605)	(1082)
<b>Total</b>	<b>3580</b>	<b>7431</b>	<b>9045</b>	<b>3633</b>	<b>15384</b>
<b>Profit After Tax</b>	<b>9225</b>	<b>16777</b>	<b>16477</b>	<b>40141</b>	<b>26370</b>
<b>Other Comprehensive Income</b>					
<b>Items that will not be reclassified subsequently to profit or loss</b>					
Change in fair value of equity instruments	(13091)	5719	(3554)	(10794)	(11406)
Remeasurement of defined benefit obligation	(1893)	386	(623)	(2125)	(996)
Add/ (Less):- income tax credit/ (expense)	466	(87)	219	521	343
<b>Other Comprehensive Income, net of tax</b>	<b>(14518)</b>	<b>6018</b>	<b>(3958)</b>	<b>(12398)</b>	<b>(12059)</b>
<b>Total Comprehensive Income</b>	<b>(5293)</b>	<b>22795</b>	<b>12519</b>	<b>27743</b>	<b>14311</b>
Paid-up Equity Share Capital (Face value per share - ₹ 1 each)	11893	11893	11893	11893	11893
Other equity				446463	436481
Earnings Per Share (Face value - ₹ 1 each)					
Basic and Diluted (* not annualised)	* 0.78	* 1.41	* 1.39	3.38	2.22
<b>See accompanying notes to the financial results</b>					

**THE INDIAN HOTELS COMPANY LIMITED**  
**STATEMENT OF STANDALONE ASSETS AND LIABILITIES AS AT MARCH 31, 2020**

₹ lakhs

Particulars	Audited	
	As at 31.03.2020	As at 31.03.2019
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	242166	245464
Capital work-in-progress	13687	3369
Right-of-Use assets	86051	-
Intangible assets	2919	3170
Intangible assets under development	93	25
Financial assets		
Investments	374278	391927
Loans	535	535
Other financial assets	9485	4761
Advance income tax (net)	18985	16118
Other non-current assets	31340	35411
	<b>779539</b>	<b>700780</b>
<b>Current assets</b>		
Inventories	5910	5121
Financial assets		
Investments	40872	19343
Trade receivables	25094	24999
Cash and cash equivalents	13147	8893
Other Balances with Banks	1673	707
Loans	422	1288
Other financial assets	14579	16734
Other current assets	9048	9346
	<b>110745</b>	<b>86431</b>
Assets classified as held for sale	374	843
	<b>111119</b>	<b>87274</b>
<b>Total</b>	<b>890658</b>	<b>788054</b>
<b>Equity and Liabilities</b>		
<b>Equity</b>		
Equity share capital	11893	11893
Other equity	446463	436481
	<b>458356</b>	<b>448374</b>
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	170861	124822
Lease liabilities	95622	-
Other financial liabilities	19718	17559
Provisions	8670	7080
Deferred tax liabilities (net)	17969	36812
	<b>312840</b>	<b>186273</b>
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	-	638
Lease liabilities	3865	-
Trade payables		
- Micro and Small Enterprises	310	171
- Others	25207	18840
Other financial liabilities	58106	101080
Provisions	12220	11799
Other current liabilities	19754	20879
	<b>119462</b>	<b>153407</b>
<b>Total</b>	<b>890658</b>	<b>788054</b>

**THE INDIAN HOTELS COMPANY LIMITED**  
**STATEMENT OF STANDALONE CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020**

