



**Summer Internship Report on  
Equity Research Project  
on Hotel Sector  
April- June 2020  
Company: The Money Roller**



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Submitted to: Prof. Rajwinder Kaur

## **Acknowledgement**

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Maitri Shah  
(191126)

## **Executive Summary**

Currently, we are living in the global pandemic. Due to the covid-19, many countries in the world are into the lockdown currently. Even India is having the nationwide lockdown for 70 days and also there is still a lockdown in many states.

In this global pandemic, all the major businesses around the world are facing the problems. The one of the sectors that is the worst hit due to this coronavirus pandemic is the hotel sector. With the nationwide lockdowns, the majority of all the hotels in the world lost businesses and also after the lockdown due to the behavioural change the hotel sector cannot foresee the same level of operation and revenue for at least two years.

This research is used to understand the hotel sector using the top down approach. First analyze the global scenario in the hotel sector then analyze the Indian hotel sector. This helps to understand where the Indian sector is compared to the global hotel sector and what are the growth opportunities that are still untapped in the Indian hotel sector.

After the analysis of the global hotel sector and Indian hotel sector, I analyzed the company in the Indian hotel sector: Indian Tourism and development corporation (ITDC). After that the analysis of the company is done using the annual reports, financial statements and ratio analysis. The covid-19 dashboard is created to understand the impact of covid-19 in this company. The forecasting is done using the past data and analysis information. Then the peer comparison of this company is done to understand where the company stands compared to its peers. After the entire analysis, I can conclude that even though it is not a great time to invest into the hotel sector, this company can surely give some returns.

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## **PART – B PROJECT WORK**

### **Introduction**

#### **Nature of Problem**

There is always uncertainty when it comes to the investment into the stock market. The stock markets are very volatile. The one needs to be completely aware about the stock market and the sector to invest into it. Before the coronavirus in India, the tourism industry in India was flourishing day by day and India had become the destination for the travelers around the world. With these travelling booms, the hotel sector in India was growing day by day and also the new innovations and disruptions like OYO and Airbnb and new online travelling platforms are changing how the hotel sector in India is working. So, to analyze the hotel sector is important for the potential investment and due to the covid-19 based lock down the hotel sector has zero or very less revenue for one quarter. The behavioral change and travelling patterns also badly affected the hotel sector. Due to all of these factors, the need for an equity analysis in the hotel sector is really important.

#### **Objectives of the study**

The objective of the study is to analyze the hotel sector of India in depth and then further analyze the associated company for the future prospect of the sector and the potential investment opportunity of the sector and the company.

#### **Utility of the study**

The utility of the study is to help the investors to understand the hotel sector and the associated company as a whole and growth potential lie within the hotel sector and the company and the investment opportunity presents in the hotel sector and the company.

## **Methodology**

### **Approach**

As, the research includes the analysis of the sector and the company. The research needs to rely on both the forms of data collection methods Qualitative as well as Quantitative. The Qualitative information includes news articles, some important announcements about the sector and the company, annual reports. Whereas the Quantitative information includes the last five years financial performance, sectors share in GDP, growth percentage in the sector.

### **Sources of data**

As this is the equity research project, all the data is collected from the secondary sources for the analysis in the project. Some of the sources are as follows:

- <https://data.worldbank.org/>
- <http://tourism.gov.in/>
- <https://www.ibef.org/industry/tourism-hospitality-india.aspx>
- <https://www.ilo.org/global/lang--en/index.htm>
- <https://dbie.rbi.org.in/>

### **Method of data collection**

The Method of data collection includes collecting all the data of the factors affecting and important in the hotel sector and for the company. The data is collected from all the authentic secondary sources like the world bank, IMF, Annual report, Ibef.org and the Ministry of tourism website.

### **Size of samples and method of sampling**



For the Detailed analysis of the hotel sector and the company, past five years of all the data is taken. Therefore, the size of the sample is past five years data and any future announcements regarding the sector and the company.

### **Method of data analysis**

The analysis is done by collecting all the quantitative data from the authenticated secondary sources and putting it onto the excel and plotting the charts and graphs of the data collected into the excel for the better representation of the data. With these represented data and the qualitative information, the inferences are drawn for the hotel sector and the company.

### **Context of Industry Problem**

We are currently living in the Covid-19 era. Due to the coronavirus pandemic, most countries in the world were facing the lockdowns. Even in India, we had the nationwide lockdown of 70 days and there is still a lockdown in many states. Due to this lockdown, all the economic activities around the world are getting affected. Many countries in the world are in the cliff of falling into the economic recession. Many businesses around the world are shut down and facing the liquidity crisis and started laying off the employees.

One of the major sectors that was affected the most by this pandemic is the Hotel Sector. Due to the lockdown and threat of coronavirus, people started to prefer the work from home. People avoid travelling for business as well as for leisure. Due to the Nationwide lockdown in India, the majorly all the hotel has approximately zero revenue for the first quarter of the FY 20-21. The OYO, the major player in the hotel sector has recently laid off around 5000 employees across the globe because OYO's revenue declined is around 50%.

According to the McKinsey report, the hotel sector to go back to its pre-covid-19 era would not happen any time before the year 2023. As this is the hardest hit area in the pandemic, the analysis of this sector is crucial to understand the sector as a whole and the impact of the COVID-19 in this

sector. Due to this, the report is created to better understand the sector and the companies in the sector and their potential of revival in this COVID-19 era.

### **Presentations of Data**



Globally  
184299  
hotels



India has  
1068 hotels



India has  
133359



India-11<sup>th</sup>  
Largest  
Hotel sector



100% FDI is  
allowed in  
Hotel Sector



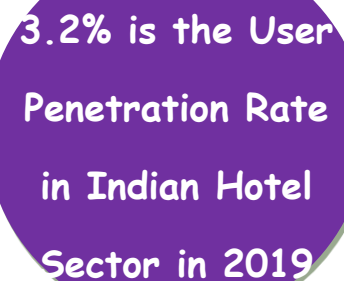
India received  
10.56 million  
international  
tourists in 2018



In 2019,  
41.3m users  
in Indian



USD 163.68  
Is the average room  
revenue per user in  
India in 2019

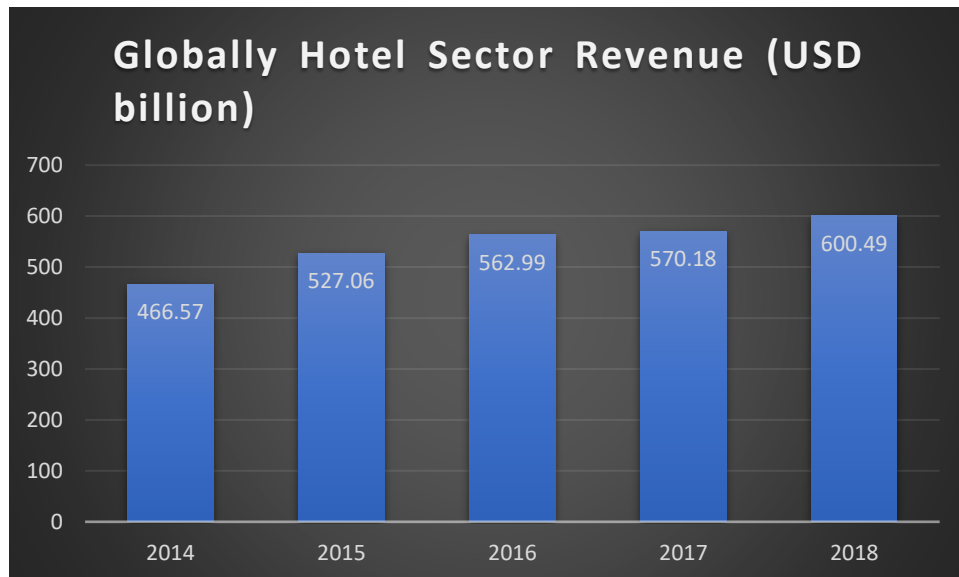


3.2% is the User  
Penetration Rate  
in Indian Hotel  
Sector in 2019

## **Analysis & Discussion**

### **Global Hotel Sector**

The Hotel sector is one of the biggest contributors of the GDP across the world. The Global hotel industry is made up of USD 600.49 billion in the year 2018. In the year 2018 there are around 184299 hotels around the world. The number of international tourist arrivals in 2018 is 1.4 billion worldwide. Between the year 2014 to 2018 the hotel sector grew from the USD 466.57 billion to the USD 600.49 billion. That means that between all these years the global hotel sector grew by the CAGR of 7.17%.



*Figure 1: The Growth in the Hotel Industry Globally*

*Source: (Statista, 2020)*

The global Hotel industry has a declining growth rate between the year 2015 to 2017. There is a very sharp decline in the year 2016 and 2017 by 12.96% to 6.82% and further down from 6.82% to 1.28%. After that there is an increase in the growth rate from 1.28% to 5.32%, but the rate is not that high compared to the previous growth rates. So, globally the hotel sector is facing difficulties to managing the growth rates.

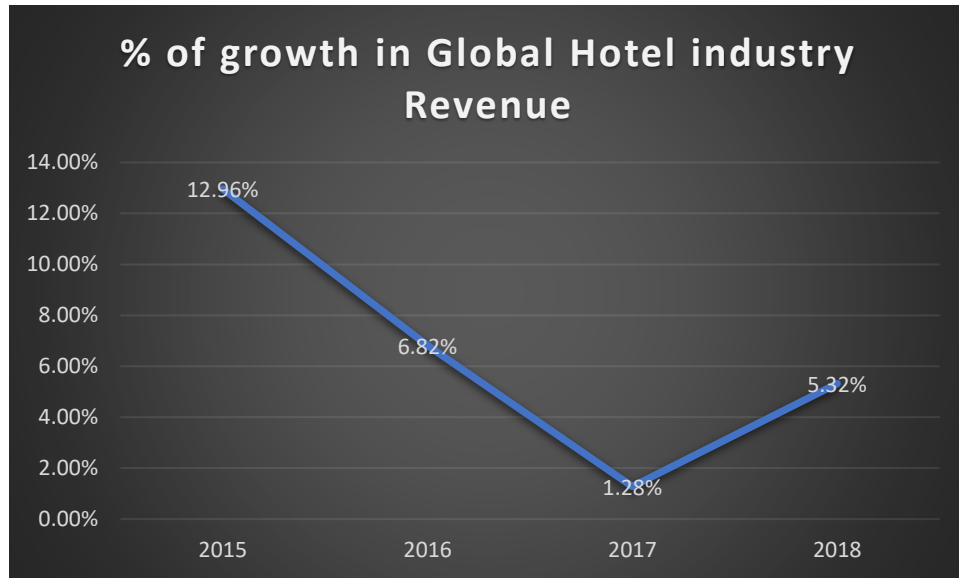


Figure 2: The Growth in the Hotel Industry Globally

Source: (Statista, 2020)

In Global Hotel Industry the biggest market is the United states market. The United states has the revenue of USD 51 billion in the year 2019. From the entire revenue globally the approx. of 9.1% comes from the Americas and about 39.9% comes from the combine of China, Hong Kong, Macau and Taiwan. The only approximately 51% of revenue comes from all the Other countries combined. So approximately Half the Hotel industry is run by Americas and Greater China.

