



A FAIRFAX Company

# Creating memories. Together.



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## FY19 in numbers

### TOTAL INCOME

₹67,187 mn

### EBITDA

₹1,975 mn

### PROFIT BEFORE TAX\*

₹573 mn

### TRAVEL PACKAGES BOOKED ONLINE

30%

### RETAIL OUTLETS ADDED

71

### GROWTH IN ANNUAL WEBSITE VISITS

31%

\*Excluding the share of profits of associates and joint venture

## About this report

This is the first Integrated Report of Thomas Cook India Group, prepared in accordance with the guiding principles and content elements outlined in the International Integrated Reporting Framework, published by the International Integrated Reporting Council (IIRC). The objective of this report is to improve the quality of information available to stakeholders.

The Report has been used as a medium to represent our performance and priorities using a multi-capital approach. Reflective of our integrated thinking, this Report is also expected to give a well-rounded view of the organisation, its operations, strategy, opportunity landscape and risk mitigation plan to readers.

### Reporting boundary and scope

This Report covers information on Thomas Cook India Group, comprising the standalone entity, Thomas Cook (India) Limited (TCIL), and its Indian and global subsidiaries and

key investments. The Group's business model, along with strategic focus areas and associated risks, have been elucidated through the report to offer a holistic view of its long-term sustainability.

### Reporting period

This Integrated Report is an annual publication and provides material information regarding organisational developments between April 1, 2018 to March 31, 2019 (FY19).

### Non-financial reporting

The Report extends beyond financial reporting and includes non-financial performance, opportunities, risks & risk management strategy and outcomes attributable to or associated with our key stakeholders, which have a significant influence on our ability to create value.

### Financial statements

This Integrated Report should be read in conjunction with the financial statements (given from pages 147 to 310) to gain a

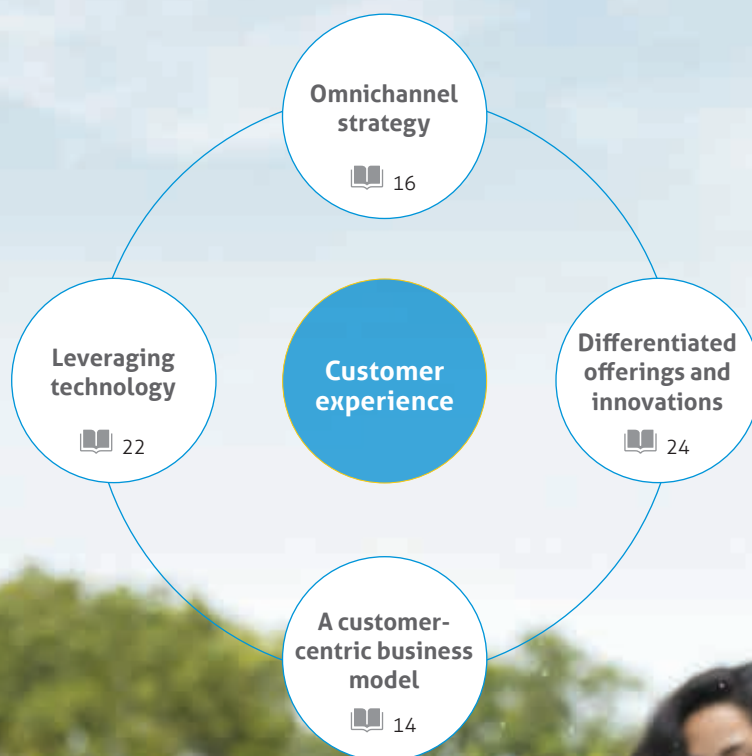
complete picture of the Group's performance. The consolidated and standalone financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies Rules, 2015 (as amended from time to time), and were independently audited. The Independent Auditor's Report for both consolidated and standalone financials can be found on pages 217 and 147, respectively.

### Board and management assurance

The Board of Directors and our Management acknowledge the responsibility to ensure the integrity of this Integrated Report. They believe that the Report addresses all material issues and presents the integrated performance of our Group and its impact in a fair manner. The report has, therefore, been authorised for release on May 27, 2019. All numbers published in this Report are as on May 27, 2019.