₹ lakhs

Particulars	Audited	
	Year Ended 31.03.2020	Year Ended 31.03.2019
<b>Cash Flow From Operating Activities</b>		
Profit before tax	43774	41754
<b>Adjustments to reconcile net profit to net cash provided by operating activities:</b>		
Gain on investments carried at fair value through statement of profit and loss	(28)	(173)
Profit on sale of Current Investments	(900)	(1492)
Provision for impairment of investment in a subsidiary/ joint venture	7037	3363
Exchange (Gain)/ Loss on Long term borrowing/Assets (net)	38	25
Fair valuation (Gain)/ Loss on derivative contracts	2176	4103
Depreciation and amortisation expenses on Property, plant and equipment	17329	16910
Amortisation expenses on Right-of-Use assets	3049	-
Net (Gain)/ Loss on disposal of Property, plant and equipment	(14118)	(1370)
Net (Gain)/ Loss on sale of Long term Investments	(2123)	-
Assets written off	691	71
Allowance for doubtful debts and advances	364	148
Dividend income	(1390)	(2801)
Interest income	(1292)	(1514)
Finance costs	23755	15864
Provision for disputed claims	183	890
Provision for Employee Benefits	(297)	480
	<b>34474</b>	<b>34504</b>
Cash Operating Profit before working capital changes	<b>78248</b>	<b>76258</b>
<b>Adjustments for (increase)/ decrease in operating assets:</b>		
Inventories	(789)	26
Trade receivables	(392)	295
Other financial assets	2135	386
Other assets	(4939)	(6868)
	<b>(3985)</b>	<b>(6161)</b>
<b>Adjustments for increase/ (decrease) in operating liabilities:</b>		
Trade payables	6440	(1791)
Other financial liabilities	(1048)	1570
Other liabilities	534	2767
	<b>5926</b>	<b>2546</b>
Cash Generated from Operating Activities	<b>80189</b>	<b>72643</b>
Income taxes paid	(19104)	(17962)
<b>Net Cash Generated From Operating Activities (A)</b>	<b>61085</b>	<b>54681</b>
<b>Cash Flow From Investing Activities</b>		
Payments for purchase of property, plant and equipment	(32783)	(24688)
Proceeds from disposal of property, plant and equipment	16492	1570
Capital subsidy received from Government	4069	-
Purchase of current investments	(186160)	(146040)
Sale of current investments	165560	158507
Purchase of non-current investments	(971)	(20610)
Sale of Investment in Joint Venture	2979	-
Interest received	871	841
Dividend received	1390	2801
Long-term deposits placed for Hotel properties	(4738)	(6000)
Short-term deposits placed for Hotel properties	-	(4500)
Short-term deposits placed with related parties	(355)	(1800)
Short-term deposits repaid by related parties	1300	2578
Short-term deposits placed with others	(20)	-
Short-term deposits repaid by others	36	-
Bank Balances not considered as Cash and cash equivalents	(966)	97
<b>Net Cash Generated/(Used) In Investing Activities (B)</b>	<b>(33296)</b>	<b>(37244)</b>
<b>Cash Flow From Financing Activities</b>		
Dividend and Tax on dividend (including Unclaimed dividend)	(7099)	(5299)
Payment of lease Liability	(4523)	-
Share issue expenses	-	(2)
Interest and other borrowing costs paid	(12403)	(11501)
Settlement of cross currency Interest rate swap (net)	(12199)	586
Proceeds from long-term borrowings	69500	-
Repayment of long-term borrowings	(56087)	(5002)
Proceeds from short-term borrowings	9864	638
Repayment of short-term borrowings	(10502)	-
Unclaimed dividend/ deposits/ interest transferred to Investors Education and Protection Fund	(86)	(92)
<b>Net Cash Generated/ (Used) In Financing Activities (C)</b>	<b>(23535)</b>	<b>(20672)</b>
<b>Net Increase/ (Decrease) In Cash and cash equivalents (A + B + C)</b>	<b>4254</b>	<b>(3235)</b>
<b>Cash and Cash Equivalents - Opening</b>	<b>8893</b>	<b>12128</b>
<b>Cash and Cash Equivalents - Closing</b>	<b>13147</b>	<b>8893</b>

## Notes

- The audited financial results of the Company for the year ended March 31, 2020 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at its meetings held on June 10, 2020.
- The results for the year ended March 31, 2020 are available on the Bombay Stock Exchange website (URL: www.bseindia.com), the National Stock Exchange website (URL: www.nseindia.com) and on the Company's website (URL: www.ihcltata.com).
- The figures for the quarter ended March 31, 2020 and March 31, 2019 are derived after taking into account the unaudited financial information for the period of nine months ended December 31, 2019 and December 31, 2018, respectively.
- These financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" and applied to lease contracts existing on April 1, 2019 by electing 'retrospective approach with the cumulative effect at the date of initial application'. Accordingly, comparative financial information has not been retrospectively adjusted and the Company has taken the cumulative adjustment to retained earnings on the date of initial application. The Company has elected certain available practical expedients on transition. On transition, the adoption of the new standard resulted in recognition of Right-of-Use assets of ₹ 83527 lakhs and a lease liability of ₹ 90755 lakhs. The cumulative effect of applying the standard resulted in adjusting the retained earnings as at April 1, 2019 with ₹ 10643 lakhs (net of deferred tax asset and other adjustments).

In the Statement of Profit and Loss for the current year, the nature of expenses in respect of operating leases has changed from lease rent to depreciation on Right-of-Use assets and Finance cost for interest accrued on lease liability using the effective interest method. Consequently, Finance costs for the quarter and year ended March 31, 2020 is higher by ₹ 2016 lakhs and ₹ 7736 lakhs respectively and Depreciation for the quarter and year ended March 31, 2020 is higher by ₹ 782 lakhs and ₹ 3049 lakhs respectively. There is corresponding reduction in "Other Operating and General Expenses" for the quarter and year ended March 31, 2020 of ₹ 2158 lakhs and ₹ 8603 lakhs respectively and consequently, Profit before Tax for the quarter and year ended March 31, 2020 is lower by ₹ 640 lakhs and ₹ 2182 lakhs respectively. As stated above, previous period information is not restated and hence not comparable.

- Other Income for the quarter and year ended March 31, 2020 includes ₹ 2467 lakhs and ₹ 8715 lakhs respectively towards gain on sale of residential flats.
- Exceptional items comprise of:

Particulars	₹ lakhs				
	Quarter Ended 31.03.2020	Quarter Ended 31.12.2019	Quarter Ended 31.03.2019	Year Ended 31.03.2020	Year Ended 31.03.2019
Profit on sale of investment in a joint venture company <sup>#</sup>	-	-	-	<b>2123</b>	-
Profit on sale of land and building	<b>5450</b>	-	-	<b>5450</b>	-
Change in fair value of derivative contracts	<b>(2048)</b>	(120)	1464	<b>(2176)</b>	(4103)
Provision for impairment of investment in a subsidiary that incurred losses	<b>(4249)</b>	-	-	<b>(6898)</b>	(3171)
Provision for impairment of investment in a joint venture	<b>(139)</b>	-	(192)	<b>(139)</b>	(192)
	<b>(986)</b>	(120)	1272	<b>(1640)</b>	(7466)

<sup>#</sup> In order to consolidate the business and operations of Air Catering, the Company had during the quarter ended September 30, 2019, sold 7944112 shares held by it representing 50% of the paid up capital in Taj Madras Flight Kitchen Private Limited, a Joint Venture Company to other Joint Venture Company i.e. Taj SATS Air Catering Limited at fair value based on an independent valuation.

