

**Transcript of the 45th Annual General Meeting of Thomas Cook (India) Limited held on 28th September, 2022 at 3.30 pm through Video Conferencing / Other Audio Visual Means.**

**Mr. Madhavan Menon,**

**“Ladies and Gentlemen and our dear shareholders, Greetings from Thomas Cook (India) Limited. It is 3.30 p.m. and with your permission I call the meeting to order.”**

It is my privilege to extend to you, our dear shareholders, a very warm welcome to our 45th Annual General Meeting. In the absence of Mrs. Kishori Udeshi, our Non-Executive Chairperson and Independent Director due to personal reasons, I, Madhavan Menon, with the concurrence of the Board members will preside over and conduct today’s meeting. Before we commence the proceedings, I would like to introduce my colleagues on Board.

- a. Mr. Mahesh Iyer, Executive Director and Chief Executive Officer of Thomas Cook (India) Limited**
- b. Mr. Nilesh Vikamsey, Non-Executive Independent Director and Chairman of the Audit Committee**
- c. Mr. Sunil Mathur, Non-Executive Independent Director and Chairman of the Nomination and Remuneration Committee**

- a. **Mr. Pravir Vohra, Non-Executive Independent Director and Chairman of the Risk Management Committee and the Stakeholders' Relationship Committee**
- b. **Mrs. Sharmila A. Karve, Non-Executive Independent Director**
- c. **Mr. Gopalakrishnan Soundarajan, Non-Executive Director**
- d. **Mr. Sumit Maheshwari, Non-Executive Director**
- e. **Mr. Chandran Ratnaswami, Non-Executive Director, who is unable to attend this meeting due to personal reasons.**

**Mr. Bhavik Dhupelia from M/s. B S R & Co. LLP - our Statutory Auditor is also present.**

I have also been informed that we have the requisite quorum present and I declare this Annual General Meeting (AGM) open.

With your permission, I take the Notice convening this meeting, the Directors' Report, the Auditors' Report and Audited Financial Statements, having already been circulated to you, as read.

Members may note that statutory registers and documents required to be made available for members' inspection at the AGM are available for inspection through the electronic media/mode by the members during the AGM.

## **I will now commence my Speech:**

It has been another busy and productive year for the Thomas Cook Group. A year ago, we spoke of the importance of strengthening the fundamentals of the business, whilst driving our reimagine journey. This was a wide, overarching programme designed to transform ourselves, strengthen operational capability and competitiveness to only emerge stronger and with 'Customer Centricity' reinforced as our priority.

The global economy started with a rebound in CY 2021, on the trail of effective vaccination drives across the world and support from central banks to their economies. However, the second wave known as the Delta Wave proved challenging, thus dampening sentiments towards the second quarter of the CY 2021.

In India, FY22 witnessed continued revival, sustaining the downside risks from the second wave. The acclaimed mega-scale vaccination drive accelerated recovery, together with favorable government policies and programs that sustained economic activity during this difficult periods. The measures enabled an 8.7% growth in GDP for the Financial Year ended 2022.

As far as the Travel & Tourism industry is concerned, the post pandemic rebound is evident and the travel market is projected to reach \$125 billion by FY27. India's tourism industry in 2020 accounted for 31.8 million jobs, which is likely to grow to 53 million jobs by 2029 and international tourist arrivals are expected to touch 30.5 billion by 2028. Over the next decade, India's travel and tourism GDP is expected to grow at an annualized rate of 7.8%.

When I look back at FY22, I can say with conviction that it was significantly better than 2021. The global economy recovered and travel and tourism returned to the big stage. The year ended with significant top and bottom-line improvements and thus marked a successful start of the Group's new strategic cycle.

Our strategy aimed to drive rapid digitization across teams and businesses for speed, scalability and quality. This would lead to improved efficiency via higher productivity and reduced costs.

Both these will help us drive our ultimate goal of Customer Centricity with an omnichannel presence, wider choice, better speed, convenience, and competitive pricing.

As I would like to emphasize on our drive to customer centricity and value addition. I can confidently say this is embedded within every single person in our business. For us it is all about creating a culture of customer-focus and agility to exceed the customer's expectations at every interaction, in order to gain their loyalty. And we are cognizant of the criticality now; with radical changes in preferences and with little resemblance to the customers we served a decade ago.

Thus the essence of our omnichannel strategy is that we are reducing the distance between ourselves and our customers through technology-enabled processes & systems, our primary goal is to ensure that we deliver a seamless customer experience.

Cumulatively, this has enabled us to guide both our customers and our employees more intensively towards success.