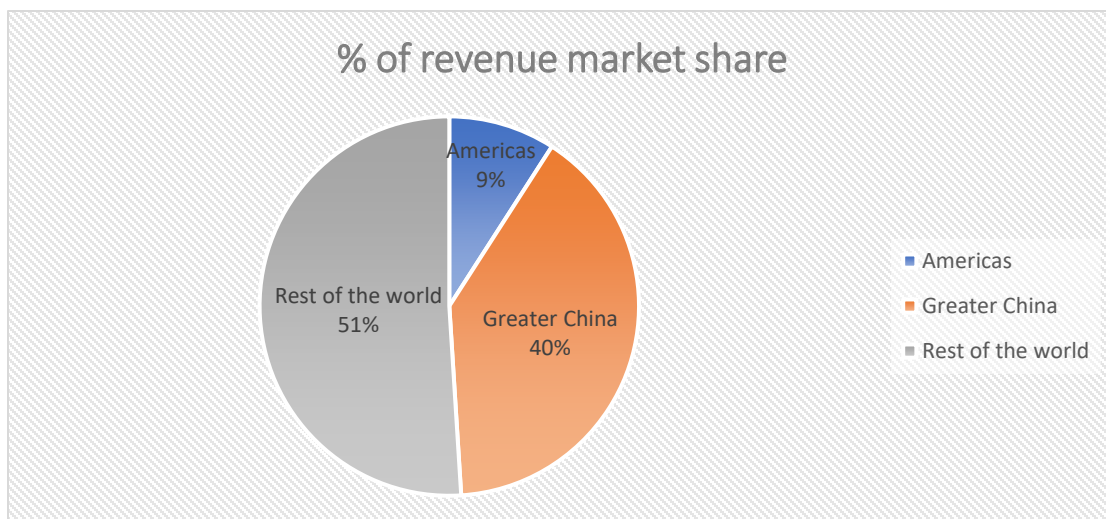
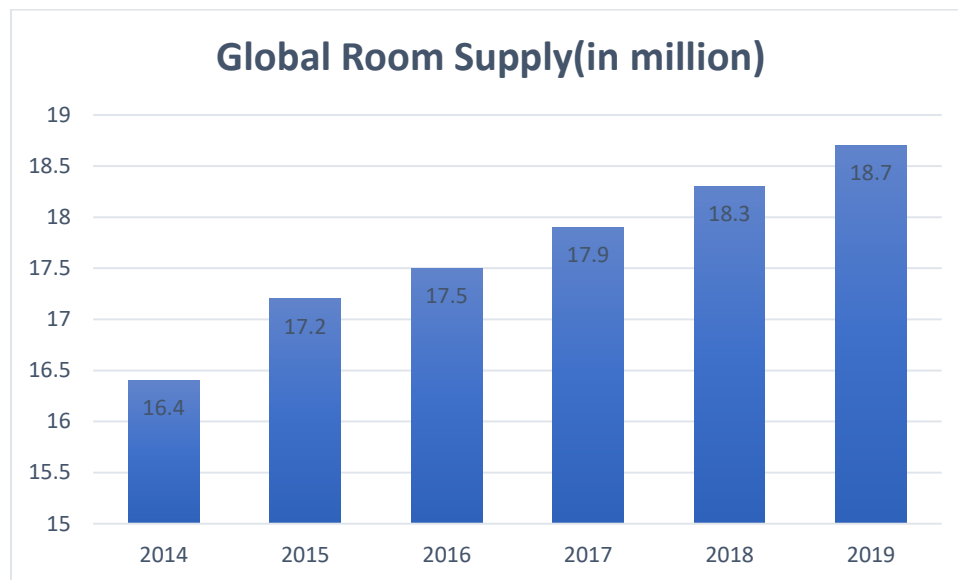


Figure 3: The percentage of revenue market share

Source: (Report, 2020)

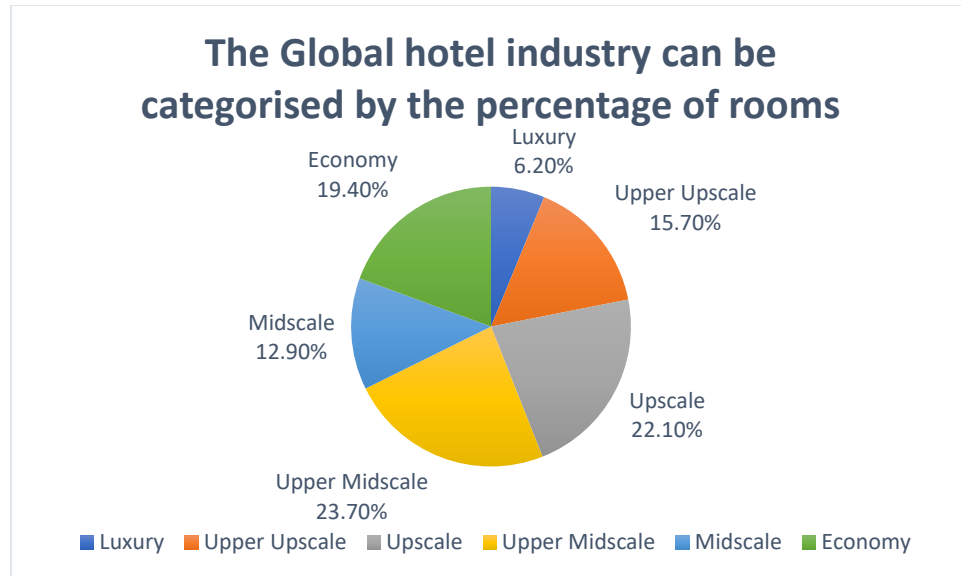
Globally the room supply was increasing every year. Between the year 2014 to 2018 the Hotel sector supply grew from 16.4 million to 18.7 million. This comes with the CAGR of approximately 2.8% every year. Here, globally the hotel supply is increasing only by the 2.8% every year but globally the hotel sector is growing at around 7.17% every year. This means that there is a really low increase in the supply compared to the increase in the demand. This unwind the great growth potential still untapped in the industry as well as there is a high chance of increase in the hotel price due to the limited supply and growing demand.



*Figure 4: Global Room Supply (in million)*

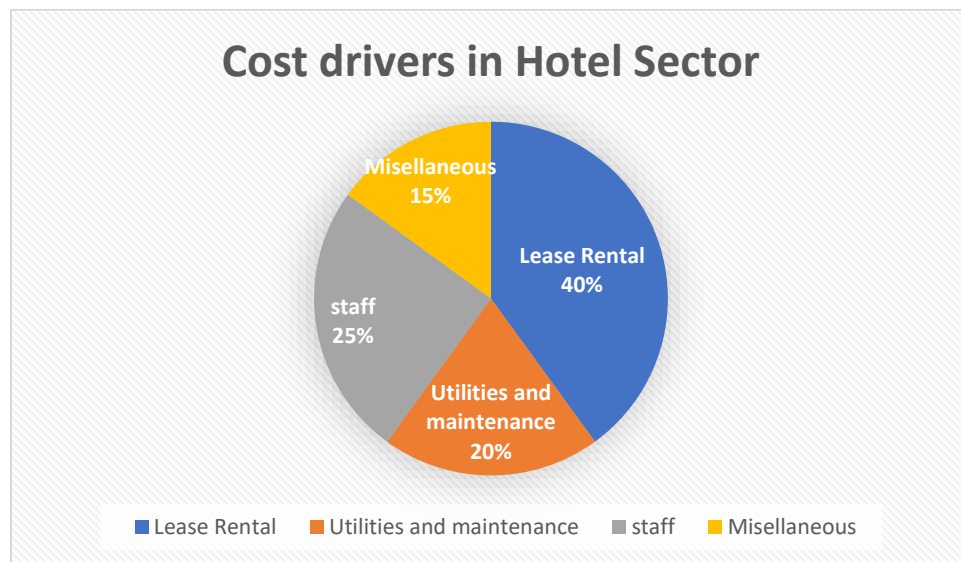
*Source: (Report, 2020)*

Globally, the hotel industry was segmented based on the price level. The segments are: Luxury, Upper Upscale, Upscale, Upper Midscale, Midscale and Economy. There is very less inventory of luxury hotel rooms which is only 6.2% of the entire inventory. Most of the rooms are in the upscale and upper midscale segment which is 23.7% and 22.1% of all the rooms respectively. After that the Economy rooms are the major sector which is 19.4% of the total rooms. The upper upscale and midscale has 15.7% and 12.9% of total rooms respectively. This describes that there is a huge market in middle range segment. There is huge demand for the rooms in middle budget range in global hotel sector.