8. During the quarter ended September 30, 2019, the Company has elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for income tax for the year ended March 31, 2020 at the reduced tax rate and also re-measured its opening deferred tax liability in the quarter ended September 30, 2019 basis the rate prescribed in the said Section. The full impact of this change has been recognised in the results for the year ended March 31, 2020.
9. On March 11, 2020, the World Health Organization declared Covid-19 outbreak as a pandemic. Responding to the potentially serious threat that this pandemic has to public health, the Indian Government has taken a series of measures to contain the outbreak, which included imposing multiple 'lock-downs' across the country, from March 22, 2020, and extended up to June 30, 2020. The lockdowns and restrictions imposed on various activities due to COVID – 19 pandemic have posed challenges to all the businesses of The Indian Hotels Company Limited (the “Company”/ “IHCL”) and its subsidiaries, joint ventures & associates.

Lockdown guidelines issued by Central/State governments mandated closure of hotel operations and cessation of air traffic and other forms of public transport. This has resulted in low occupancies / shutdowns of our hotels pan India.

Business operations in the various international markets where the Company operates have also been impacted to varying extent based on the spread of the pandemic and the restrictions on business activities placed by the respective foreign Governments.

Most of the hotels of the Company were shut down entirely during the lockdown phase as the Company was not part of Government denominated essential services. With the lifting of the partial lockdown restrictions, the Company has started re-opening a few hotels in the non-containment zones, after establishing thorough and well-rehearsed safety protocols. The Company expects all the hotels to become operational in a phased manner after the lockdown is lifted and the confidence of travellers is restored. The Company expects the demand for its services to pick up albeit at a slower pace once lockdown is lifted and recovery in business to be driven by domestic leisure tourism, staycations, domestic business travel and limited international travel.

The Company has assessed the potential impact of Covid-19 on its capital and financial resources, profitability, liquidity position, ability to service debt and other financing arrangements, supply chain and demand for its services. Various steps have been initiated to raise finances from banks and institutions for working capital needs and long term fund requirements and the Company is in a comfortable liquidity position to meet its commitments. The Company has judiciously invoked the Force Majeure clauses for reliefs during the lock down period and does not foresee any disruption in raw material supplies.

The Company has also assessed the potential impact of Covid-19 on the carrying value of property, plant & equipment, right of use assets, intangible assets, investments, trade receivables, inventories, and other current assets appearing in the financial statements of the Company. In developing the assumptions and estimates relating to the future uncertainties in the economic conditions because of this pandemic, the Company as at the date of approval of these Financial statements has used internal and external sources of information and based on current estimates, expects to recover the carrying amounts of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

10. The Board of Directors at their meeting have recommended a dividend of ₹ 0.50 per share (previous year ₹ 0.50 per share), subject to the approval of the members at the ensuing Annual General Meeting.
11. Disclosure of segment-wise information is not applicable, as hoteliering is the Company's only business segment.

12. Information pursuant to requirement of Regulation 52(4) and Regulation 54(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulation 2015) for year ended March 31, 2020:

₹ lakhs

Sr. No.	Particulars	As at 31.03.2020	
(a)	<b>Debt Equity ratio (in times)</b> [ Refer note (IV) below]	0.42	
(b)	<b>Previous due date for the payment of interest of Non-Convertible Debentures (“NCDs”)</b>		
	(a) 7.85% Secured NCDs allotted on January 20, 2017	20.01.2020	
	(b) 10.10% Secured NCDs allotted on November 18, 2011	18.11.2019	
	(c) 9.95% Secured NCDs allotted on July 27, 2011	29.07.2019	
	(d) 7.85% Unsecured NCDs allotted on April 20, 2017	20.04.2019	
	(e) 2% Unsecured NCDs allotted on December 9, 2009	09.12.2019	
(c)	Interest has been paid	Yes	
(d)	Previous due date for the repayment of Principal of NCDs	09.12.2019	
(e)	Principal has been repaid	Yes	
(f)	<b>Next due date and amount for the payment of interest of NCDs</b>	<b>Date</b>	<b>Amount</b>
	(a) 7.85% Secured NCDs allotted on January 20, 2017	20.01.2021	3886
	(b) 10.10% Secured NCDs allotted on November 18, 2011	18.11.2020	3030
	(c) 9.95% Secured NCDs allotted on July 27, 2011	27.07.2020	2474
	(d) 7.85% Unsecured NCDs allotted on April 20, 2017	20.04.2020	1570
(g)	<b>Next due date and amount for the repayment of Principal of NCDs</b>	<b>Date</b>	<b>Amount</b>
	(a) 7.85% Secured NCDs allotted on January 20, 2017	15.04.2022	49500
	(b) 10.10% Secured NCDs allotted on November 18, 2011	18.11.2021	30000
	(c) 9.95% Secured NCDs allotted on July 27, 2011	27.07.2021	25000
	(d) 7.85% Unsecured NCDs allotted on April 20, 2017	20.04.2020	20000
(h)	Debt Service Coverage Ratio (in times) [ Refer note (V) below]	1.97	
(i)	Interest Service Coverage Ratio (in times) [ Refer note (VI) below]	4.17	
(j)	Debenture Redemption Reserve	18740	
(k)	Net Worth (Equity + Other equity)	458356	
(l)	Net Profit after Tax	40141	
(m)	Basic and Diluted Earnings per Share ( in ₹)	3.38	

