



# IHCL

## THE FUTURE CHECKS IN

THE INDIAN HOTELS COMPANY LIMITED  
A **TATA** Enterprise

117<sup>TH</sup> ANNUAL REPORT 2017-18





# Paving the way for a bright future

## Our achievements of FY 2017-18

### RIISING EFFICIENCY

NET PROFIT (₹ CRORES)

**101**

↑ 129%  
on a like-to-like basis

### OFFSETTING LOWER REVENUE GROWTH

TOTAL REVENUE (₹ CRORES)

**4,165**

↑ 4%  
on a like-to-like basis

### STRENGTHENING BALANCE SHEET

NET DEBT/ EQUITY (TIMES)

**0.45**

versus 1.25 times in FY17

EBITDA MARGIN (%)

**18**

versus 16% in FY17

### BENEFITTING FROM AN OMNI-CHANNEL REACH

- > Brand website and a centralised call centre are the fastest growing channels with the highest average rates in FY 2017-18
- > Revenue booked through mobile devices more than doubled over the last year
- > 95% response rate achieved on social media channels through the Taj.Live command centre initiative

RAISING CAPITAL (₹ CRORES)

**1,500**

via Rights Issue

LOWERING COST OF DEBT (%)

**7**

from 7.7% in FY17

"At IHCL, we have always set benchmarks in service quality and our global portfolio demands that we continuously reinvent ourselves for the future to check in. We are driving this transformation with a five-year growth map – Aspiration 2022 – that provides a template for us to grow profitably and sustainably."

**Puneet Chhatwal**

Managing Director & Chief Executive Officer

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[www.tajhotels.com](http://www.tajhotels.com)






## Introduction

# The future checks in at IHCL

Over the past few years, the hospitality industry has evolved remarkably due to digitisation and various acquisitions and mergers. Today, the industry's focus is on fulfilling the increasing demands of its customers. Whether it be a business or a leisure traveller, the expectations go way beyond just a comfortable stay. They are looking for an unforgettable experience. At The Indian Hotels Company Limited (IHCL), we are very excited about our prospects as we consolidate our position to welcome the traveller of tomorrow.

With the spirit of Tajness, which stands on the values of Trust, Awareness and Joy (TAJ), we continue to create an intuitive connect with all our stakeholders. It is the soul and guiding force for all our actions and performances. It steers our culture, thinking and leadership and is the foundation of our vision, mission and values.



In a renewed spirit of purpose and discovery, we have unveiled Aspiration 2022, a comprehensive business strategy that focusses on maximising stakeholder value over the next five years. The strategy aims to build on our legacy and further strengthen our position by operating the best-in-class portfolio of brands in India and select overseas destinations. Based on a three-pronged approach — Re-structure, Re-engineer and Re-imagine — the focus will be on deepening guest experience, strengthening market leadership and achieving transformative growth, leading to greater profitability and market leadership in each of our segments.



A hotel employee in a blue uniform is setting a table on a balcony. The table is covered with a white cloth and has a glass, a plate, and a small vase with pink flowers. The employee is standing next to a wooden chair with a cane back. In the background, there is a view of a city with many buildings and greenery. A large, ornate lamp hangs from the ceiling.

## IHCL at a Glance

# Indian hospitality at its global best

IHCL is South Asia's largest and finest Indian hospitality companies founded by the legendary Jamsetji Tata in 1899. It opened its first property – now called The Taj Mahal Palace – in Mumbai in 1903. The Company and its subsidiaries bring together a group of brands and businesses that offer a fusion of warm Indian hospitality and world-class service.

With a legacy of over 115 years, IHCL has built a reputation of unrivalled leadership in the Indian hospitality industry. The Company has been a pioneer in transforming cities and towns into holiday destinations and has created history by putting Goa, Kerala, Rajasthan and the Andamans as leisure hotspots on the world map.

IHCL operates with the distinct advantage of having the largest system-wide revenue. It is one of the leading networks of properties that span classic landmark hotels, historic palaces and the highest number of leisure hotels. The Company also has a strong portfolio of resorts and safaris, along with other business offerings catering to various customer and business segments across four continents and 12 countries.

## OUR PURPOSE

To create value by operating the best-in-class portfolio of hospitality brands in India and select overseas destinations





# 115

YEARS LEGACY

165+

HOTELS\*

20,000+

ROOMS\*

380

RESTAURANTS  
AND BARS

74

SPAS

4

CONTINENTS

12

COUNTRIES

80

LOCATIONS

32,242

EMPLOYEES

67

HOTELS AWARDED  
WITH GOLD  
CERTIFICATION BY  
EARTHCHECK

7<sup>th</sup>

CONSECUTIVE  
GALLUP GREAT  
WORKPLACE AWARD

\*INCLUDES HOTELS UNDER DEVELOPMENT

## Our Values

# What defines our thinking, actions and relationships

*Tajness* is the soul of our culture.