*Figure 5: Global Room Supply (in million)*

*Source: (Report, 2020)*



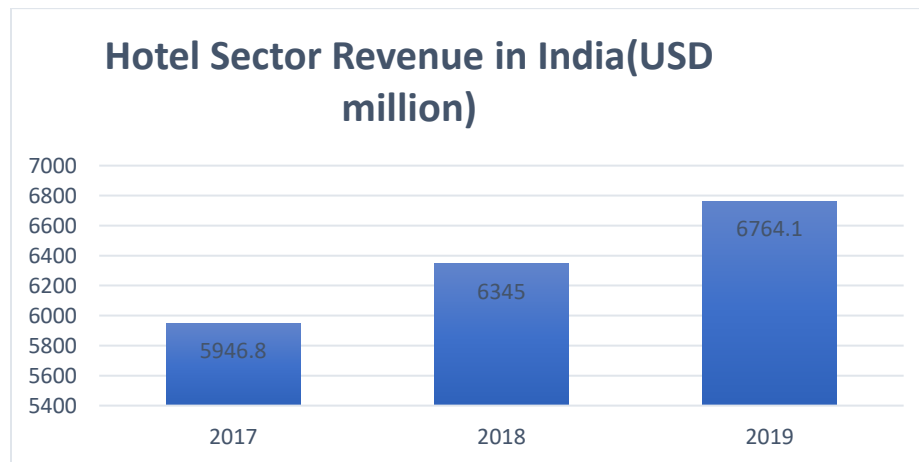
*Figure 6: Cost Drivers in hotel sector*

*Source: (Vatsal Jain, 2020)*

The Major cost driver in the hotel industry is a lease and rental cost which is around 40% of all the cost. This is the fixed cost so even if the company doesn't make profit, they still have to incur this cost. Due to this, the hotel sector required very huge investment upfront and they can't afford to stop the business activities even for a little while.

## **Indian Hotel Sector**

The Indian Hotel industry is the 11th largest hotel industry in the world. The Indian hotel sector has USD 6.76 billion revenue in the year 2019. Between the year 2017 to the year 2019 the revenue from the hotel sector in India grew from USD 5946.8 million to USD 6764.1 million. The CAGR for the Hotel sector in India between the year 2017 to the year 2019 is 6.87%. Globally the CAGR between this period for the hotel sector is 7.17% which means that the Indian hotel sector is not performing the level that the global hotel sector and it is lagging behind the other countries. India hotel sector needs to work hard to reach to the global hotel sector level. The total number of rooms in India in the year 2019 is 133359.



*Figure 7: The Hotel Sector size india*

*Source: (Statista, 2020)*

The number of rooms per million population in India has approximately around 75.77 which is very low because the USA has the number of rooms per million population has approximately around 15234.61 and Thailand has around 6547.935. So, there is a huge requirement for the increase in the number of rooms in India. This leads to the growth in the hotel sector because there is huge untap market in India with great potential for growth. This would in turn increase the profitability over the years.

In India hotel room inventory is divided by economy into four segments: Budget, Midscale, Upscale and Luxury. In India approximately 50% of the room inventory consists of the Midscale

segment. Followed by the upscale and Economy segment which is 21.9% and 18.1% of the total room inventory respectively. The luxury segment has the lowest inventory which is around 10.5% of total inventory in India. So, the company need to focus on the middle range rooms to increase the profitability because of the consumers majorly wants the middle range rooms.

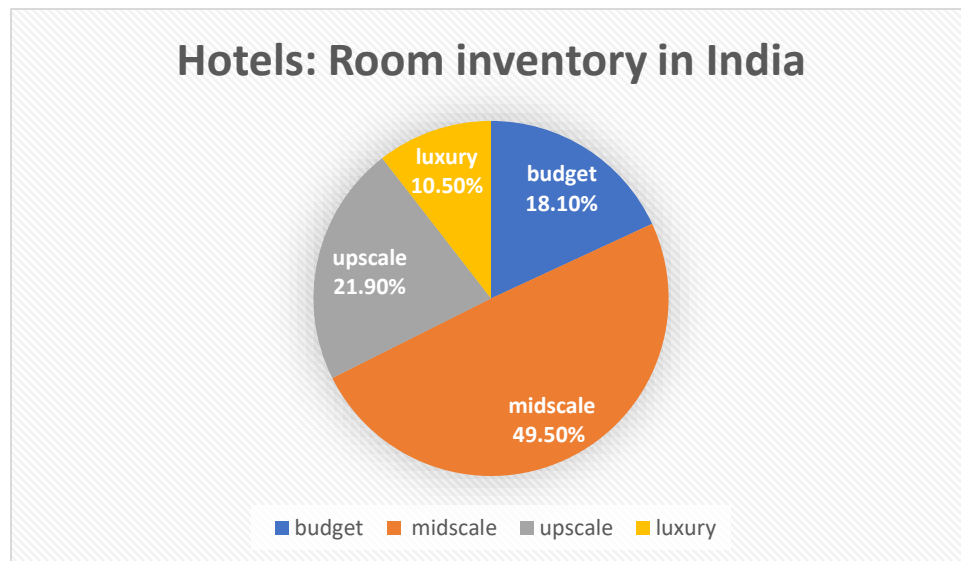


Figure 8: The Classification of room inventory in India

Source: (hotelivate, 2020)

In India, the Ministry of tourism has classified the hotels into the eleven categories. Here the table describes the number of rooms in each category and the CAGR of this category rooms over the years.

Category(Rooms)	2016	2017	2018	2019	CAGR
1 star	1193	530	236	348	-23.61%
2 Star	1902	1149	955	990	-15.98%
3 Star	22724	17618	15619	18889	-5.63%
4 Star	7969	9847	14611	16451	35.48%
5 Star	11744	15043	19791	22673	31.02%
5 Star Deluxe	23907	30032	35672	37955	19.59%
Apartment Hotels	249	126	126	252	0.40%
Guest House	77	110	73	106	12.55%



Heritage Hotel	1237	1163	238	1843	16.33%
Bed & Breakfast Establishment	242	2415	3576	2983	377.55%
Un-classified	8323	26256			-33.33%
Total	79567	104289	90897	102490	9.60%

Figure 9: The room inventory classification over the years Source: (Ministry of tourism, 2020)

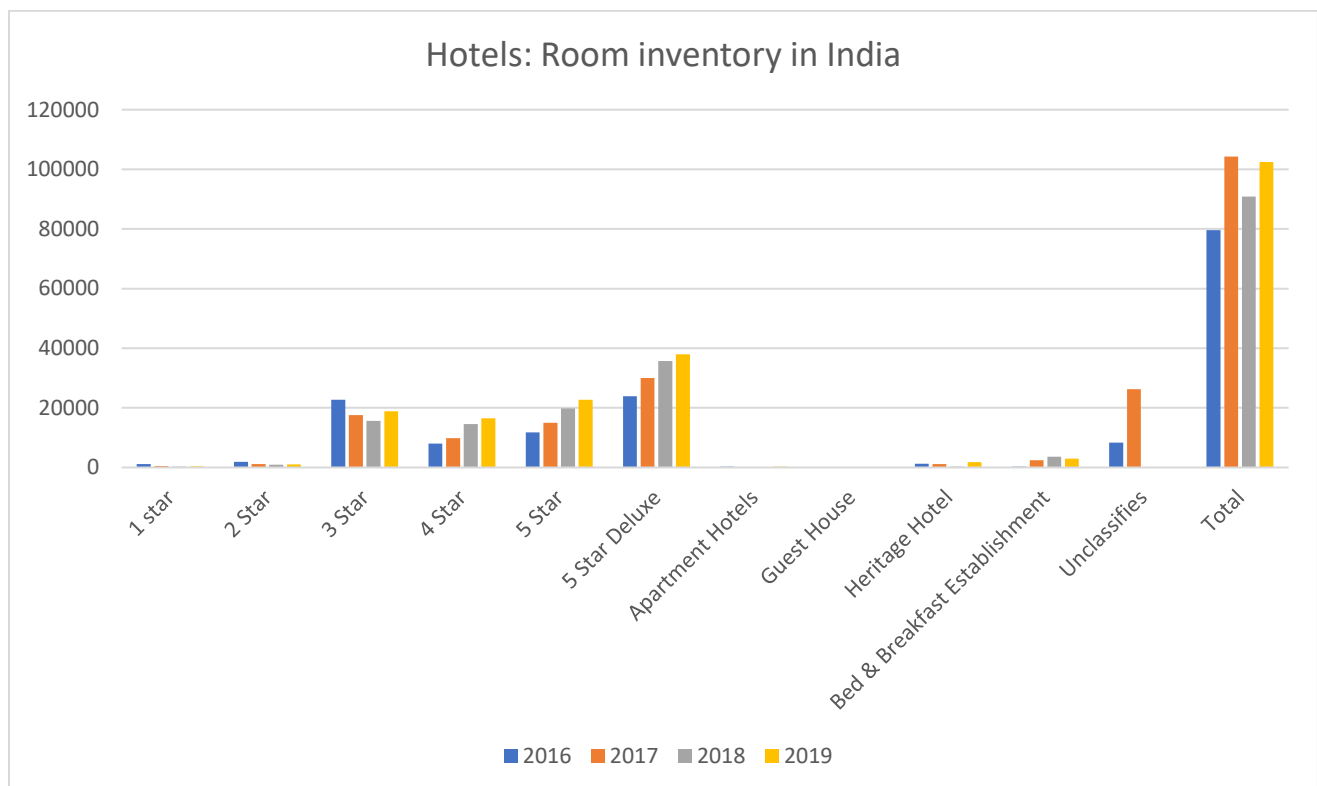
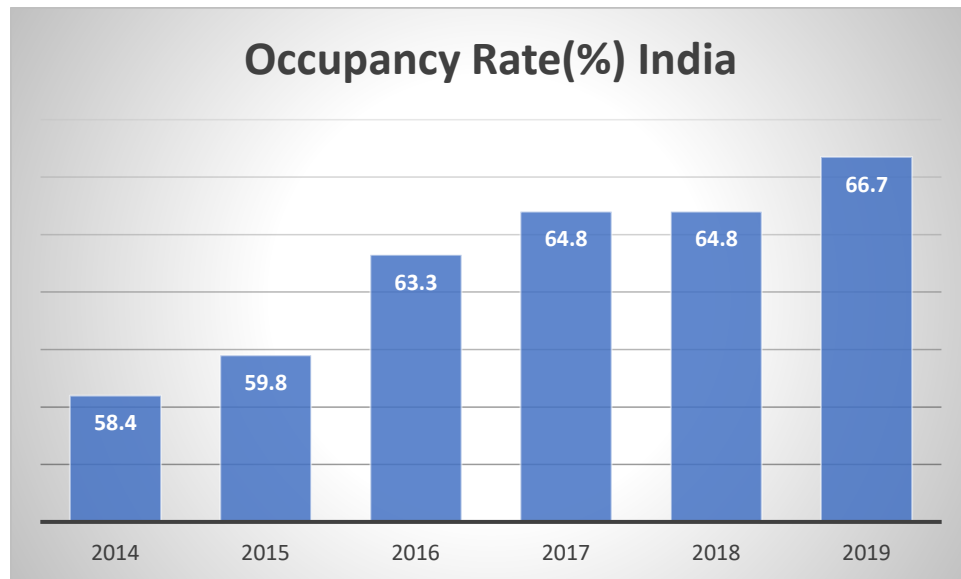


Figure 10: The room inventory classification over the years Source: (Ministry of tourism, 2020)

Here as per the CAGR, it is visible that the government of India has classified all the room inventory as there is no unclassified room left in the inventory. As per the CAGR, the one stars, the two stars and the three stars hotel rooms are significantly declining. The people now prefer the midscale and upscale rooms that's why there is a significant increase in the room inventory of the four stars and the five stars hotels. There is also a very sharp rise in the bed and breakfast establishment in India with the CAGR of 377.55% which is really huge. As people now prefer to rent a big villa so that the entire family can have a private time and also accommodate everyone

in the family and also the people can earn the money by renting the vacant property for an ideal time which help in maintaining the property cost.