Sr. No.	Particulars									
(I)	The credit rating for the outstanding NCDs is as follows: <table border="1"> <thead> <tr> <th>Secured/ Unsecured NCDs (₹ lakhs)</th> <th>CARE</th> <th>ICRA</th> </tr> </thead> <tbody> <tr> <td>55000</td> <td>AA+</td> <td>AA</td> </tr> <tr> <td>69500</td> <td>AA+</td> <td>-</td> </tr> </tbody> </table>	Secured/ Unsecured NCDs (₹ lakhs)	CARE	ICRA	55000	AA+	AA	69500	AA+	-
Secured/ Unsecured NCDs (₹ lakhs)	CARE	ICRA								
55000	AA+	AA								
69500	AA+	-								
(II)	The Asset cover ratio of the Company is 2.36 times. Asset Cover Ratio is calculated as: (Property, plant and equipment + Capital work-in-progress)/ (Secured Debts + Interest accrued but not due on Secured Debts)									
(III)	All the Secured NCDs are rated, listed and secured by a pari passu first charge created on all the property, plant and equipment of the Company, both present and future.									
(IV)	Debt Equity Ratio = Debt/Equity Debt: Long Term Borrowings + Current maturities of Long term borrowings + Short term borrowings Equity: Equity Share Capital + Other Equity									
(V)	Debt Service Coverage Ratio is calculated as: (Profit before Tax + Interest (Net) + Provision for diminution in value of long term investments + Depreciation)/ (Interest (Net) + Principal Repayment of long-term Debt).									
(VI)	Interest Service Coverage Ratio is calculated as: (Profit before Tax + Interest (Net) + Provision for diminution in value of long term investments + Depreciation)/ Interest (Net).									

As per our report of even date attached

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W - 100022

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**Tarun Kinger**

*Partner*

Membership No. 105003

Place: Mumbai

Date: June 10, 2020

For **THE INDIAN HOTELS COMPANY LIMITED**

**PUNEET**  
**CHHATW**  
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**Puneet Chhatwal**  
Managing Director and CEO

DIN: 07624616

**Registered Office:**

Mandlik House, Mandlik Road, Mumbai 400 001.

CIN: L74999MH1902PLC000183

Email: [investorrelations@tajhotels.com](mailto:investorrelations@tajhotels.com),

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# B S R & Co. LLP

Chartered Accountants

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Apollo Mills Compound  
N. M. Joshi Marg, Mahalaxmi  
Mumbai - 400 011  
India

Telephone +91 (22) 4345 5300  
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## **Independent Auditors' Report on Consolidated Annual Financial Results of The Indian Hotels Company Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To the Board of Directors of  
The Indian Hotels Company Limited

### **Report on the audit of the Consolidated Annual Financial Results**

#### **Opinion**

We have audited the accompanying consolidated annual financial results of The Indian Hotels Company Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint ventures for the year ended 31 March 2020, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial results of the subsidiaries, associates and joint ventures, the aforesaid consolidated annual financial results:

a. include the annual financial results of the following entities:

#### **Subsidiary Company**

KTC Hotels Limited.  
United Hotels Limited.  
Roots Corporation Limited.  
Taj Enterprises Limited.  
Taj Trade and Transport Co Limited.  
Benares Hotels Limited.  
Inditravel Limited.  
Piem Hotels Limited.  
Sheena Investments Private Limited  
ELEL Hotels & Investments Limited  
Northern India Hotels Limited.  
Skydeck Properties and Developers Private Limited  
Luthria & Lalchandani Hotel & Properties Pvt. Limited  
IHOCO BV  
St. James Court Hotel Limited.  
Taj International Hotels Limited.  
Taj International Hotels (H.K.) Limited.  
PIEM International (H.K.) Limited.  
United Overseas Holdings Limited.

**Independent Auditors' Report on Consolidated Annual Financial Results of The Indian Hotels Company Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)**

**The Indian Hotels Company Limited**

**Opinion (Continued)**

- a. include the annual financial results of the following entities: (Continued)

<b>Joint Ventures</b>
Taj Madras Flight Kitchen Pvt. Limited. (up to 30 September 2019)
Taj SATS Air Catering Limited. (including its subsidiary Taj Madras Flight Kitchen Pvt. Ltd)
Taj Karnataka Hotels and Resorts Limited.
Taj Kerala Hotels and Resorts Limited.
Taj GVK Hotels and Resorts Limited.
Taj Safaris Limited
Kaveri Retreats and Resorts Limited
TAL Hotels and Resorts Limited
IHMS Hotels (SA) (Proprietary) Limited.
Zarrenstar Hospitality Pvt. Ltd.