### **To summarise-**

We implemented a plan that was based on innovation, amplifying the use of technology, reducing complexity, focusing on customer excellence and streamlining costs. And the results of the work showed what is possible as we delivered some key milestones.

- During the year, we grew our income from operations by 138% to touch Rs 18,882 million and nearly halved our operating level losses. We turned in an operating profit of Rs 239 million in Q4FY22, signaling sequential profit recovery going forward too.

- Key drivers of the performance in FY 22 were our Foreign Exchange segment, Business Travel, Sterling Holidays, our destination management specialist subsidiary Desert Adventures in the Middle East and DEI -our Digital Imaging Solutions subsidiary.

I would like to now take you through the key highlights of our businesses and the strong recovery story each of them is witnessing:

**Let me begin with our foreign exchange segment.** This business was one of the segments to spring back swiftly into action and saw its leadership position further strengthening with a stellar recovery through FY22. Revenue from operations touched Rs 1,104 million, with volumes surging compared to year-ago levels. Exiting the year, the segment reported recoveries of 56% in Q4 FY22 compared to pre-pandemic levels across retail, corporate and wholesale segments. This then progressively improved and saw recoveries at 66% in Q1FY23, which is the quarter ended June 2022. To highlight some of the innovations and technology driven initiative- the business launched “**FX-Now**” a pioneering corporate self booking tool that reduces dependency on implants. With a strong recovery and an aggressive leadership marketing campaign the business is positioning itself for growth, and uses the well known tagline “**India ka Forex Specialist.**”

**In the travel segment,** as the Travel businesses restarted, the focus has been to constantly improve the quality of service delivery while accelerating the pace of growth - enabled by technology.

**Let me start by first addressing the B2B corporate travel segment -** In corporate travel the surge in positive corporate sentiment has taken us to an 87% recovery (in June 2022 quarter) from pre-pandemic levels. Key corporate sectors like IT, consultancy and advisory firms, banking & finance and SMEs are fueling demand for international and domestic business travel.

The next **B2B business better known as – MICE** where demand continued to report a strong recovery primarily driven by corporate conclaves, conferences, weddings, trade shows, exhibitions, corporate off-sites, team meetings, trainings, etc. At Thomas Cook, we have the expertise to work with a wide range of corporations from various industries and during the FY22 we have successfully conducted over 700 events across geographies. In FY22, we have successfully managed some of the major big-ticket events for the Government of India such as

- The event for the world's first World Health Organisation Global Centre for Traditional Medicine for Ministry of Ayush,
- The ceremonial welcome for the visit of the ex-Prime Minister of UK, Mr. Boris Johnson and Japanese State Head to India and
- The prestigious Khelo India Youth Games 2022.

**Out next B2B segment is the Destination Management** which is based both internationally as well as in India saw recoveries on varying levels depending on the easing up of pandemic led restrictions in various geographies. 3.8x y-o-y increase in sales of international DMS in FY22 led by improvement in select entities such as Desert Adventures and Private Safaris (East Africa) which not only reported strong growth in sales as well as positive contribution to EBT. On the other hand, we did witness a slow recovery in Private Safaris (South Africa), Asian Trails and TCI- which is the India based DMS.

**On the B2C leisure travel front-** The propensity to travel domestically continues to rise with a gamut of travel options ranging from adventure to staycations to rejuvenation trips. We have had an encouraging year with respect to domestic leisure travel, with traction in both, customized and group tours, to popular tourist destinations across India. The domestic segment saw a 78%

recovery in Q1FY23 in sales from pre pandemic levels. During the year, we have also increased our presence via the franchisee model to capitalize on high potential growth markets.

**On the international travel side**, while pent up demand was huge, growth was impacted by operational constraints led by visa issues as well as supply side limitations. Currently, short haul travel especially to Middle East and Southeast Asian countries are gaining traction while the recovery is still comparatively delayed in long-haul destinations such as Europe, the US, and Australia primarily due to VISA Restrictions and availability of Airlines.

That summarizes the performance for the Travel Segment.

Moving on to **Leisure Hospitality & Resorts business**- Sterling Holidays – which emerged as pillar of strength through these testing times. The business delivered a strong y-o-y growth and has been recording operating profits for the past several quarters. Continued efficiency measures have contributed to effective revenue growth and cost optimization. The business reported revenues of Rs 2.71 bn for FY22, up 58% over the previous year, despite navigating 2 waves of the pandemic that affected 5 months of operations. Resort revenues grew 70% y-o-y, driven by a 20% improvement in the Average Room Rate, while occupancies improved to 52%, up 21% year-on-year and today's stands close to 76%.