*Figure 11: Occupancy Rate in India over the years*

*Source: (statista, 2020)*

The Occupancy rate in India is constantly increasing between the years 2014 to 2019 from 58.4% to 66.7%. The CAGR of the occupancy rate between the period of 2014 to 2019 is increasing around the 2.4%. The occupancy rate in the US is also around the 65.6% in the year 2019. So, the India's occupancy rate is at the similar level to the global standards.

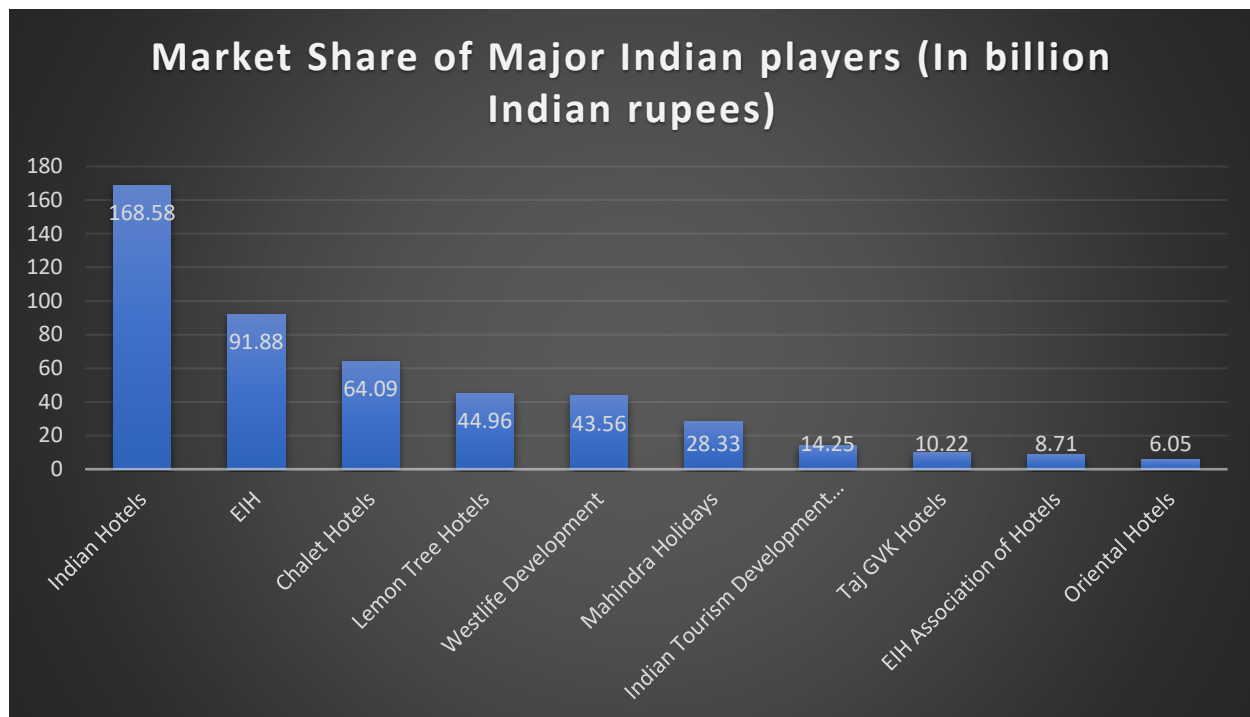


Figure 12: Market share of Major Indian Players

Source: (Statista, 2019)

Indian Hotels is the biggest player of the Hotel sector in India. Indian Hotels has a revenue of Rs. 168.58 billion in the year 2018. The Indian Hotels revenue is around 35% of combine revenue of all the major players in Indian Hotel sector. Indian Hotels and EIH combine have approximately the 60% of the market share of total market share of all the major players in India. Oriental Hotels and EIH association of Hotels has approximately 1% of the market share from the total market share of all the major players in India.

### **Company**

The research is conducted using the top down approach. In the research First, we analyze the Global scenario in Hotel sector then proceed with the Indian scenario in the Hotel sector and now finally in the third part analyzing the company.

For the analysis of the company, I decided to take the Indian Tourism Development Corporation Ltd. (ITDC) compared to all the other companies into the Indian hotel sector. There are several reasons for choosing this company:

- ITDC is majorly a government owned entity. Its approximately 87% of shares are owned by the government of India. As, this is the only company in this sector which is owned by the government, it make it unique to analyze.
- ITDC is a zero debt company. So, there is a very less chance of facing liquidity issues.
- ITDC is backed by the government of India. So, there are low chances of getting a default.
- All the properties in which ITDC operates are all owned by the ITDC. So, ITDC doesn't have to worry about the lease and rental payment which incurred 40% of the cost of the operation of most hotels.
- ITDC is not only providing the hotel services. It also provides other services like restaurants, travels and tours etc.

All of these reasons make this company unique and encourage me to analyze this company.

### **Indian Tourism Development Corporation Ltd.(ITDC):**

The ITDC business model does not only include hotels it also provides other services. The ITDC provides these services which includes:

- Ashok Group of Hotels
- Restaurant
- Travel/Transport Units
- Duty Free Shops
- Sound & Light Show
- Joint Venture Hotels
- Managed Units
- Catering Establishments

ITDC segments	Revenue (FY 18-19) in lacs	Cost (FY 18-19) in lacs	Profit (FY 18-19) in lacs
Hotel/Restaurant Operations	25,777.02	22,673.20	3,103.82
Duty Free Shop Operations	1,847.08	1,520.39	326.69

Travels & Tour	3,450.16	3,288.12	162.04
Ashok Events & Misc. Operations	4,825.98	4,277.01	548.97
Construction, Consultancy & SEL Projects	573.48	987.06	-413.58
Others	2,159.85	1,868.98	290.87
Total	38,633.57	34,614.76	4,018.81

*Figure 13: Different Segment Revenue, cost and Profit for f.Y. 18-19 Source: (ITDC Ltd., 2019)*

### **ITDC's Financial Reports**

Here from the company's annual reports I build the financial reports like balance sheet, Income statement, Cash flow statement and Ratio analysis. With the use of these reports, I forecasted the balance sheet and income statement for the year F.Y. 19-20, 20-21 and 21-22.

As per the Income statement present into the Annexure-I we can see that the company's revenue is declining. Due to the covid-19, the company's revenue would be further declined. As per the McKinsey's report the hotel sector would require at least year 2023 to reach to its normal level. To forecast for the year FY 19-20, I take the quarterly result of first three quarters and then take the fourth quarter of FY 18-19 because there are not going to be much change because in the fourth quarter there are last 15 days the business lost due to the lockdown happened in India. The quarter results are explained in annexure-II. To bifurcate the revenue, I bifurcated previous revenue as a percentage of sales and average of that percentage I used to bifurcate the income statement for the FY 19-20.

For FY 20-21. The initial 45 days were no room services after that the quarantine facility is provided by some of the hotels. Since the 45 days of business lost is equivalent to 45% and after that there is also decline in the business as well. we don't know the perfect number of days the hotel was not active because the hotels were used for the quarantine facilities and the catering service was also open for that time frame as well. But after the covid-19 due to the behavioural changes the room sales and food and beverages would be 80% of the last year. Whereas other services, sale of printed material and other operating income would be 65% of last year.

For FY 21-22 I forecasted that the Rooms sale would increase by 20%, food and beverages by the 15% whereas the other three services would only increase by 10%. Because the covid-19 effect would continue in the next year itself as well.

To forecast the expenditure, the Cost of materials consumed & services rendered and Purchase of stock-in-trade would decline with the sales and as they are dependent on to the sales. From the past data I figured out that Cost of materials consumed & services rendered and Purchase of stock-in-trade are respectively around 17% and 2% respectively.

Changes in inventories of finished goods and stock-in-trade would remain insignificant for forecasting. I forecasted that the Employees' Remuneration & Benefits, Finance Costs and Operating Expenses & Other Expenses would slightly decline but not decrease significantly. In the Company, most of the employees are permanent and it is a public sector company. so, there would be no layoffs. The company would incur finance cost even though its debt free company to pay the employees. The operating expense would occur even if it is operating or not but as it is not operating at full capacity, there will be slight reductions.

Depreciation would remain the same for the both the financial years FY 20-21 and FY 21-22. Other income, exceptional income and comprehensive income will also get affected and predict that for the F.Y. 20-21 would be 70% of the F.Y. 19-20 and F.Y. 21-22 90% of the F.Y. 19-20. The tax rate would be remains around the 40%.

I build the balance sheet of the five years from the FY 14-15 till the FY 18-19 using the annual reports of that five years. After that to understand the future growth into the company I forecasted some elements of the balance sheet as a percentage of the revenue as described in the annexure-IV and some cost are occurred like property, plant and equipment. The company is the debt free company so, in the non-current liabilities the borrowing cost would have been zero. In the annexure-III, I built the balance sheet using annual report and forecasting along with assumptions.

The cash flow statement is built from the scratch to understand the liquidity of the business. The cash flow statement for all these years are built using the balance sheet and income statement of

all these years created using the annual reports and forecasting. The cash flow statement for ITDC is described in the Annexure-V.

