



**THE INDIAN HOTELS COMPANY LIMITED**

**AUDITED STATEMENT OF FINANCIAL RESULTS  
FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2010**

₹ / lakhs

Items	Quarter Ended		Half Year Ended		Year Ended
	Sept 30, 2010	Sept 30, 2009	Sept 30, 2010	Sept 30, 2009	Mar 31, 2010
Net Sales/Income from Operations	328 50	285 92	657 24	548 28	1408 94
Other Operating Income (Note 2)	-	21 27	-	43 79	64 35
<b>Total Income</b>	<b>328 50</b>	<b>307 19</b>	<b>657 24</b>	<b>592 07</b>	<b>1473 29</b>
Expenditure					
a. Consumption of Raw Materials	30 53	24 30	59 36	46 13	112 58
b. Staff Costs	95 96	85 99	192 15	172 89	356 11
c. License Fees	20 74	19 05	40 74	35 94	89 34
d. Fuel, Power and Light	28 51	24 77	57 65	49 96	99 96
e. Depreciation	25 20	25 20	50 64	50 26	104 10
f. Other Expenditure	116 12	102 03	217 30	201 59	435 03
<b>Total Expenditure</b>	<b>317 06</b>	<b>281 34</b>	<b>617 84</b>	<b>556 77</b>	<b>1197 12</b>
<b>Profit from Operations before Other Income, Interest and Exceptional Items</b>	<b>11 44</b>	<b>25 85</b>	<b>39 40</b>	<b>35 30</b>	<b>276 17</b>
Other Income	15 17	22 50	21 23	31 61	43 74
<b>Profit before Interest and Exceptional Items</b>	<b>26 61</b>	<b>48 35</b>	<b>60 63</b>	<b>66 91</b>	<b>319 91</b>
Interest (Net)	29 59	37 83	63 60	75 43	152 90
<b>Profit / (Loss) after Interest but before Exceptional Items</b>	<b>(2 98)</b>	<b>10 52</b>	<b>(2 97)</b>	<b>(8 52)</b>	<b>167 01</b>
Exceptional item - Exchange Gain / (Loss)	3 42	( 55)	3 33	3 99	3 33
Exceptional item - Others (Note 3)	(8 58)	8 76	(4 29)	47 53	47 91
<b>Profit / (Loss) from Ordinary Activities before tax</b>	<b>(8 14)</b>	<b>18 73</b>	<b>(3 93)</b>	<b>43 00</b>	<b>218 25</b>
Provision for Taxes	(1 84)	6 86	( 96)	14 69	62 46
Tax Provision of earlier years (Net)	-	-	-	-	2 69
<b>Profit / (Loss) from Ordinary Activities after tax</b>	<b>(6 30)</b>	<b>11 87</b>	<b>(2 97)</b>	<b>28 31</b>	<b>153 10</b>
Paid-up Equity Share Capital (Face value per share - ₹ 1 each)	72 35	72 34	72 35	72 34	72 35
Reserves (excluding Revaluation Reserves)					2616 87
Earnings Per Share ( ₹ )					
Basic and Diluted (not annualised)	(0.09)	0.16	(0.04)	0.39	2.12
Debt Service Coverage Ratio (Note 6)			0.30	3.94	1.77
Interest Service Coverage Ratio (Note 6)			1.73	3.94	3.11

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₹ / lakhs

Items	Quarter Ended		Half Year Ended		Year Ended
	Sept 30, 2010	Sept 30, 2009	Sept 30, 2010	Sept 30, 2009	Mar 31, 2010
Aggregate of Public Shareholding:					
Number of Shares	50,44,06,671	50,97,91,289	50,44,06,671	50,97,91,289	51,03,25,671
Percentage of Shareholding	69.72	70.47	69.72	70.47	70.54
Promoters and Promoter Group Shareholding:					
a) Pledged/Encumbered					
Number of Shares	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000
Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	4.56	4.68	4.56	4.68	4.69
Percentage of Shares (as a % of the total share capital of the company)	1.38	1.38	1.38	1.38	1.38
b) Non-encumbered					
Number of Shares	20,90,66,116	20,36,13,999	20,90,66,116	20,36,13,999	20,31,47,116
Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	95.44	95.32	95.44	95.32	95.31
Percentage of Shares (as a % of the total share capital of the company)	28.90	28.15	28.90	28.15	28.08



Hotels Resorts  
and Palaces

**THE INDIAN HOTELS COMPANY LIMITED**

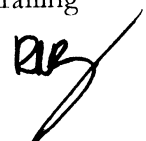
STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2010