<b>Associates</b>
Oriental Hotels Limited
Taj Madurai Limited
Taida Trading & Industries Limited.
Lanka Island Resort Limited.
TAL Lanka Hotels PLC
Bjets PTE Limited, Singapore

- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive (income) and other financial information of the Group for the year ended 31 March 2020.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those SAs are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated Annual Financial Results* section of our report. We are independent of the Group, its associates and its joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the “Other Matters” paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

**Independent Auditors' Report on Consolidated Annual Financial Results of The Indian Hotels Company Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)**

**The Indian Hotels Company Limited**

**Emphasis of matter**

We draw attention to Note 9 to the consolidated annual financial results, which describes the possible effect of uncertainties relating to COVID-19 pandemic on the Group's financial performance as assessed by the management.

Our opinion is not modified in respect of the above matter.

**Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results**

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit and other comprehensive (income) and other financial information of the Group including its associates and joint ventures in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the Management and the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures is responsible for overseeing the financial reporting process of each company.

**Independent Auditors' Report on Consolidated Annual Financial Results of The Indian Hotels Company Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)**

**The Indian Hotels Company Limited**

**Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

**Independent Auditors' Report on Consolidated Annual Financial Results of The Indian Hotels Company Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)**

**The Indian Hotels Company Limited**

**Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results**

- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associates and joint ventures to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

**Other Matters**

- (a) The consolidated annual financial results include the audited financial results of fifteen subsidiaries, whose financial results reflect total assets (before consolidation adjustments) of Rs 2,574.39 crores as at 31 March 2020, total revenue (before consolidation adjustments) of Rs 582.40 crores and total net profit after tax (before consolidation adjustments) of Rs 9.58 crores and net cash outflows of Rs 4.08 crores for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by their respective independent auditors. The consolidated annual financial results also include the Group's share of net profit after tax (before consolidation adjustments) of Rs. 5.07 crores for the year ended 31 March 2020, as considered in the consolidated annual financial results, in respect of five associates and six joint ventures, whose financial results have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us by the management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the consolidated annual financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial results/financial information certified by the Board of Directors.

**Independent Auditors' Report on Consolidated Annual Financial Results of  
The Indian Hotels Company Limited pursuant to Regulation 33 of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015  
(Continued)**

**The Indian Hotels Company Limited**

**Other Matters (Continued)**

- (b) The consolidated annual financial results include the results for the quarter ended 31 March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