### **Ratio Analysis of ITDC**

As per the Ratio Analysis of ITDC in annexure-VI, some insights that can be drawn are as follows:

- As per the Leverage Ratios, the company has more debt compared to the equity and more asset compared to debt means that the company can easily pay off its debt by selling the asset.
- As per the Turnover Ratios, the company's asset turnover ratio, fixed asset turnover ratio and debtor's turnover ratio is declining that means that the company is not utilizing properly its asset and debt. The inventory turnover ratio is increasing that means that company is operating more efficiently. There is also a decline in the creditor's ratio means that the company now can collect the money much faster and its good for the company.
- As per the day's ratios, the working capital ratio is negative and it is also declining that means that the company can now run more days without the cash. The company is constantly improving its efficiency and now it can convert its inventory into sales in just 60.71 days. The company has a better bargaining power when it comes to supplier and it only need to pay to its supplier after 385 days.
- As per the liquidity ratios, the current ratio of the company is ideal at 2. the company has approximately double the current asset compared to its current liabilities. The quick ratio of the company is near to current ratio means that the company has a very little inventory in the current asset.

### **Covid-19 Dashboard of ITDC**

To understand the covid-19 impact on the sector, I decided to conduct the stress test of the company for the F.Y. 19-20, For that I first take the total cash and cash equivalent for the year. Then considering all the fixed costs occurring for the year because there is still a chance of not generating enough revenue. As the company owned all the properties, it doesn't have any rent or lease cost as such. The company doesn't have any debt. So, the company doesn't have any interest expenses.

The company has only employee costs as a fixed cost which is Rs. 103.714 Crores for F.Y. 19-20. Then conducted the sensitivity analysis to understand the sensitivity in the cost as described in the annexure-VII. The sensitivity analysis helps the company to understand the sensitivity of the cost. After checking the sensitivity analysis, I conducted the stress test and checked the stress ratio of the company with different sensitivity levels as well. The stress ratio helps to understand the liquidity risk the company is facing in different scenarios. In this constantly changing environment with the threat of covid-19 is on our head, the stress test is really important to analyze the impact of this situation in the business. The lower the stress ratio better is it for the company. From the stress ratio, I can determine that the company has a better position in a liquidity crisis as it has a very low stress ratio.

### **Peer Comparison of ITDC**

- The company is maintaining its the best debt to equity ratio so there is a really less chance for the company to go bankrupt as well as the company has enough reserve to fulfil its obligations. This comes really effective in this covid-19 times where the companies have probably one quarter with not much revenue. Even though it is better ratio, some peers have better debt to equity ratio than ITDC. But according to all the analysis, I find it adequate enough.
- The P/E ratio of the company suggests that the company is highly overpriced even when we are comparing with its two peers Taj GVK Hotels & Resorts Limited and EIH Associated Hotels Ltd has lower PE and also when we are comparing with the industry the PE is also very high the industry PE is just around the 37 but the company's PE is very high at around 57. Here the company is also overpriced compared to its two peers.
- The ROE is very low compared to all other companies in the sector, but it can be still considered because of the PSU sector and zero risk with zero debt company.
- The company is performing better when it is to capture the market with the sales. It is better than its two peers. Still, it can improve a lot in this sector.
- The company's EBITDA margin is really low compared to all its peers. The company would need to improve its operation efficiency to outperform the peers.



- The company's PAT margin is around equal even though the low EBITDA margin, it is not because of the good performance. It is due to the fact that the company has no future investment that's why there is no interest payment such that whereas the other companies have invested that's why they have interest payment as well as depreciation expenses. Due to these factors, there PAT margin decline and reach to the similar level as ITDC.
- The price to book value ratio of the company is very high compared to its peers that means that the company has created wealth for its investors.
- The company's ROCE is similar to all its peers.

### **Conclusions**

After analyzing all the data using the top down approach there are some conclusions that I have drawn are as follows:

- The companies in the hotel sector have a very high lease or rental cost. The only companies that don't have a lease or rental cost would probably be able to survive in this pandemic.
- Most of all the hotel sector companies have a very high debt. The companies wouldn't be able to pay the interest payment in this covid-19 situation due to the decline in the revenue. So, the companies need to have a very low debt to get through this situation.
- The companies need to have a very large amount of cash reserves in order to maintain the operation, pay its employees and bear the losses. The companies with the higher reserves can afford to have a very less or zero revenue in this pandemic and go through this tough time without losing the company.

### **Managerial Implications**

By analyzing the company from using the top down approach we concluded that the Hotel Sector is currently in distress due to the covid-19. Most of all the hotels have lost a very big part of their revenue in this period and continue to lose even further in that time frame. It at least takes three to four years for companies in the hotel sector to again start earning the same level of revenue and operating at the same capacity before the covid-19. So, to survive with the low revenue and may be very less occupancy and less demand, the company required a large chunk of money. Most of

all the hotel sector companies have a lease or rental property, they have to pay these fixed costs even with zero revenue. There are only some companies that don't have a debt. Most companies have to pay the interest payment and lease payments at the time of the lockdown. There are many problems that these sector companies are facing in this covid-19 period. As per the entire analysis, I can only conclude that the only companies in the hotel sector would survive who have a good cash reserve, who are debt free and who don't have to pay the lease rental. The investors should invest into the companies who have a cash reserve, no interest and lease or rental payment.

### **Recommendations**

According to all the analysis that has been done so far, I realized that it is not the right time for the investment into the hotel sector because due to the Covid-19 all the companies are facing difficulties.

But, if the investor really wants to invest into the Indian Hotel sector, the good company for the investment would be the Indian Tourism Development Corporation (ITDC) which would give the good returns. As the major shareholding of the company is with the government as well as the company has the good cash reserve and zero debt. So, no interest payment. The company owned all the properties. So, the rent and lease expense would also be zero.

## **Part C: Learnings from Summer Internship**

First, I am really grateful for The Money Roller and Institute of Management, Nirma University to provide me such a great opportunity to learn and broaden my perspective. As The Money Roller is a startup, so the learning curve is really broad, it really encouraged me to grow. There is much learning in this two months summer internship. Some of these learning are as follows:

- This internship helps me to understand how to retrieve the authentic data and how to find the data from the official sources like government websites, annual reports, world bank, IMF etc.
- This helps me to get updated with the stock market and how the stock markets can react. It actually helps me to understand stock market works and how the behavioural changes can also affect the stock market.
- This internship made me realize how the news and announcements are really important and how the stock market reacts to all of these.
- This internship actually helped me to become a better analyst by making me understand that the understanding of the news is really important to be the analyst.
- This internship teaches me how to interpret the news for our analysis and how every news can have financial implications that we need to look at to understand the financial markets and the economy.
- This internship taught me how to carry out any sectoral analysis and what are the key things to keep in mind when conducting the analysis.
- This internship taught me what data is important from the annual reports and how to analyze the annual report and what information to look forward to in the annual reports for analysis.
- This internship helped me to learn how to conduct forecasting. How from the past data, announcements and news can be used to understand the company's growth perspective and sector's growth.
- I understand how to conduct the fundamental analysis, how to read the financial statements and how to analyze it to make a sense out of it.

- This internship helps me to learn fundamental analysis as well as the technical analysis as well for the trading.
- In this internship along with my research I am also contributing in building the strategy for the trading in equity market.

This internship was a really great learning experience and I would try to implement all of these learnings into any of my future projects. This learning can definitely add value to my understanding and broaden my perspective in this field.

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[2019/ihg\\_2019ar.pdf?la=en&hash=9F491366E66A68491D6C545E1692F43F](https://www.ihgplc.com/-/media/ihg/annualreports/2019/pdf/ar-report-2019/ihg_2019ar.pdf?la=en&hash=9F491366E66A68491D6C545E1692F43F)

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## Annexures

### Annexure-I Income statement for ITDC

	A	B	C	D	E	F	G	H	I	
1	Hotel Sector - Company Name (Consolidate data)									
2	Income Statement (Amt in crore)									
3	Particulars	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	Assu
8	Sales									
9	Rooms	136.53	129.722	130.889	114.03	112.61	109.6481	87.72	105.26	For FY
10	Food and Beverage	100.98	106.0957	111.0534	90.41	93.43	91.89558	73.52	84.54	We bu
11	Other Services	239.51	219.7281	249.61	139.50	147.85	144.4571	93.90	103.29	becatu
12	Sale of Printed Materials	13.37	1.76	1.43	0.85	1.05	1.044268	0.68	0.75	For FY
13	Sub Total	490.39	457.30	492.98	344.79	354.94	347.05	255.81	293.84	For FY
14	Other operating income	1.76	1.78	1.75	0.97	1.00	1.044268	0.68	0.75	
15	Net Sales	492.15	459.08	494.73	345.76	355.94	348.09	285.97	294.59	
16	growth %		-6.72%	7.77%	-30.11%	2.94%	-2.21%	-17.85%	3.01%	
17	CAGR(for FY 14-15 to FY 18-19)					-0.3827				
18	Expenditure									
19	Cost of materials consumed & services rendered	64.68	60.92	68.70	59.08	60.80	63.9961	48.615325	50.07966	
20	as % of sales	13.14%	13.27%	13.89%	17.09%	17.08%	18.38%	17%	17%	As, th
21	Purchase of stock-in-trade	16.81	10.05	8.03	7.72	8.73	8.73	5.71945	5.891725	
22	as % of sales	3.42%	2.19%	1.62%	2.23%	2.45%	2.51%	2%	2%	As, th
23	Changes in inventories of finished goods and stock-in-trade	0.27	-1.81	1.43	0.27	0.10	0.10	0.00	0.00	This c
24	as % of sales	0.05%	-0.39%	0.29%	0.08%	0.03%	0.03%	0.00%	0.00%	
25	Employees' Remuneration & Benefits	150.31	145.40	140.00	143.71	115.04	103.71	98.00	100.00	Here l
26	as % of sales	30.54%	31.67%	28.30%	41.56%	32.32%	29.80%	34.27%	33.95%	
27	Finance Costs	0.42	0.65	0.50	0.56	0.66	1.49	1.00	1.25	The cr
28	as % of sales	0.09%	0.14%	0.10%	0.16%	0.18%	0.43%	0.35%	0.42%	
29	Operating Expenses & Other Expenses	246.33	226.78	264.00	146.80	146.90	139.39	100.00	130.00	This e
30	as % of sales	50.05%	49.40%	53.36%	42.46%	41.27%	40.04%	34.97%	44.13%	
31										
32										
33										
34	Total Expenditure	478.82	442.00	482.67	358.13	332.23	317.42	253.33	287.22	
35	as % of sales	97.29%	96.28%	97.56%	103.58%	93.34%	91.19%	88.59%	97.50%	