It is an implicit trust in people to forge invaluable relationships by creating an emotional connect with our various stakeholders. It subtly guides all our behaviours.

Tajness is the way we do what we do.



Tajness is built on three broad pillars:

01

### TRUST

- Fairness with all stakeholders
- Openness and transparency in what we do
- Free flow of information
- Alignment of all stakeholders
- Build and strengthen long-term relationships

02

### AWARENESS

- Enhance awareness around our plans, strategies, tactics, processes
- Work together to create greater enterprise value
- Participative in our decision making
- Imbibe a sense of belonging across all stakeholders

03

### JOY

- Derive joy and happiness from what we do and how we do it
- Serve all stakeholders with joy and utmost dedication
- Create and maintain an environment where there is joy and happiness, where people are respected and diversity is celebrated
- Share our success with all stakeholders

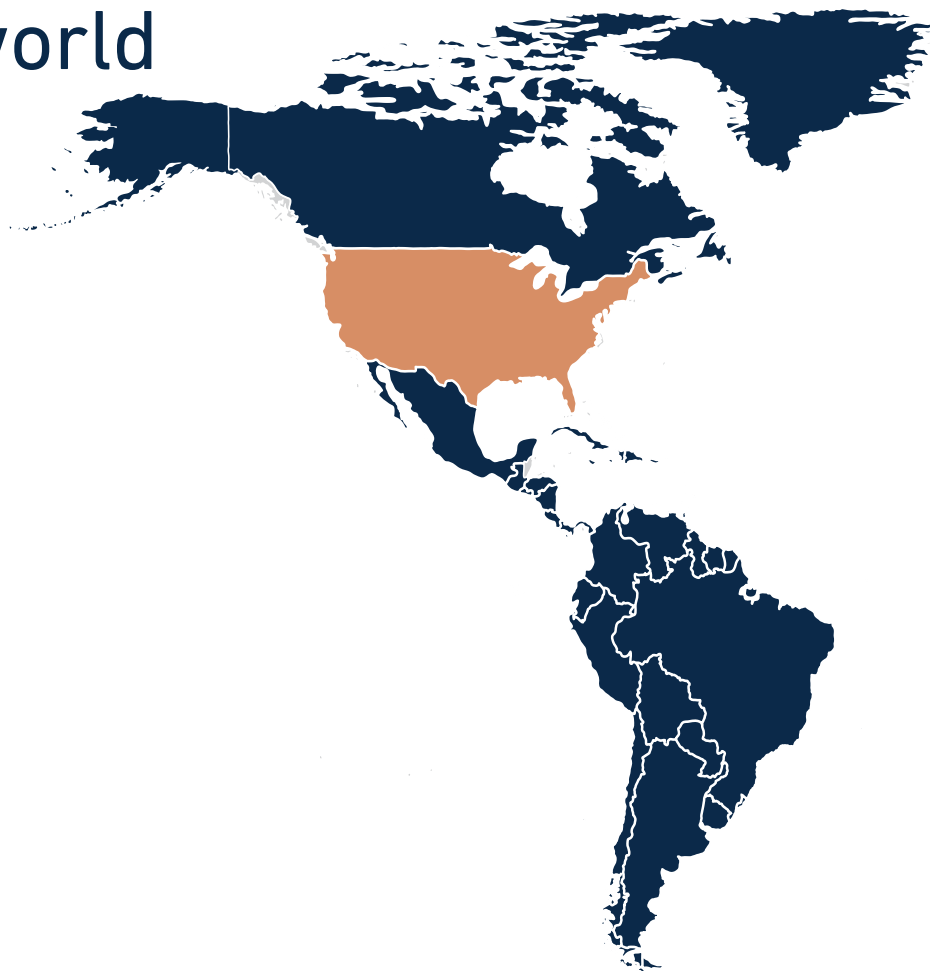




## Our Presence

# Welcoming guests around the world

- > India
- > Sri Lanka
- > Nepal
- > Malaysia
- > Bhutan
- > Andamans
- > Maldives
- > South Africa
- > Zambia
- > UAE
- > United Kingdom
- > USA



## ROBUST EXPANSION DURING FY 2017-18

10

NEW HOTELS  
OPENED

20

NEW HOTELS IN  
THE PIPELINE

10

CONTRACTS SIGNED  
IN THE 12 MONTHS TILL  
MAY 31, 2018

## HIGH CUSTOMER-CENTRICITY

30% ↑

CONSUMER LOYALTY  
REVENUE (%)

40% ↑

MEMBER BASE

Note: Map not to scale