Critical to Sterling Holidays' success has been its efforts in developing an agile business model, incorporating hard earned, valuable insights during the pandemic towards driving growth. The management aimed at delivering the optimal balance of better cost management and enhanced operating profitability.

On to our last business segment- **Digital Imaging Solutions**- which saw concrete increment in its growth trajectory as it followed a clear strategy focused on key areas to accelerate their return to profitability.

Traction in key geographies, new partnerships, with strong renewals of existing contracts, led to income from operations growing by 177% y-o-y. The business also reported positive EBIT in Q4 FY22.

DEI was quick to react to the dynamic external environment and align its expansion and growth strategy effectively. The business expanded its tie-ups and presence to attractions such as LegoLand Korea, Shanghai Disney Resort and Universal Beijing Resort and also launched in 25+ attractions across key locations in UAE and USA.

Along with expansion, the other focus areas included enhanced productivity and efficiency which was where DEI invested in Zero Based Budgeting which has led to a host of positive outcomes and business benefits.

Lastly, DEI's competitiveness also hinges on its technology and introduced innovative technologies such as triggered cameras, 360-photo booths, and automated video template creator, and new software solutions such as AI-enabled background removal and auto enhancement technologies.

Before I conclude, it's imperative I highlight our commitment as a Group, to giving back to society. And even during the pandemic years, we have stood our ground with regard to social responsibility commitments via the Fairfax India Charitable Foundation (the Trust) and its National Dialysis initiative. At the end of FY22, the Trust, through its various donors, has enabled the deployment of 827 dialysis machines via 206 dialysis centers across 182 districts in 23 states/UTs.



Let me now conclude my remarks with the word **Change** –Yes, the world is changing, faster and faster and the changes we are experiencing are becoming even more profound. Never had our challenges been of this extent. But I am also convinced that our opportunities now are even greater.

Looking ahead at the very encouraging macro-economic scenario for the global Travel & Tourism industry, I have no doubt that we are better equipped to benefit from this transformational period and our strategy.

I am proud of the work we have done in this period and this has been possible only with the following requisites:

A strong leadership team and I would also like to call out all Heads of Various Groups of Thomas Cook who have done fabulous job in leading each of their companies through these difficult time, guidance of the Board, outstanding employees, strong and credible brands worldwide and, above all, a convincing determination to succeed.

I would also like to extend my deepest thanks to all of you, our esteemed shareholders. Your trust makes everything possible for us and thank you for your continued support.

I would now like to inform the members that in compliance with the provisions of the Companies Act, 2013 and the rules made thereunder and pursuant to the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had provided its members facility to cast their votes on all resolutions set forth in the Notice of the AGM using electronic voting system (remote e-Voting), provided by Central Depository Services (India) Limited (CDSL).

The Remote e-Voting facility ended on Tuesday, 27th September, 2022 at 5.00 p.m. However, many of the members present in the meeting may not have cast their vote through Remote e-Voting. In this respect, the e-Voting facility of CDSL is also being made available and it is live now and all the eligible members are herein requested to cast their votes. Members, who have already cast their vote through remote e-Voting earlier, will not be allowed to vote through ballot being conducted electronically at this meeting.

The members may please take note that as a part of the Green Initiative process, the Company extends the facility of voting through e-Voting facility being provided by CDSL for all those Members, holding shares as on the cut off date i.e. 21<sup>st</sup> September, 2022 and who have not already cast their vote by Remote e-Voting.

I would further like to inform you that, Mr. P. N. Parikh of M/s. Parikh & Associates, Practicing Company Secretaries will be acting as the Scrutinizer for the remote e-Voting process and e-Voting process. He is independent of the Company and thus acting as Scrutinizer for the votes cast at the AGM.

Since this meeting is being conducted through VC/ OAVM, members who wish to speak or ask questions during the AGM were requested to write to Company in advance atleast 7 days prior to AGM mentioning their details.

I have the list of the members who have registered with the Company their names as speaker. I now request our team to read out the names of the speakers one after the other.

Since this is a virtual meeting, on announcement of the name of the shareholder, he/she shall be able to speak on the web platform, and upon completion of their views/ questions, opportunity to speak will be given to the next speaker shareholder.

I request the Shareholders to ask their questions directly pertaining and relevant to the items of business for consideration and not to repeat the questions which have already been asked by other Shareholders.

Please also mention your name and reference to the page number of the notice of the AGM or the Annual Report while asking the questions. Once all speakers ask their questions, I shall answer them or have them answered."

Mr. Mahesh Iyer,

I shall now call out the names individually.