	A	B	C	D	E	F	G	H	I	J
1	Hotel Sector - Company Name (Consolidate data)									
2	Income Statement (Amt in crore)									
3	Particulars	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	Assumptio
34	Total Expenditure	478.82	442.00	482.67	358.13	332.23	317.42	253.33	287.22	
35	as % of sales	97.29%	96.28%	97.56%	103.58%	93.34%	91.19%	88.59%	97.50%	
36										
37	EBIDTA before Other Income	13.33	17.08	12.06	-12.37	23.71	30.67	32.64	7.36	
38	Ebitda Margin %	2.71%	3.72%	2.44%	-3.58%	6.66%	8.81%	11.41%	2.50%	
39	Ebitda growth %		28.13%	-29.39%	-202.57%	-291.68%	29.35%	6.43%	-77.43%	
40										
41	Depreciation	11.29	8.91	8.66	7.21	7.36	7.04	7.00	7.00	Depriciation
42	as % of sales	2.29%	1.94%	1.75%	2.09%	2.07%	2.02%	2.45%	2.38%	
43										
44	EBIT before other Income	2.04	8.17	3.40	-19.58	16.35	23.63	25.64	0.36	
45	Ebit Margin %	0.41%	1.78%	0.69%	-5.66%	4.59%	6.79%	8.97%	0.12%	
46	Ebit growth %		300.71%	-58.43%	-676.26%	-183.49%	44.53%	8.50%	-98.58%	
47										
48	Other Income	32.43	28.98	22.97	26.82	21.89	20.37	14.26061	18.33507	Other incom
49	as % of sales	6.59%	6.31%	4.64%	7.76%	6.15%	5.85%	4.99%	6.22%	
50										
51	EBIT after other Income	34.47	37.16	26.37	7.24	38.24	44.00	39.90	18.70	
52										
53	Interest									
54										
55	PBT before Exceptional	34.47	37.16	26.37	7.24	38.24	44.00	39.90	18.70	
56										
57	Exceptional Income	4.19	-7.94	(10.62)	30.86	22.05	15.98	11.18782	13.58521	income will .
58	Prior Period Expenses/Adjustments	-2.48	-1.8344	-1.21			0	0	0	This would b
59	Net Profit/( Loss) from Discontinued Operation				-20.2356	-4.3145	-2.0724	-2.0724	-2.0724	This would r
60	Share of Profit/( Loss) of Associates and joint Venture						0.2816	0	0	This would b
61	Other Comorehensive Income for the Period				-4.5136	1.76	4.3025	3.01175	3.87225	income will .
62	PBT	36.18	27.38	14.53	13.35	57.74	62.50	52.03	34.08	
63										
64	Current Tax	0.67			15.8803	13.8763	16.7310			
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	A	B	C	D	E	F	G	H	I	J
1	<b>Hotel Sector - Company Name (Consolidate data)</b>									
2	Income Statement (Amt in crore)									
3	<b>Particulars</b>	<b>14-15</b>	<b>15-16</b>	<b>16-17</b>	<b>17-18</b>	<b>18-19</b>	<b>19-20</b>	<b>20-21</b>	<b>21-22</b>	<b>Assumpt</b>
60	Share of Profit/( Loss) of Associates and joint Venture						0.2816	0	0	This woul
61	Other Comorehensive Income for the Period				-4.5136	1.76	4.3025	3.01175	3.87225	income wi
62	<b>PBT</b>	<b>36.18</b>	<b>27.38</b>	<b>14.53</b>	<b>13.35</b>	<b>57.74</b>	<b>62.50</b>	<b>52.03</b>	<b>34.08</b>	
63										
64	Current Tax	9.67			15.9892	13.9762	16.7219			
65	Tax Written Back (Previous Year)	-0.53			0.0521	-1.217	-1.2146			
66	Deferred Tax	-4.66	<b>9.82</b>	<b>5.49</b>	-7.1264	5.1452	13.5505			
67	Tax expense of Discontinued Operation				-5.3679	-2.1026	-1.2647			
68	<b>Total Tax</b>	<b>4.48</b>	<b>9.82</b>	<b>5.49</b>	<b>3.55</b>	<b>15.80</b>	<b>27.79</b>	<b>20.81</b>	<b>13.63</b>	
69	<i>Effective Tax rate</i>	<i>12.38%</i>	<i>35.86%</i>	<i>37.80%</i>	<i>26.57%</i>	<i>27.37%</i>	<i>44.47%</i>	40%	40%	The tax ra
70										
71	<b>Net Profit After Tax</b>	<b>31.70</b>	<b>17.56</b>	<b>9.04</b>	<b>9.80</b>	<b>41.94</b>	<b>34.70</b>	<b>31.22</b>	<b>20.45</b>	
72	<i>PAT Margin %</i>	<i>6.44%</i>	<i>3.82%</i>	<i>1.83%</i>	<i>2.83%</i>	<i>11.78%</i>	<i>9.97%</i>	<i>10.92%</i>	<i>6.94%</i>	
73	<i>PAT growth %</i>		<i>-44.61%</i>	<i>-48.52%</i>	<i>8.42%</i>	<i>327.90%</i>	<i>-17.25%</i>	<i>-10.05%</i>	<i>-34.48%</i>	
74										
75	Profit/(Loss) attributable to Minority Interest	0.15	0.29	-0.26	-2.754	1.7542	-1.29	-1.29	-1.29	This woul
76										
77										
78	<b>Total PAT</b>	<b>31.85</b>	<b>17.85</b>	<b>8.78</b>	<b>7.05</b>	<b>43.69</b>	<b>33.41</b>	<b>29.93</b>	<b>19.16</b>	
79										
80	Paid up Share Capital	31.85	17.85	8.78	7.05	43.69	33.41	29.93	19.16	
81	Face Value Rs.	10	10	10	10	10	10	10	10	
82	No. of Outstanding Shares	8.58	8.58	8.58	8.58	8.58	8.58	8.58	8.58	
83	<b>EPS</b>	<b>3.71</b>	<b>2.08</b>	<b>1.02</b>	<b>0.82</b>	<b>5.09</b>	<b>3.90</b>	<b>3.49</b>	<b>2.23</b>	
84	DPS	0.50	2.00	1.50	1.33	1.85				
85	Dividend Payout Ratio	13.5%	96.1%	146.6%	161.9%	36.3%				
86										
87	Market price per share	113.8	226.2	411.95	455.1	279.8				
88	Market Capitalization	976.055772	1940.103828	3533.2704	3903.36539	2399.827812				
89	Employees	1577	1403	1232	1023	2048				
90										
	◀ ▶ ...	Ratio Analysis	Covid Dashboard	Balance Sheet	<b>Income Statement</b>	Cash flow statement	Peer Con			

Source: Annual Report of ITDC

## Appendix-II Quarter Result of the Income Statement of ITDC

	A	B	C	D	E	F
1	Hotel Sector - Company Name (Consolidate data)					
2	Income Statement (Amt in crore)					
3	Particulars	Q4(18-19)	Q1(19-20)	Q2(19-20)	Q3(19-20)	Q4
15	Net Sales	96.81	62.12	83.63	105.53	96.81
16	growth %		-35.84%	34.63%	26.19%	-8.26%
17						
18	Expenditure					
19	Cost of materials consumed & services rendered	14.80	6.44	20.33	22.42	14.80
20	as % of sales	15.29%	10.37%	24.31%	21.25%	15.29%
21	Purchase of stock-in-trade	8.73				8.73
22	as % of sales	9.02%	0.00%	0.00%	0.00%	9.02%
23	Changes in inventories of finished goods and stock-in-trade	0.10				0.10
24	as % of sales	0.11%	0.00%	0.00%	0.00%	0.11%
25	Employees' Remuneration & Benefits	15.73	26.17	30.20	31.61	15.73
26	as % of sales	16.25%	42.13%	36.12%	29.95%	16.25%
27	Finance Costs	0.72	0.52	0.04	0.21	0.72
28	as % of sales	0.74%	0.84%	0.05%	0.20%	0.74%
29	Operating Expenses & Other Expenses	47.56	30.65	29.23	31.96	47.56
30	as % of sales	49.12%	49.35%	34.95%	30.28%	49.12%
34	Total Expenditure	87.64	63.78	79.80	86.19	87.64
35	as % of sales	90.53%	102.68%	95.43%	81.67%	90.53%
36						
37	EBIDTA before Other Income	9.17	-1.67	3.82	19.34	9.17
38	Ebidta Margin %	9.47%	-2.68%	4.57%	18.33%	9.47%
39	Ebidta growth %		-118.17%	-329.54%	405.69%	
40						
41	Depreciation	1.67	1.82	1.82	1.73	1.67
42	as % of sales	1.73%	2.92%	2.18%	1.64%	1.73%
43						
44	EBIT before other Income	10.84	0.15	5.65	21.07	10.84
45	Ebit Margin %	11.20%	0.24%	6.75%	19.96%	11.20%
<div> <span>◀ ▶ ...</span> <span>Assumption</span> <span><b>Q Results</b></span> <span>Ratio Analysis</span> <span>Covid Dashboard</span> <span>Balance Sheet</span> </div>						

