



**CHAIRMAN'S SPEECH**

34th Annual General Meeting (January 2010 - December 2010)

Thursday, 5th May 2011

*With you,  
your partner in every step...*



# Chairman's Speech for Annual General Meeting 2011

Ladies and Gentlemen

Greetings to all of you, I welcome you to this 34th Annual General Meeting of the shareholders of Thomas Cook (India) Limited.

I am happy to report to you the revival in the performance of the Company for the year 2010-2011. Many of the initiatives taken by the Company for achieving competitiveness and sustainable growth have begun yielding encouraging results.

## The Economy

Let me start by reviewing the economy. The year 2010 saw a revival in the general economy as well as the tourism industry. The industrial environment was conducive to give a boost to our businesses. A strong GDP growth and the rising stock indices, coupled with positive outlook and the resurgence of suppressed demand, helped boost travel and tourism sector in 2010.

## The Company

We witnessed a strong demand for leisure holidays primarily due to receding recessionary pressures, economic revival and return of confidence in Indian consumers. Although there could be some short- to medium-term setbacks, the long-term outlook remains positive. The businesses have shown a recovery due to economic revival and return of confidence in Indian consumers.

The year 2010 witnessed rupee appreciation against major currencies. The buoyant market conditions helped financial services of the Company grow by 8% in volumes over 2009 despite the fact that rupee appreciation created a challenging trading environment for the wholesale forex volumes.

Despite the constraints faced such as the volcanic eruption in Iceland and consequential ash cloud formation over UK & Europe, and heavy snowfall in the USA and UK, which disrupted air traffic, your Company overcame the difficult situation to report an increase in revenues by ₹ 539 million to ₹ 2792 million. Profit before Taxation and exceptional items increased to ₹ 532 million from ₹ 341 million.

Your Company, alongwith its subsidiaries, continues to be the largest integrated travel group in India with over 180 branches located across 72 cities, and additional presence by way of 184 Preferred Sales Agents in India, 14 in overseas market and around 72 Franchisee Offices across India. We also have presence in 6 countries outside of India through our representative offices in USA (New York), Spain (Barcelona and Madrid), UK (London), Japan (Tokyo), Germany (Frankfurt) and Nepal (Kathmandu), apart from our subsidiaries in Mauritius and Branch offices in Sri Lanka.

I would like to mention the key initiatives undertaken during 2010. During the year, new products targeted at new destinations and new customer segments, were launched. The Company also launched "Readymade Holidays", a holiday package box available through any of our network and channel partners. These are pre-packaged holidays for both domestic and international selected destinations. The Company expanded its Gold Circle Partners (GCP's) across India. The Company continued to build on the success of the media plan under the new "Holidaywallas" campaign.

The Company improved its retail volumes in the foreign exchange business over 2009 due to improved demand coupled with the initiatives that were taken by your Company such as new branches opened, new counters at Delhi and Mumbai airport, etc. The Foreign Exchange business handles majority of India's foreign currency bank notes.

Your Company is in the process of tie-up with various principal agents worldwide for the remittance business. In this direction, it has signed an agreement with Xpress Money - second largest inward remittance service in India and largest service provider in the Gulf Markets.

The 'new – look' of the Thomas Cook portal was also launched during the year. All Thomas Cook products are available through the portal with more user-friendly applications. Your Company is focusing on building the product range on the portal to capitalize on the growing e-business.

## Accolades and Awards

In this financial year, your Company has been the recipient of the following highly prestigious awards/ accolades in 2010:

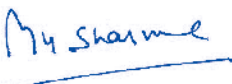
- CNBC AWAAZ - Best FOREX Company in India for the second year in a row
- 'India's Most Preferred Foreign Exchange Company' by Indian Hospitality Excellence Awards
- "Special Commendation" for the 'Golden Peacock National Training Award for the year 2010'

## 2011 - Looking ahead

The various initiatives in the pipeline for 2011 and ahead, emphasises the strong prospects for the current financial year. This, combined with our management's long-standing industry experience strengthens our confidence in our prospects for the full year.

We are confident that the actions we have taken to reinforce the businesses, together with continued progress on our strategic initiatives, leave us well positioned to make progress in the current year.

Thank you for being here today.



Mahendra Kumar Sharma