₹ / lakhs

Items	As at		As at
	Sept 30, 2010	Sept 30, 2009	Mar 31, 2010
	Audited	Unaudited	Audited
<b>Shareholders' Funds:</b>			
(a) Share Capital	72 35	72 34	72 35
(b) Share Application Money	-	1 01	-
(c) Reserves and Surplus	2609 25	2974 37	2616 87
<b>Loan Funds</b>	2362 76	2034 89	2650 55
<b>Long Term Trade Deposits</b>	22 67	21 72	21 69
<b>Deferred Tax Liability</b>	-	146 94	-
<b>Foreign Currency Monetary Item Translation Difference Account</b>	4 18	-	4 10
<b>Total</b>	<b>5071 21</b>	<b>5251 27</b>	<b>5365 56</b>
<b>Fixed Assets (including Capital work-in-progress)</b>	2011 14	1828 58	1931 38
<b>Investments</b>	2428 11	2394 53	2445 63
<b>Long Term Deposits</b>	1038 04	831 51	1012 81
<b>Foreign Currency Monetary Item Translation Difference Account</b>	-	2 51	-
<b>Deferred Tax Asset</b>	18 76	-	30 79
<b>Current Assets, Loans and Advances:</b>			
(a) Inventories	35 53	35 63	31 25
(b) Sundry Debtors	117 12	104 47	121 62
(c) Cash & Bank Balances	31 78	18 85	447 12
(d) Loans & Advances	419 54	427 56	438 12
<b>Less: Current Liabilities and Provisions</b>			
(a) Liabilities	414 55	338 34	393 53
(b) Provisions	614 62	54 41	700 10
<b>Net Current Assets (A - B)</b>	<b>(425 20)</b>	<b>193 76</b>	<b>(55 52)</b>
<b>Miscellaneous Expenditure (to the extent not adjusted or written off)</b>	36	38	47
<b>Total</b>	<b>5071 21</b>	<b>5251 27</b>	<b>5365 56</b>

## Notes

1. Net Sales/Income from Operations for the half year ended September 30, 2010, improved by 20% over the corresponding period of the previous year. The Heritage Wing of the Taj Mahal Palace, Mumbai, was reopened post an exhaustive restoration on August 15, 2010.
2. There is no Other Operating Income accrued during the half year ended September 30, 2010, as against ₹ 43.79 lakhs for the corresponding period of the preceding year. This represents insurance claim accrued towards compensation for Business Interruption for which the Taj Mahal Palace hotel, Mumbai was covered against loss on account of Business Interruption for a period of 12 months which expired on November 25, 2009. As on date, the Company has received ₹ 180.00 lakhs from the insurance company by way of an "on account" payment, covering the claims towards Business Interruption and Property Damage. We expect the formalities of the final claim settlement to be concluded shortly.
3. Exceptional item – "Others" for the half year ended September 30, 2010 comprises of ₹ 4.29 lakhs being profit on sale of a hotel property and ₹ 8.58 lakhs being a provision for diminution in the value of an investment in a subsidiary. The figures relating to the corresponding period for the preceding year reflects a non recurring profit on sale of investments and profit on sale of a hotel property.
4. The Board of Directors have, today, approved, subject to the approval of the Members of the Company pursuant to Section 192A of the Companies Act, 1956, an issue of:
  - Up to 360,00,000 Equity shares ("Ordinary Shares") of the face value ₹1 each in 2010/ 2011; and
  - Up to 480,00,000 Warrants with a right exercisable by the Warrant holder to subscribe for one Ordinary Share per Warrant, which option shall be exercisable after April 1, 2011, but not later than 18 months from the date of issue of the Warrants,for cash to the main Promoter of the Company i.e. Tata Sons Ltd., on a preferential allotment basis, at such price and on such other terms and conditions as the Board may, in its absolute discretion, decide in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (ICDR Regulations).
5. In view of the seasonality of the business, the financial results for the quarter and half year ended September 30, 2010, are not indicative of the full year's performance.
6. The formulae used for calculation of Debt Service Coverage Ratio and Interest Service Coverage Ratio are as follows:
  - Debt Service Coverage Ratio = Profit before Interest (Net), Depreciation and Tax / (Interest (Net) + Principal Repayment).
  - Interest Service Coverage Ratio = Profit before Interest (Net), Depreciation and Tax / Interest (Net).
  - While calculating the above ratios, debt which has been re-financed has not been considered as repayment of Principal and the ratios have been computed on a trailing twelve months basis.



7. Disclosure of segment-wise information is not applicable, as hoteliering is the Company's only business segment.
8. Disclosure on Investors' complaints:

Complaints outstanding at the beginning of the quarter	Received during the quarter	Disposed off during the quarter	Unresolved as on 30.09.2010
-	3	3	-

9. Figures for the previous year and periods have been regrouped, wherever necessary, to conform to the current period's presentation.
10. The aforementioned results were reviewed by the Audit Committee of the Board and subsequently approved by the Board of Directors at its meeting held on October 27, 2010. The results for the half year ended September 30, 2010, have been audited by the Statutory Auditors of the Company.

For **THE INDIAN HOTELS COMPANY LIMITED**



**RAYMOND N. BICKSON**  
(Managing Director)

October 27, 2010

**Registered Office:**

Mandlik House,  
Mandlik Road,  
Mumbai 400 001.