1	Hotel Sector - Company Name (Consolidate data)					
2	Income Statement (Amt in crore)					
3	Particulars	Q4(18-19)	Q1(19-20)	Q2(19-20)	Q3(19-20)	Q4
44	EBIT before other Income	10.84	0.15	5.65	21.07	10.84
45	Ebit Margin %	11.20%	0.24%	6.75%	19.96%	11.20%
46	Ebit growth %		-98.62%	3661.29%	273.15%	
47						
48	Other Income	6.96	5.26	3.78	4.37	6.96
49	as % of sales	7.19%	8.46%	4.53%	4.14%	7.19%
50						
51	EBIT after other Income	17.80	5.41	9.43	25.43	17.80
52						
53	Exceptional Income	14.74	0.86	0.32	0.06	14.74
54	Prior Period Expenses/Adjustments					
55	Net Profit( Loss) from Discontinued Operation	-1.4872	-0.3035	-0.1573	-0.1244	-1.4872
56	Share of Profit( Loss) of Associates and joint Venture	-0.1753	-0.3282	0.5205	0.2646	-0.1753
57	Other Comorehensive Income for the Period	4.0345	0.085	0.1264	0.0566	4.0345
58						
59	PBT	34.92	5.72	10.24	25.69	34.92
60						
61	Current Tax	8.0135	0.7453	1.794	6.1691	8.0135
62	Tax Written Back (Previous Year)	-1.2146				-1.2146
63	Deferred Tax	1.6563	1.22	4.6433	6.0309	1.6563
64	Tax expense of Discontinued Operation	-1.1146	-0.0884	-0.0299	-0.0318	-1.1146
65						
66						
67						
68	Total Tax	7.34	1.88	6.41	12.17	7.34
69	Effective Tax rate	21.02%	0.00%	0.00%	47.37%	21.02%
70						
71	Net Profit After Tax	27.58	3.84	3.84	13.52	27.58
72	PAT Margin %	28.48%	6.19%	4.59%	12.81%	28.48%
73	PAT growth %		-86.06%	-0.22%	252.44%	
74						
75	Profit(Loss) attributable to Minority Interest	-0.18	-0.33	-0.52	-0.26	-0.18
76						
77						
78	Total PAT	27.40	3.52	3.32	13.26	27.40
79						
80	Paid up Share Capital	85.76	85.76	85.76	85.76	85.76
81	Face Value Rs.	10	10	10	10	10
82	No. of Outstanding Shares	8.58	8.58	8.58	8.58	8.58
83	EPS	3.19	0.41	0.39	1.55	
84	DPS					

Source: Annual Report of ITDC

## Appendix-III Balance sheet of ITDC

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	Balance Sheet															
2	Particulars	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	Assumptions						
4	SOURCES OF FUNDS:															
5	Equity share capital	85.8	85.8	85.8	85.8	85.8	85.8	85.8	85.8							
6	Other equity	213.8	229.1	220.6	227.5	245.7	245.0	200.0	210.0							
7	Net Worth	299.58	314.87	306.38	313.25	331.43	330.77	285.77	295.77							
9	Non-controlling interests	3.05	-7.07	-5.96	-3.21	-4.96	-3.63	-4.97	-4.54	To predict this, we can take the average of the last five years						
11	Non-Current Liabilities															
12	Financial liabilities															
13	-Borrowings	3.5	3.6	4.0			0.0	0.00	0.00	The company is debt free so they don't need the non-current borrowin						
14	-Trade payables						0	0.0	0.0	The company is debt free						
15	-Other financial liabilities		4.2	4.9	6.6	8.2	7.5	8.0	8.0	Here, the financial liabilities would remain around the same at 8						
16	Provisions	44.9	50.3	51.5	71.0	46.7	52.9	54.5	55.3	For this take the average of last five years.						
17	Government Grants		0.1	1.4	5.6	5.4	3.1	3.1	3.7	For this take the average of last five years.						
18	Deferred tax liabilities (net)						0	0.0	0.0							
19	Other non-current liabilities	7.7	0.5				0	0	0	There would be no other non-current liabilities.						
20	Total	56.12	58.73	61.86	83.16	60.24	63.51	65.60	67.04							
22	Current Liabilities															
23	Financial liabilities															
24	-Borrowings	0.27	0.64	0.71	1.04	1.15	0.67	0.55	0.57	It would be as % of revenue						
25	-Trade payables	55.57	57.70	68.00	60.77	64.22	50.98	50.98	50.98	It would be as % of revenue						
26	-Other financial liabilities		31.53	29.44	27.39	100.04	34.01	34.01	34.01	It would be as % of revenue						
27	Government Grants		0.00	0.18	0.25	0.21	0.12	0.12	0.12	It would be as % of revenue						
28	Provisions	37.6294	21.7443	19.86	21.16	22.6126	20.10	20.10	20.10	It would be as % of revenue						
29	Non- Current Liabilities classified as held for sale				0.75		0	0.0	0.0							
30	Other current liabilities	161.3033	130.99	137.0188	161.89	87.58	111.6893163	91.75827	94.52211	It would be as % of revenue						
31	Total	254.77	242.60	255.21	273.26	275.81	217.56	197.50	200.29							
33	Total Liabilities	613.52	609.13	617.49	666.46	662.52	608.20	543.91	558.55							
35	APPLICATION OF FUNDS															
37	Non-current assets															

1	Balance Sheet															
2	Particulars	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	Assumptions						
4	APPLICATION OF FUNDS															
7	Non-current assets															
8	Property, Plant and Equipment	51.5	51.1	57.2	57.1	54.6	54.6	54.6	54.6	The company is not going to sell anything so this would remain the same						
9	Capital work-in-progress	6.64	7.8414	13.4137	4.00	6.03	6.001899125	4.93086	5.07938	Capital working progress would be change with as % of revenue						
10	Goodwill on Consolidation						0	0.0	0.0							
11	Other Intangible Assets	0.08	0.04	0.17	0.1	0.4	0.4	0.4	0.4	It would remain same for the years.5						
12	Intangible Assets (Under Development)															
13	Financial Assets															
14	(i) Investments Accounted For Using Equity Method						0	0.0	0.0							
15	(ii) Other Investments	3.9796					0	0.0	0.0							
16	(iii) Trade Receivables						0	0.0	0.0							
17	(iv) Other Financial Assets		3.4915	3.3856	3.1189	3.252	3.252	3.252	3.252	It would remain same for the years.5						
18	Tax Assets-Net															
19	Deferred Tax Assets (Net)	31.0598	32.7623	37.3957	45.8654	39.7702	31.63768704	25.9919	26.7748	It would be as % of revenue						
20	Other non-current assets	0.6975	0.6821	0.6499	0.6582	0.6115	0.6115	0.6115	0.6115	It would remain same for the years.5						
21	Total Non-current assets	94.0	95.9	112.2	110.8	104.7	96.6	89.9	90.8							
23	Current assets															
24	Inventories	12.8	14.6	13.2	10.8	10.1	10.01720645	8.22963	8.47751	It would be as % of revenue						
25	Financial assets															
26	Non- Current Assets classified as held for sale				3.2	0.0	0	0.0	0.0							
27	Trade receivables	120.4	92.2	97.3	102.8	96.8	84.34140967	69.2906	71.3777	It would be as % of revenue						
28	Cash and cash equivalents	277.1	61.8	38.4	51.0	25.7										
29	Other balances with banks		222.5	230.3	261.7	265.8	321.98	312.2	301.1							
30	Loans	91.7	0.0	0.1	0.0	0.0	0.0	0.0	0.0							
31	Other financial assets		36.9	40.1	54.4	72.4	36.34466977	29.8589	30.7583	It would be as % of revenue						
32	Other current assets	17.6	85.3	85.9	71.7	86.9	58.93995096	48.4221	49.8806	It would be as % of revenue						
33	Total current assets	519.54	513.22	505.27	555.63	557.77	511.62	468.01	461.58							
35	Total Assets	613.52	609.13	617.49	666.47	662.50	608.19	557.86	552.37							
37	Current Asset(excluding cash)	242.47	228.97	236.54	242.91	266.26	189.64	155.80	160.49							
38	Working capital excluding cash	12.30	13.63	18.67	30.35	9.54	27.91	41.70	39.79							
39	change in working capital excluding cash		1.33	5.04	11.67	-20.80	18.37	13.79	-1.91							
41	Dividend	4.2885	17.1539	12.8654	11.4073	15.8673										
42	tax paid on dividend	0.7288	3.4921	2.6191	2.3222	3.2302										

Source: Annual Report of ITDC

#### Appendix-IV The bifurcation of revenue and Balance sheet component as a % of revenue

	A	B	C	D	E	F	G	H
1	<b>As % of total Revenue</b>	<b>14-15</b>	<b>15-16</b>	<b>16-17</b>	<b>17-18</b>	<b>18-19</b>	<b>19-20</b>	<b>Average</b>
2	Rooms	27.74%	28.26%	26.46%	32.98%	31.64%	31.50%	0.29762
3	Food and Beverage	20.52%	23.11%	22.45%	26.15%	26.25%	26.40%	0.241455
4	Other Services	48.67%	47.86%	50.45%	40.35%	41.54%	41.50%	0.45061
5	Sale of Printed Materials	2.72%	0.38%	0.29%	0.25%	0.29%	0.30%	0.007048
6	Other operating income	0.36%	0.39%	0.35%	0.28%	0.28%	0.30%	0.003267
7	From this we can predict the bifercation for the FY 19-20							0
8	<b>Balance Sheet</b>							0
9	<b>As % of total Revenue</b>	<b>14-15</b>	<b>15-16</b>	<b>16-17</b>	<b>17-18</b>	<b>18-19</b>	<b>Average</b>	<b>0</b>
10	Other equity	43.44%	49.91%	44.59%	65.79%	69.02%	54.55%	0.5455
13	Non-controlling interests	0.62%	-1.54%	-1.20%	-0.93%	-1.39%	-0.89%	-0.00889
15	<b>Non-Current Liabilities</b>							0
19	-Other financial liabilities	0.00%	0.92%	0.99%	1.91%	2.29%	1.22%	0.012224
20	Provisions	9.13%	10.96%	10.42%	20.52%	13.12%	12.83%	0.12831
21	Government Grants	0.00%	0.01%	0.29%	1.62%	1.52%	0.69%	0.006861
23	Other non-current liabilities	1.55%	0.11%	0.00%	0.00%	0.00%	0.33%	0.003327
26	<b>Current Liabilities</b>							0
27	Financial liabilities							0
28	-Borrowings	0.05%	0.14%	0.14%	0.30%	0.32%	0.19%	0.001923
29	-Trade payables	11.29%	12.57%	13.75%	17.58%	18.04%	14.64%	0.146446
30	-Other financial liabilities	0.00%	6.87%	5.95%	7.92%	28.11%	9.77%	0.097691
31	Government Grants	0.00%	0.00%	0.04%	0.07%	0.06%	0.03%	0.000335
32	Provisions	7.65%	4.74%	4.01%	6.12%	6.35%	5.77%	0.05774
34	Other current liabilities	32.78%	28.53%	27.70%	46.82%	24.60%	32.09%	0.320864
39	<b>APPLICATION OF FUNDS</b>							0
44	Capital work-in-progress	1.35%	1.71%	2.71%	1.16%	1.69%	1.72%	0.017242
45	Other Intangible Assets	0.02%	0.01%	0.03%	0.04%	0.12%	0.04%	0.000443
47	Financial Assets							0
51	(iv) Other Financial Assets	0.00%	0.76%	0.68%	0.90%	0.91%	0.65%	0.006521
52	Tax Assets-Net							0
53	Deferred Tax Assets (Net)	6.31%	7.14%	7.56%	13.27%	11.17%	9.09%	0.09089
54	Other non-current assets	0.14%	0.15%	0.13%	0.19%	0.17%	0.16%	0.001568
57	<b>Current assets</b>							0
58	Inventories	2.60%	3.17%	2.66%	3.11%	2.84%	2.88%	0.028778
61	Trade receivables	24.46%	20.07%	19.67%	29.74%	27.20%	24.23%	0.242298
65	Other financial assets	0.00%	8.04%	8.11%	15.73%	20.33%	10.44%	
66	Other current assets	3.57%	18.58%	17.35%	20.73%	24.42%	16.93%	
67								