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Tarun Kinger

*Partner*

Place: Mumbai

Date: 10 June 2020

Membership No: 105003

ICAI UDIN: 20105003AAAABM4736



THE INDIAN HOTELS COMPANY LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

₹ lakhs

Particulars	Quarter Ended 31.03.2020 (Audited)	Quarter Ended 31.12.2019 (Reviewed)	Quarter Ended 31.03.2019 (Audited)	Year Ended 31.03.2020 (Audited)	Year Ended 31.03.2019 (Audited)
<b>Revenue</b>					
Revenue from Operations	106298	137272	124432	446314	451200
Other Income (Refer Note 6)	3804	3619	3723	13242	8338
<b>Total Income</b>	<b>110102</b>	<b>140891</b>	<b>128155</b>	<b>459556</b>	<b>459538</b>
<b>Expenses</b>					
Food and Beverages Consumed	8367	11718	10769	37056	40405
Employee Benefit expenses and Payment to Contractors	36851	39029	37873	149460	147079
Finance Costs	8476	8485	4739	34112	19013
Depreciation and Amortisation expense	10312	10083	8488	40424	32785
Other Operating and General Expenses	40289	43953	47360	163045	180743
<b>Total Expenses</b>	<b>104295</b>	<b>113268</b>	<b>109229</b>	<b>424097</b>	<b>420025</b>
<b>Profit before exceptional items and tax</b>	<b>5807</b>	<b>27623</b>	<b>18926</b>	<b>35459</b>	<b>39513</b>
Exceptional items (Refer Note 7)	4011	(120)	1476	4095	658
<b>Profit Before Tax</b>	<b>9818</b>	<b>27503</b>	<b>20402</b>	<b>39554</b>	<b>40171</b>
<b>Tax Expense</b> (Refer Note 8)					
Current Tax	5655	8446	8187	16915	17854
Deferred Tax (credit)/ charge	(2518)	(316)	523	(12438)	(2142)
<b>Total</b>	<b>3137</b>	<b>8130</b>	<b>8710</b>	<b>4477</b>	<b>15712</b>
<b>Profit after tax before share of associates and joint ventures</b>	<b>6681</b>	<b>19373</b>	<b>11692</b>	<b>35077</b>	<b>24459</b>
Add : Share of Profit/ (Loss) of associates and joint ventures	948	1944	564	1297	5153
<b>Profit for the period</b>	<b>7629</b>	<b>21317</b>	<b>12256</b>	<b>36374</b>	<b>29612</b>
<b>Other Comprehensive Income</b>					
<b>Items that will not be reclassified subsequently to profit or loss</b>					
Remeasurement of defined benefit obligation	(1942)	386	(790)	(2152)	(1016)
Change in fair value of equity instruments	(14363)	5289	(2515)	(11825)	(10420)
Share of other comprehensive income of associates and joint venture	(252)	(95)	(490)	(366)	(308)
Add/(Less) : Income tax credit/(expense) on the above	629	(37)	142	647	221
<b>Net other comprehensive income not to be reclassified subsequently to profit or loss</b>	<b>(15928)</b>	<b>5543</b>	<b>(3653)</b>	<b>(13696)</b>	<b>(11523)</b>
<b>Items that will be reclassified subsequently to profit or loss</b>					
Currency translation difference (net)	4607	7430	221	11647	5032
Share of other comprehensive income of associates and joint venture	284	435	131	1293	775
Add/(Less) : Income tax credit/(expense) on the above	-	-	-	-	-
<b>Net other comprehensive income to be reclassified subsequently to profit or loss</b>	<b>4891</b>	<b>7865</b>	<b>352</b>	<b>12940</b>	<b>5807</b>
<b>Other Comprehensive Income</b>	<b>(11037)</b>	<b>13408</b>	<b>(3301)</b>	<b>(756)</b>	<b>(5716)</b>
<b>Total Comprehensive Income</b>	<b>(3408)</b>	<b>34725</b>	<b>8955</b>	<b>35618</b>	<b>23896</b>
<b>Profit/ (Loss) for the period attributable to:</b>					
Owners of the company	7432	20313	11499	35442	28682
Non-controlling interest	197	1004	757	932	930
	<b>7629</b>	<b>21317</b>	<b>12256</b>	<b>36374</b>	<b>29612</b>
<b>Total comprehensive Income for the period attributable to:</b>					
Owners of the company	(2763)	32364	7610	34460	22701
Non-controlling interest	(645)	2361	1345	1158	1195
	<b>(3408)</b>	<b>34725</b>	<b>8955</b>	<b>35618</b>	<b>23896</b>
Paid-up Equity Share Capital (Face value per share - ₹ 1 each)	11893	11893	11893	11893	11893
Other equity (including Non-controlling interest)				500278	502893
Earnings Per Share (Face value - ₹ 1 each) Basic and Diluted (* not annualised)	* 0.62	* 1.71	* 0.97	2.98	2.41
<b>See accompanying notes to the financial results</b>					

**THE INDIAN HOTELS COMPANY LIMITED**  
**CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2020**

₹ lakhs

Particulars	As at 31.03.2020 (Audited)	As at 31.03.2019 (Audited)
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	527065	523318
Capital work-in-progress	24315	11593
Right-of-Use assets	158328	-
Goodwill	61458	58347
Intangible assets	59034	60560
Intangible assets under development	93	25
Investments in associates and joint ventures	67235	68767
Financial assets		
Investments	31800	43626
Loans	1665	1573
Other financial assets	11836	6554
Deferred tax assets (net)	7650	6944
Advance income tax (net)	22785	18991
Other non-current assets	34831	42200
	<b>1008095</b>	<b>842498</b>
<b>Current assets</b>		
Inventories	9361	8040
Financial assets		
Investments	43624	21121
Trade receivables	29002	32138
Cash and cash equivalents	25082	18929
Other Balances with Banks	6476	5165
Loans	477	344
Other financial assets	16098	16014
Other current assets	13237	13284
	<b>143357</b>	<b>115035</b>
Assets classified as held for sale	374	843
	<b>143731</b>	<b>115878</b>
<b>Total</b>	<b>1151826</b>	<b>958376</b>
<b>Equity and Liabilities</b>		
<b>Equity</b>		
Equity share capital	11893	11893
Other equity	423788	422907
	<b>435681</b>	<b>434800</b>
Non-controlling interests	76490	79986
	<b>512171</b>	<b>514786</b>
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	212580	168752
Lease liabilities	184257	-
Other financial liabilities	20137	17982
Provisions	12109	10233
Deferred tax liabilities (net)	18685	37677
Other non-current liabilities	1805	-
	<b>449573</b>	<b>234644</b>
<b>Current Liabilities</b>		
Financial liabilities		
Borrowings	16625	3568
Lease liabilities	5614	-
Trade payables	38932	32525
Other financial liabilities	81989	124656
Provisions	15446	14764
Current income tax liabilities (net)	3377	3284
Other current liabilities	28099	30149
	<b>190082</b>	<b>208946</b>
<b>Total</b>	<b>1151826</b>	<b>958376</b>

