

## **FAQs: Thomas Cook (India) Ltd (TCIL) - Share Buyback 2020**

### **1. What is the Buyback Offer size?**

Buyback Offer size in terms of Equity Shares to be bought back, will be up to 26,086,956 fully paid up Equity Shares of Re. 1/- each for a maximum aggregate amount of Rs. 1,500 Million. This constitutes less than 10% of the paid up capital and free reserves as on March 31, 2019 (standalone and consolidated) on a proportionate basis through the tender offer process.

### **2. What is the Buyback price?**

As per the Board approval, the Buyback price is Rs. 57.50 per equity share which is at a premium of 40% over the closing market price of the Equity Shares as on the date immediately preceding the date of the intimation of the Board Meeting to the Stock Exchanges.

### **3. What is the rationale for the Buyback?**

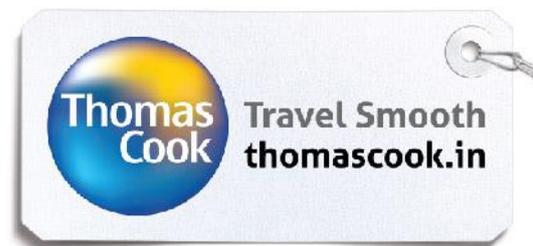
The perceived negative impact of the Corona Virus on travel businesses, has affected the Company's share price and hence, the Buyback signals to shareholders about the Management's confidence in the strong fundamentals and growth prospects of the Company.

Other benefits of the Buyback process to the Public Shareholders are:

- The process will help the Company return cash to its Public Shareholders enhancing the overall return for them
- The process involves a reservation of up to 15% of the equity shares for small shareholders which would benefit a significant number of the shareholders
- The Buyback is expected to improve the Company's financial ratios like Earnings Per Share, Return On Capital Employed and Return On Equity due to reduction in the Equity base of the Company, leading to long term increase in shareholder value
- The Buyback gives an option to Public Shareholders to participate and get cash in lieu of Equity Shares to be accepted under the Buyback offer or choose not to participate and enjoy the resultant increase in their shareholding, post the Buyback offer, without additional investment.

### **4. Will the Promoters and Promoter Group of the Company participate in the Buyback?**

The Promoter shareholder, Fairbridge Capital Mauritius Limited (A Fairfax Group company) will not participate in the Buyback as a reflection of their confidence in the Company and Management.



**5. What is Record date?**

Record Date for TCIL Buyback offer is March 7, 2020, which will determine the Buyback entitlement and the eligibility to participate in this offer of the Public Shareholders.

**6. If the record date is March 07, 2020 can I buy shares of this company on March 06, 2020 to be eligible for this Buyback?**

Any purchase or buy order will be completed on T+2 days (excluding any Saturday, Sunday and public holidays), where T is the day on which you place the order. If you buy the TCIL share on or before March 04, 2020, you will be eligible to participate in the Buyback, as you will be shareholder of the Company on the record date i.e March 07, 2020.

**7. Where can I get the details of the Buyback / copy of the PA (Public announcement) announced by the Company?**

Public announcement is available on SEBI's website [www.sebi.gov.in](http://www.sebi.gov.in) as well as on the Company's website <https://www.thomascook.in/buy-back>. The PA has also been published in all editions of Financial Express, all editions of Jansatta and Mumbai edition of Mumbai Lakshadeep on February 28, 2020. The offer document along with the tender forms will also be made available on the above mentioned websites.

**8. When is the offer opening?**

The Buyback offer will commence post draft letter of offer is approved by SEBI.

**9. What are the sources of funds for the Buyback offer?**

The share Buyback program will be financed through the Company's current balances of cash and cash equivalents and/or internal accruals. The Company does not intend to raise additional debt for the explicit purposes of the Buyback. Borrowed funds will not be used for the Buyback.

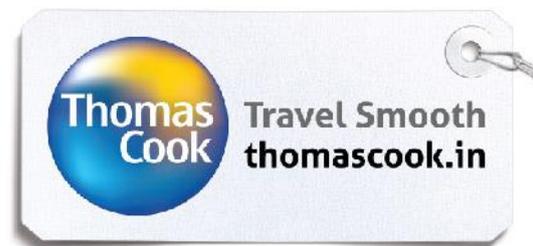
**10. What are the resolutions needed for the Buyback process?**

A company may Buyback its shares without shareholders' resolution, to the extent of 10% of its paid up equity capital and free reserves through Board approval route. However, if a company intends to buyback its shares to the extent of 25% of its paid up capital and free reserves/ then the same has to be approved by Shareholders Resolution.

In case of TCIL'S Buyback program, the maximum aggregate amount of Rs. 1,500 Million constitutes less than 10% of the paid up capital and free reserves as on March 31, 2019.