## Annexure-V Cash Flow Statement of ITDC

	A	B	C	D	E	F	G	H	I
1	Cash Flow Statement(All figures are in Crores)	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22
5	PAT		17.85	8.78	7.05	43.69	33.41	29.93	19.16
6	(+) Depreciation and amortisation		8.91	8.66	7.21	7.36	7.04	7.00	7.00
7	(+) Interest								
8	(-)Other income		-28.98	-22.97	-26.82	-21.89	-20.37	-14.26	-18.34
9	Change in Working Capital		1.33	5.04	11.67	-20.80	18.37	13.79	-1.91
10									
11	<b>Cash flow from Operating Activities</b>		-0.90	-0.49	-0.89	8.36	38.45	36.46	5.91
12									
13	Change in fixed asset		-9.68	-20.34	2.34	-6.96	-7.01	-5.93	-7.15
14	Change in intangible asset		0.04	-0.13	0.03	-0.30	0.00	0.00	0.00
15	Change in investement		0.4881	0.1059	0.2667	-0.1331	0	0	0
16	Other Income		28.98	22.97	26.82	21.89	20.37	14.26	18.34
17									
18	<b>Cash flow from Investing Activities</b>		19.83	2.60	29.46	14.51	13.37	8.33	11.19
19									
20	Change in debt		4.32	1.07	-2.30	1.54	-0.65	0.50	0.00
21	change in equity capital		0	0	0	0	0	0	0
22	less:dividend and dividend tax		-20.646	-15.4845	-13.7295	-19.0975	0	0	0
23	Other adjustment		4.57	-3.21	31.43	-26.49	-20.69	-69.03	-8.08
24									
25	<b>Cash flow from Financing Activities</b>		-11.75	-17.62	15.40	-44.05	-21.34	-68.53	-8.08
26									
27	Change in Cash and Cash Equivalents		7.18	-15.51	43.97	-21.18	30.47	-23.74	9.02
28	Opening cash and cash equivalents with bank balance		277.0714	284.2487	268.7349	312.7172	291.5053	321.98	312.21
29	Closing cash and cash euivalents		284.25	268.73	312.70	291.53	321.98	298.24	321.23
30									
31									
32	Reserve and Surplus Adjustment								
33	Previous year reserve		213.812	229.1052	220.6091	227.4818	245.6572	245	200
34	add PAT-dividend -tax paid on dividend		-2.80	-6.71	-6.68	24.59	33.41	29.93	19.16
35	New Reserve		211.02	222.40	213.93	252.08	279.07	274.93	219.16
36	Actual new reserve		229.11	220.61	227.48	245.66	245.00	200.00	210.00
37	change in new reserve		18.09	-1.79	13.56	-6.42	-34.07	-74.93	-9.16
38									

Source: Annual Report of ITDC

## Annexure-VI Ratio Analysis

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U
1	<b>Ratio Analysis</b>																				
2	<b>Particulars</b>	<b>14-15</b>	<b>15-16</b>	<b>16-17</b>	<b>17-18</b>	<b>18-19</b>															
3																					
4	<b>Margin Ratio (%)</b>																				
5	EBDITA Margin		0.41%	1.78%	0.69%	-5.66%	4.59%														
6	Net Profit Margin		6.44%	3.82%	1.83%	2.83%	11.78%														
7																					
8	<b>Profitability Ratio (%)</b>																				
9	ROCE		0.10	0.07	0.04	0.03	0.15														
10	RONW		0.11	0.06	0.03	0.02	0.13														
11	ROA		0.05	0.03	0.01	0.01	0.07														
12																					
13	<b>DuPont Analysis</b>																				
14	PAT / PBT		0.88	0.65	0.60	0.53	0.76														
15	PBT / EBIT		1.00	1.00	1.00	1.00	1.00														
16	EBIT / Net Sales		0.07	0.06	0.03	0.04	0.16														
17	Net Sales / Total Assets		0.80	0.75	0.80	0.52	0.54														
18	Total Assets / Equity		2.05	1.93	2.02	2.13	2.00														
19	ROE		0.11	0.06	0.03	0.02	0.13														
20																					
21	<b>Leverage Ratios</b>																				
22	Debt-Equity Ratio		1.04	0.96	1.03	1.14	1.01														
23	Debt-Asset Ratio		0.51	0.49	0.51	0.53	0.51														
24																					
25	<b>Turnover Ratios</b>																				
26	Total Assets		0.80	0.75	0.80	0.52	0.54														
27	Fixed Assets		9.55	8.99	8.65	6.06	6.52														
28	Inventory		5.05	4.18	5.22	5.49	6.01														
29	Debtors		4.09	4.98	5.08	3.36	3.68														
30	Creditors		1.16	1.06	1.01	0.97	0.95														
31																					
32	<b>Days</b>																				
33	Working Capital		-152.03	-185.17	-219.51	-200.45	-225.56														
34	Inventory		72.29	87.26	69.96	66.45	60.71														
35																					
36																					
37																					
38	<b>Liquidity Ratios</b>																				
39	Current Ratio		2.04	2.12	1.98	2.03	2.02														
40	Quick Ratio		1.99	2.06	1.93	1.99	1.99														
41	Interest Coverage		It is a debt free company so there is no interest																		
42																					
43	<b>Other Ratios</b>																				
44	EPS		3.71	2.08	1.02	0.82	5.09														
45	BV / Share		34.93	36.71	35.72	36.52	38.64														
46	DPS		0.50	2.00	1.50	1.33	1.85														
47	Auditor's remuneration and expenses		0.27	0.28	0.34	0.31	0.28														
48																					
49	<b>Valuation Ratios</b>																				
50	EV / EBITDA		52.95	97.03	271.01	-290.66	89.11														
51	EV / Net Sales		1.43	3.61	6.61	10.40	5.94														
52	P/E		30.65	108.69	402.64	553.92	54.93														
53	P/BV		3.26	6.16	11.53	12.46	7.24														
54	P/sales		1.98	4.23	7.14	11.29	6.74														
55																					
56	<b>Sector Specific Ratios</b>																				
57																					
58																					
59																					
60																					
61	Cost of Sales Ratio		0.97	0.96	0.98	1.04	0.93														
62																					
63																					

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U
1	<b>Ratio Analysis</b>																				
2	<b>Particulars</b>	<b>14-15</b>	<b>15-16</b>	<b>16-17</b>	<b>17-18</b>	<b>18-19</b>															
3																					
31																					
32	<b>Days</b>																				
33	Working Capital		-152.03	-185.17	-219.51	-200.45	-225.56														
34	Inventory		72.29	87.26	69.96	66.45	60.71														
35	Debtors		89.29	73.27	71.81	108.56	99.26														
36	Creditors		313.61	345.70	361.29	375.46	385.53														
37																					
38	<b>Liquidity Ratios</b>																				
39	Current Ratio		2.04	2.12	1.98	2.03	2.02														
40	Quick Ratio		1.99	2.06	1.93	1.99	1.99														
41	Interest Coverage		It is a debt free company so there is no interest																		
42																					
43	<b>Other Ratios</b>																				
44	EPS		3.71	2.08	1.02	0.82	5.09														
45	BV / Share		34.93	36.71	35.72	36.52	38.64														
46	DPS		0.50	2.00	1.50	1.33	1.85														
47	Auditor's remuneration and expenses		0.27	0.28	0.34	0.31	0.28														
48																					
49	<b>Valuation Ratios</b>																				
50	EV / EBITDA		52.95	97.03	271.01	-290.66	89.11														
51	EV / Net Sales		1.43	3.61	6.61	10.40	5.94														
52	P/E		30.65	108.69	402.64	553.92	54.93														
53	P/BV		3.26	6.16	11.53	12.46	7.24														
54	P/sales		1.98	4.23	7.14	11.29	6.74														
55																					
56	<b>Sector Specific Ratios</b>																				
57																					
58																					
59																					
60																					
61	Cost of Sales Ratio		0.97	0.96	0.98	1.04	0.93														
62																					
63																					

## Annexure-VII Covid-19 Dashboard

13									
14	<b>Stress Test</b>								
15		FY 2019-20							
16	Cash & Cash Equivalents	321.98							
17									
18	<b>Cost(Quarterly Numbers)</b>	List down the cost which cannot be avoided							
19	Rent/lease	This can be avoided as all the properties are owned by the company							
20	Employee Cost	103.71							
21	Interest Payment	The company is debt free company so this is also can be avoided							
22	Add all other applicable costs								
23		All the other cost can be avoided							
24									
25									
26									
27	Total cost	103.714							
28									
29	Sensitivity								
30		10%	93.3429						
31		20%	82.9714						
32		30%	72.6						
33		40%	62.2286						
34									
35									
36									
37	Stress Ratio		3.10449						
38	Stess Ratio 10%		3.44943						
39	Stress Ratio 20%		3.88061						
40	Stess Ratio 30%		4.43499						
41	Stess Ratio 40%		5.17415						
42									
43									

## Annexure-VIII Peer Comparison

[illegible]

Source: (ITDC ltd., 2019), (Lemon Tree Hotels Ltd), (eihassociatedhotels.in, 2019), (Annual Report, 2019)



## Annexure – VIII Certificate of Completion