**THE INDIAN HOTELS COMPANY LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020**

₹ lakhs

Particulars	Year Ended 31.03.2020 (Audited)	Year Ended 31.03.2019 (Audited)
<b>Cash Flow From Operating Activities</b>		
Profit before tax	39554	40171
<b>Adjustments to reconcile net profit to net cash provided by operating activities:</b>		
Gain on investments carried at fair value through statement of profit and loss	(28)	(183)
Profit on sale of Current Investments	(982)	(1594)
Exchange (Gain)/ Loss on Long term borrowing/Assets (net)	261	143
Fair valuation (Gain)/ Loss on derivative contracts	2176	4103
Depreciation and amortisation expenses on Property, plant and equipment	33499	32785
Amortisation expenses on Right-of-Use assets	6925	-
Net (Gain)/ Loss on disposal of Property, plant and equipment	(13686)	(1167)
Allowance for doubtful debts and advances	648	1469
Assets written off	691	-
Dividend income	(732)	(732)
Interest income	(1867)	(1999)
Finance costs	18423	19013
Interest on lease liability	15689	-
Provision for disputed claims	253	1157
Provision for Employee Benefits	(209)	526
	<b>61061</b>	<b>53521</b>
Cash Operating Profit before working capital changes	<b>100615</b>	<b>93692</b>
<b>Adjustments for increase/ decrease in operating assets and liabilities:</b>		
Inventories	(1321)	532
Other financial assets	(2905)	(8101)
Other financial liabilities	6575	4746
	<b>2349</b>	<b>(2823)</b>
<b>Cash Generated from Operating Activities</b>	<b>102964</b>	<b>90869</b>
Income taxes paid	(20617)	(19726)
<b>Net Cash Generated From Operating Activities (A)</b>	<b>82347</b>	<b>71143</b>
<b>Cash Flow From Investing Activities</b>		
Payments for purchase of property, plant and equipment	(48739)	(47861)
Proceeds from disposal of property, plant and equipment	17539	1822
Capital subsidy received from Government	4069	-
Purchase of current investments	(193432)	(151358)
Sale of current investments	171212	165067
Purchase of non-current investments	(336)	(1075)
Disposal of investment in Joint Venture	2979	-
Interest received	1568	1788
Dividend received	1392	2215
Long-term deposits placed for Hotel properties	(4738)	(6000)
Short-term deposits placed for Hotel properties	-	(4500)
Short term loan realised	389	318
Short-term deposits repaid by others	(338)	(150)
Bank Balances not considered as Cash and cash equivalents	(1753)	919
<b>Net Cash Generated/(Used) In Investing Activities (B)</b>	<b>(50188)</b>	<b>(38815)</b>
<b>Cash Flow From Financing Activities</b>		
Dividend and Tax on dividend (including Unclaimed dividend)	(7573)	(6852)
Payment of lease Liability	(13612)	-
Debenture issue expenses	(14)	(38)
Interest and other borrowing costs paid	(15545)	(15080)
Settlement of cross currency Interest rate swap (net)	(12060)	470
Proceeds from long-term borrowings	73230	5393
Repayment of long-term borrowings	(63780)	(23529)
Proceeds from short-term borrowings	28318	4568
Repayment of short-term borrowings	(15502)	(1500)
Proceeds from rights issue by a subsidiary to the extent of minorities	-	2242
<b>Net Cash Generated/ (Used) In Financing Activities (C)</b>	<b>(26538)</b>	<b>(34326)</b>
<b>Net Increase/ (Decrease) In Cash and cash equivalents (A + B + C)</b>	<b>5621</b>	<b>(1998)</b>
<b>Cash and Cash Equivalents - Opening</b>	<b>18929</b>	<b>20784</b>
Exchange difference on translation of foreign currency cash and cash equivalents	532	143
<b>Cash and Cash Equivalents - Closing</b>	<b>25082</b>	<b>18929</b>

## Notes

- The audited consolidated financial results of the Company for the year ended March 31, 2020 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at its meetings held on June 10, 2020.
- The consolidated results for the year ended March 31, 2020 are available on the Bombay Stock Exchange website (URL: www.bseindia.com), the National Stock Exchange website (URL: www.nseindia.com) and on the Company's website (URL: www.ihcltata.com).
- The figures for the quarter ended March 31, 2020 and March 31, 2019 are derived after taking into account the unaudited financial information for the period of nine months ended December 31, 2019 and December 31, 2018, respectively.
- These consolidated financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- Effective April 1, 2019, the Group has adopted Ind AS 116 "Leases" and applied to lease contracts existing on April 1, 2019 by electing 'retrospective approach with the cumulative effect at the date of initial application' (Para C5(b) of the Application Guidance of this Standard). Accordingly, comparative financial information has not been retrospectively adjusted and the Group has taken the cumulative adjustment to retained earnings on the date of initial application. The Group has elected certain available practical expedients on transition. On transition, the adoption of the new standard resulted in recognition of Right-of-Use Assets of ₹ 174196 lakhs and a lease liability of ₹ 200679 lakhs. The cumulative effect of applying the standard resulted in adjusting the retained earnings as at April 1, 2019 with ₹ 26432 lakhs (net of deferred tax asset and other adjustments).

In the Statement of Profit and Loss for the current year, the nature of expenses in respect of operating leases has changed from lease rent to depreciation on right-of-use asset and finance cost for interest accrued on lease liability using the effective interest method. Consequently, Finance costs for the quarter and year ended March 31, 2020 is higher by ₹ 3793 lakhs and ₹ 15689 lakhs respectively and Depreciation for the quarter and year ended March 31, 2020 is higher by ₹ 1767 lakhs and ₹ 6918 lakhs respectively. There is corresponding reduction in "Other Operating and General Expenses" for the quarter and year ended March 31, 2020 of ₹ 4388 lakhs and ₹ 17927 lakhs respectively and consequently, Profit before Tax for the quarter and year ended March 31, 2020 is lower by ₹ 1172 lakhs and ₹ 4680 lakhs respectively. As stated above, previous period information is not restated and hence not comparable.