"Our First Speaker for today is Mr. Shailesh Mahadevia. Mr. Shailesh we request you to kindly unmute the audio and kindly switch on your video before proceeding with the questions."

Mr. Shailesh Mahadevia,

"I hope I am audible to all of you present today in this meeting. Respected Chairman, Managing Director, I would first like to congratulate all of you for giving excellent results during the most difficult times prevailing in our country as well as internationally. I would take a minute to thank the secretarial team of our company for being prompt and providing the Annual Report well in advance and also assisting me in joining this meeting virtually. Further, it is commendable of

our company to present the BRSR Report which was presented even though the same was not compulsory. I really appreciate the efforts taken by them of having a customer centric approach.

I would now proceed with my questions. My first question is with respect to ESG Contribution i.e. Environmental, Societal and Governance Contribution. I wish to know whether we are already incharge of the Sustainable Index? If not we should get ourselves entered as a member.

Moving further, if we see our CSR Report, our company has done an excellent work in dialysis. We have supported and have tried to reach to the poorest members of the country. Undertaking of CSR has a multiple effect, ripple effect. We can take the example of Godrej. If we try to get the third party as an ISO Party, every rupee invested for the benefit of the society has a multiplying effect and what is that number it is much more than our direct expenses. "Further, the Government of India had declared next year i.e., Year 2023 as the "Year of Millets." On this I would like to ask Board, are we participating with the Government of India in this initiative and how will we be contributing. Also, with regards to the Government initiative of Cheetah Project, are we participating in this Government initiative?"

My next question is with the increase in the spiritual diversity in places like Varanasi and Kashi, are we taking any initiatives to conduct spiritual tours in these places.

Next thing that I would like to highlight is that as we can see IRCTC offers affordable stays near railway stations and air stations. We can also offer affordable packages and offers in this connection.

Lastly, I would congratulate the progress made by the company and the Board of Directors.

Mr. Mahesh Iyer,

“Thankyou Mr. Shailesh. We would now move on to our next speaker Mrs. Vasudha Dakwe”

Mrs. Vasudha Dakwe, “Greetings to one and all present. My name is Vasudha Dakwe. I would first like to congratulate everyone for the commendable progress made in the last quarter. My question is when was the last bonus declared by our company? Since our company has made considerate progress in June Quarter, is there any plan of Bonus. Thank you.”

Mr. Mahesh Iyer,

“Thank you, Mrs. Vasudha. Our next speaker for today is Mr. Bimal Kumar Agarwal”

CDSL Host, “Mr. Bimal has not joined the meeting.”

Mr. Mahesh Iyer,

“We would proceed with our next speaker, Mr. Santosh Kumar Saraf.

Mr. Santosh Kumar Saraf, “I would take this opportunity to thank everyone for holding this Annual General Meeting Online. This has been a great step. I would further appreciate everyone for the progress made by them in the recent quarters.”

Mr. Mahesh Iyer,

“Thank you Mr. Saraf. Our next speaker is Mr. A.V. Mani Sundaram”

CDSL Host, “Mr. A.V. Mani is not present in the meeting.”

Mr. Mahesh Iyer,

“Our next speaker is Mr. Om Prakash Kejriwal.”

Mr. Om Prakash Kejriwal, “I would like to mention that it was indeed a very good decision on the Board’s part to conduct the Annual General Meeting through Video Conferencing and I would like to suggest that in coming year too, the meetings are held virtually as it makes it convenient for all of us to attend. Further, I would like to thank Sastry, for being prompt and helping me out with my KYC. One of the key points that I would like to raise is in the area of medical tourism. What key steps is our company taking and how is it working on this area.

Mr. Mahesh Iyer,

“Thank you. Our next speaker for today is “Mr. Tejas Shah”

Mr. Tejas Shah, “Good Evening everyone, My name is Tejas Shah and I am attending this meeting through Ahmedabad. I completely acknowledge and appreciate the efforts taken by our Board. However, as a shareholder I had few grievances. I had not received the hard copies of the financials for our subsidiary companies. Further, in our annual report I had few queries with respect to provisions of Bad debts made, sale of properties undertaken during the year and related party transactions as mentioned in notes to account. I would further request to circulate the copies of annual report of subsidiary companies well in advance as done for Thomas Cook.”

Mr. Mahesh Iyer,

“Our next speaker is Mr. Chandiramani Mukesh Mohan

CDSL Host, “Mr. Chandiramani has not joined the meeting.”

Mr. Mahesh Iyer,

“With this, I would now take this opportunity to answer the queries raised by our dear speakers.”