**11. Who is appointed as the Company's broker?**

Infinity.Com Financial Securities Limited is appointed as the Company's broker for the Buyback.



**12. What is the mode of Buyback implementation?**

This Buyback offer will be implemented by way of “Tender Offer” Process, through the stock exchange mechanism.

**13. What do you mean by “Tender offer”?**

'Tender offer' means an offer by a company to Buyback its own shares or other specified securities through a letter of offer from the holders of the shares or other specified securities of the company as on Record Date on a proportionate basis

To facilitate the process, as permitted by SEBI, for the purpose of tendering the shares, the Company would be availing the facility for acquisition through a separate window to be provided by the stock exchange

**14. Is it compulsory to participate in this Buyback?**

Participation in the Buyback is voluntary. Eligible Shareholders may choose to participate in part or in full and get cash in lieu of shares to be accepted under the Buyback or they may choose not to participate.

**15. What will happen to the shares repurchased/bought back?**

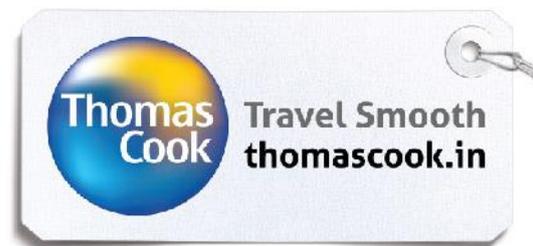
As required by the SEBI Buyback Regulations, the shares of the company bought back would be compulsorily extinguished.

**16. What is the manner in which the Company decides the acceptances from each shareholder?**

Acceptances will be on proportionate basis. The Company would determine the entitlement ratio of each eligible shareholder basis their holding as on the Record Date (March 7, 2020). The acceptances would be (i) first with respect to their individual entitlement, (ii) as regards the additional shares tendered, it would be with respect to the additional shares tendered vis-à-vis the balance pool available for acceptance after meeting the entitlement category, on a proportionate basis. The details procedure for the same will be dispatched to the shareholders in the form of Letter of Offer.

**17. What happens if I am holding shares in Physical form?**

As per the SEBI regulations, if one holds shares in the physical form, he/she would not be able to participate in the Tender process as transfers of securities of the Company shall not be processed unless the securities are held in the dematerialized form with a depository. Should you wish to participate, we request you to get the physical shares dematerialized and then approach your share broker to participate in the Buyback during the tendering period.



**18. When will the shareholder receive intimation about acceptance of his shares?**

The tenderers will receive an intimation within 7 working days from the close of the tendering period.

**19. By when will the shareholder receive the amount related to the Buyback payments?**

The shareholder will receive it within 7 working days from the close of the tendering period

**20. What are the tax implications on Buyback?**

Buyback will be subjected to tax in the hands of the company. The consideration received by the shareholders will not be subject to tax. However, if there are any tax implications in any jurisdictions outside India, the same may be applicable.

**21. What are the expenses/costs to be borne by shareholders?**

There will be no deduction of tax at source by the Company from the consideration amount of the successful tenderer of shares, when it is paid to the broker pool account. However, your broker (through whom you will tender your shares for the Buyback) may charge you brokerage/ STT/ other charges, which will be deducted by your broker from your consideration proceeds and the net amount would be paid to you.

Eligible Shareholders who intend to participate in the Buyback should consult their respective Shareholder Broker for any cost, applicable taxes, charges and expenses (including brokerage) etc., that may be levied by the Shareholder Broker upon the selling shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the Eligible Shareholders in respect of accepted Equity Shares could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company and the Manager to the Buyback accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Eligible Shareholders for tendering their Equity Shares in the Buyback.

The Buyback tax would be borne by the Company, which is not included in the Buyback Size and price of INR 57.5 per share.

**22. What is the shareholding pattern of the Company like pre and post-Buyback?**

Shareholding pattern of the Company as on 21 February, 2020 (pre-Buyback) and post-Buyback (assuming the Company buys back the maximum Buyback shares), are given below:

Particulars	Pre-Buyback		Post-Buyback	
	Number of Equity Shares	% to share capital	Number of Equity Shares	% to share capital
Promoter and Promoter Group	24,81,53,725	65.60	24,81,53,725*	70.46
Foreign Investors (OCBs/ FIIs/ NRIs/ Non-residents/ Non-domestic companies and foreign mutual funds)	1,07,70,164	2.85	10,40,34,808	29.54
Indian Financial Institutions/ Banks/ Mutual Funds/ Govt. Companies	6,52,39,911	17.25		
Public including other Bodies Corporate	5,41,11,689	14.30		
<b>Total</b>	<b>37,82,75,489</b>	<b>100.00</b>	<b>35,21,88,533</b>	<b>100.00</b>