- Other Income for the quarter and year ended March 31, 2020 includes ₹ 2467 lakhs and ₹ 8715 lakhs respectively towards gain on sale of residential flats.
- Exceptional items comprise of:

₹ lakhs

Particulars	Quarter Ended 31.03.2020	Quarter Ended 31.12.2019	Quarter Ended 31.03.2019	Year Ended 31.03.2020	Year Ended 31.03.2019
Profit on sale of long term investments <sup>#</sup>	-	-	-	212	-
Profit on sale of land and building	5450	-	-	5450	-
Profit on sale of hotel property in a subsidiary	609	-	-	609	-
Change in fair value of derivative contracts	(2048)	(120)	1464	(2176)	(4103)
Incentive fees received pursuant to amendment to Management Service Agreement	-	-	13	-	4824
Provision of financial exposure in an associate	-	-	(1)	-	(63)
	<b>4011</b>	<b>(120)</b>	<b>1476</b>	<b>4095</b>	<b>658</b>

<sup>#</sup> In order to consolidate the business and operations of Air Catering, the Parent Company has during the quarter ended September 30, 2019, sold 7944112 shares held by it representing 50% of the paid up capital in Taj Madras Flight Kitchen Private Limited, a Joint Venture Company to other Joint Venture Company i.e. Taj SATS Air Catering Limited at fair value based on independent valuation.

- The Parent Company and some of its Indian subsidiaries have elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Parent Company and some of its Indian subsidiaries have recognised provision for income tax for the year ended March 31, 2020 at the reduced tax rate and also re-measured its opening deferred tax balances in the quarter ended September 30, 2019 basis the rate prescribed in the said Section. The full impact of this change has been recognised in the results for the year ended March 31, 2020.

9. On March 11, 2020, the World Health Organization declared Covid-19 outbreak as a pandemic. Responding to the potentially serious threat that this pandemic has to public health, the Indian Government has taken a series of measures to contain the outbreak, which included imposing multiple 'lock-downs' across the country, from March 22, 2020, and extended up to June 30, 2020. Business operations in the various international markets where the Company operates have also been impacted to varying extent based on the spread of the pandemic and the restrictions on business activities placed by the respective foreign Governments.

The lockdowns and restrictions imposed on various activities due to COVID – 19 pandemic have posed challenges to all the businesses of the Group i.e. The Indian Hotels Company Limited (the "Company"/ "IHCL") and its subsidiaries, joint ventures & associates. Lockdown guidelines mandated closure of hotel operations and cessation of air traffic and other forms of public transport. This has resulted in low occupancies / shutdowns of our hotels across the Group.

Most of the hotels of the Group were shut down entirely during the lockdown phase as the Company was not part of Government denominated essential services. With the lifting of the partial lockdown restrictions, the Group has started re-opening a few hotels, after establishing thorough and well-rehearsed safety protocols. The Group expects all the hotels to become operational in a phased manner after the lockdown is lifted and the confidence of travellers is restored. The Group expects the demand for its services to pick up albeit at a slower pace once lockdown is lifted and recovery in business to be driven by domestic leisure tourism, staycations, domestic business travel and limited international travel.

The Group has assessed the potential impact of Covid-19 on its capital and financial resources, profitability, liquidity position, ability to service debt and other financing arrangements, supply chain and demand for its services. Various steps have been initiated to raise finances from banks and institutions for working capital needs and long term fund requirements and the Group is in a comfortable liquidity position to meet its commitments. The Group has judiciously invoked the Force Majeure clauses for reliefs during the lock down period and does not foresee any disruption in raw material supplies.

The Group has also assessed the potential impact of Covid-19 on the carrying value of property, plant & equipment, right of use assets, intangible assets, investments, trade receivables, inventories, and other current assets appearing in the financial statements of the Group. In developing the assumptions and estimates relating to the future uncertainties in the economic conditions because of this pandemic, the Group as at the date of approval of these Financial statements has used internal and external sources of information and based on current estimates, expects to recover the carrying amounts of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

10. The Board of Directors at their meeting have recommended a dividend of ₹ 0.50 per share (previous year ₹ 0.50 per share), subject to the approval of the members at the ensuing Annual General Meeting.
11. Disclosure of segment-wise information is not applicable, as hoteliering is the Company's only business segment.

As per our report of even date attached

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W - 100022

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**Tarun Kinger**

*Partner*

Membership No. 105003

Place: Mumbai

Date: June 10, 2020

**Registered Office:**

Mandlik House, Mandlik Road, Mumbai 400 001.

CIN: L74999MH1902PLC000183

Email: [investorrelations@tajhotels.com](mailto:investorrelations@tajhotels.com), Website: [www.ihcltata.com](http://www.ihcltata.com)

For **THE INDIAN HOTELS COMPANY LIMITED**

**PUNEET**  
**CHHAT**  
**WAL**

Digitally signed by PUNEET  
CHHATWAL  
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**Puneet Chhatwal**

Managing Director and CEO

DIN: 07624616