“First coming to the questions raised by our First Speaker, Mr. Shailesh. I would like to state that our company is working on the ESG Compliance. We have designated one of our senior official to look after the ESG Project Activities. Talking about the multiplier effect of the CSR Activities, I would like to state that our company has been already following that policy and has been considerate towards it. Further our company is in process of working on the idea of Jungle Safari, Spiritual Tours as suggested by our dear speaker.”

“Our next Speaker Mrs. Vasudha Highlighted the point of bonus. I would like to state that the company had declared its last Bonus in the Year 2000 in the Ratio of 2:1. Inorder to the curb the effect of the unforeseen pandemic situation in the last 2 years, our company couldn't declare any bonus or dividend. However, our company is now emerging from the pandemic situation and is recovering considerably.”

“Moving on to the next question raised by Mr. Om Prakash Kejriwal. We acknowledge your question raised and I would like to state that we are consistently working on the area of medical tourism. Further we acknowledge and appreciate your suggestion with respect to conducting the Annual Meetings virtually and offering affordable packages to our dear Shareholders.”

“With respect to the grievance raised by Mr. Tejas Shah, I would like to state that on your request, we had dispatched the hard copies of reports of our

subsidiary companies yesterday. With respect to the delay caused, we assure we would be careful for coming meetings ahead.”

Mr. Madhavan Menon,

With all the questions being answered, I will now move on to the next section of this meeting.

“Now we will now get into the business of the meeting”

### **ITEM NO. 1**

#### **1. Adoption of Audited Financial Statements for the Financial Year ended 31st March, 2022:**

"The first item of the business is as follows:

To receive, consider and adopt the Standalone Audited Financial Statements for the financial year ended March 31, 2022 together with the Reports of the Board of Directors and the Auditors thereon and the Consolidated Audited Financial Statements for the financial year ended March 31, 2022 together with the Report of the Auditors thereon.

**This is an Ordinary Resolution”**

**“I now proceed to the next item of the Notice”**



## **ITEM NO. 2**

- 2. To re-appoint Mr. Mahesh Iyer (DIN: 07560302), who retires by rotation and being eligible, offers himself for reappointment**

“This item relates to the reappointment of Mr. Mahesh Iyer (DIN: 07560302) as Director of the Company liable to retire by rotation in terms of the Articles of Association of the Company.

**This is an Ordinary Resolution.”**

**“I now proceed to the next item of the Notice -**

## **ITEM NO. 3**

- 3. To re-appoint M/s. B S R & Co. LLP, Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration.**

This item is regarding re-appointment of M/s. B S R & Co. LLP (FRN: 101248W) was Statutory Auditors of the company for a second term of five (5) consecutive years to hold office from the conclusion of this Annual General Meeting (“AGM”) until the conclusion of AGM of the Company to be held for financial year 2026-2027, on such remuneration, as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and Statutory Auditors from time to time.

**This is an Ordinary Resolution.”**

**“The next item, ITEM NO. 4 of the Notice, pertains to:**

**4. To approve amendment in Thomas Cook Employees Stock Option Scheme 2018 – EXECOM (“ESOP 2018 - EXECOM”) pursuant to Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.**

This item is regarding approval of amendment in the Thomas Cook Employees Stock Option Scheme 2018 – EXECOM (“ESOP 2018 – EXECOM”) pursuant to Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

**This is a Special Resolution.”**

#### **ITEM NO. 5**

**5. To approve for extending benefits of Thomas Cook Employees Stock Option Scheme 2018 - EXECOM (ESOP 2018 - EXECOM) to the employees of present and future Subsidiary companies:**

“This item is regarding approval for extending benefits of Thomas Cook Employees Stock Option Scheme 2018 - EXECOM (ESOP 2018 - EXECOM) to the employees of present and future Subsidiary companies.

## **This is a Special Resolution.”**

"Shareholders may note that after the conclusion of e-Voting at the AGM, Scrutinizer will complete the counting and shall submit, within 48 Hours from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith."

"The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.thomascook.in](http://www.thomascook.in) and on the website of CDSL immediately after the declaration of results by the Chairman or a person authorized by him in writing. The Results would be communicated to the BSE Limited and the National Stock Exchange of India Limited in the prescribed manner. The result will also be displayed on the website of the Company, Notice board of the Company at its registered office and corporate office."

"Ladies and Gentlemen, I thank you all for your presence at this electronic annual general meeting and I request those shareholders who have not yet cast their vote through e-Voting to complete their voting in the next 15 minutes before the deactivation of e-Voting window."

As the members have exercised their right to vote at the meeting, I now declare the meeting closed.