At Thomas Cook India Group our customer-first approach fuels growth. Providing our customers an unforgettable experience has always been our top priority. Over the years, we continue to excel at the art of delighting travellers and have been successful in curating memorable experiences for them. Our unwavering focus on customer centricity has made us a preferred travel partner for our discerning patrons. As we take new strides in the world of travel, we will continue to do what we are best at –

**Creating everlasting memories.**





# About Thomas Cook (India) Limited

## Visit our world of *Customer-ised* travel

**Thomas Cook (India) Limited is a leading integrated travel and travel-related services company with operations in 29 countries, across five continents through its Indian and global subsidiaries and key investments.**

**At Thomas Cook India Group, we understand that travel and holidays are strongly reflective of one's personal choices and interests. Therefore, we specialise in offering curated, end-to-end travel solutions to our wide spectrum of customers and brand patrons, and catering to them with an expansive omnichannel reach.**

Promoted by Fairfax Financial Holdings Limited, through its wholly-owned subsidiary, Fairbridge Capital (Mauritius) Limited holding 66.94%, Thomas Cook India is focused on creating enduring stakeholder value since its incorporation in 1978.

Over the decades, we have grown by pursuing both organic and inorganic opportunities and currently own and operate an array of well-known travel service labels both in India and around the world, serving both B2B and B2C customers. We have three major business segments, namely Travel and Related Services, Financial Services and Strategic and Portfolio Investments.

TRANSACTIONS IN TRAVEL &  
FINANCIAL SERVICES RELATED

3.4 mn+

RETAIL TOUCHPOINTS

660+

AIRPORT COUNTERS

25

MOBILE APP DOWNLOADS

181,000+

LEGACY OF OPERATING IN INDIA

138 years

NUMBER OF EMPLOYEES

9,700+

NUMBER OF BRANDS

19

NETWORK ACROSS

29 COUNTRIES

5 CONTINENTS



# Reaching out farther

- 1 Australia
- 2 Bhutan
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- 11 Laos
- 12 Malaysia
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- 21 UAE
- 22 USA
- 23 Vietnam
- 24 Egypt
- 25 Kuwait
- 26 Maldives
- 27 Singapore
- 28 Japan
- 29 Canada



Map not to scale

## TRAVEL AND RELATED SERVICES



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- Outbound travel
- Corporate travel
- MICE



KUONI | 腾景遊



- Destination Management Specialists:
- India inbound
- International inbound



- Visa



## FINANCIAL SERVICES



34

- Foreign exchange
- Value added services



## INVESTMENTS



36

### Strategic

- Souvenir imaging
- Travel consulting



### Portfolio

- Hospitality
- Integrated business services



## Chairman's statement

"We believe travel helps make life's journey richer and more fulfilling than perhaps anything else; and we will continue to ensure that our brand patrons are the protagonists of their own unique travel stories."



Dear Stakeholders,

I am delighted to present to you the maiden Integrated Annual Report of Thomas Cook (India) Limited. In line with our ethos and that of our parent, Fairfax Holdings, annual stakeholder communication and round-the-year engagements have always been a priority for us. This year, however, we have taken a decisive step forward through Integrated Reporting that relies on a multiple-capital-centric approach, where capitals as inputs, influence the outputs and outcomes derived across every facet of the business. It is my belief that our efforts will help you and our shareholders evaluate our performance for FY19 and overall group strategy in a holistic and transparent manner.

FY19 was a dynamic and promising year as we executed several initiatives centred around - Customer Experience, Technological Investments and enhancing our

portfolio of offerings - all of which are pivotal to our position as a leading integrated player in the Asia Pacific travel industry. We truly believe that our employees across the globe are an important asset for the realization of our Group's true potential, hence it continues to be our endeavour to continually focus on the development of human capital.

We are cognisant that success comes when we listen to our customers, understand what they value and then with a single-minded focus deliver in line with their aspirations. In our journey to constantly delight customers, among several other developments, we launched our Customer Experience Improvement (CX) programme, 'Project Udaan', which spans across a wide range of end-to-end initiatives, from upskilling our teams to augmenting processes, technology, engaging better with our customers, and so on.

In FY19, we performed well across all our lines of businesses, witnessed a progressive turnaround of our international Destination Management entities and explored new growth frontiers by acquiring stake in both DEI Holdings Limited (DEI) and Ithaka. A detailed review of each segment has been presented in the report from page 25 to page 39. I will take this opportunity to also discuss the broad operating context within which we performed.

### Economic perspective

The global economy in FY19 was characterised by ongoing volatility and uncertainty, fuelled largely by geopolitical developments, regional conflicts and potential disruption to the global trade regime. Several instances, such as the US-China trade friction and its sizable global economic consequences, trade related uncertainties in China, weakening global demand for

**Our omnichannel approach, combined with a clear strategy, and a proven business model empowers us to deliver consistent customer delight and create exceptional value for all our stakeholders.**

automobiles, Italian fiscal concerns, backlash from French reforms, German politics across the Euro area, and Brexit uncertainties in the British economy, engulfed the global markets.

On the other hand, the US economy saw encouraging growth, supported by fiscal stimulus. To help spur growth, the US Federal Reserve and the European Central Bank have ruled out rate hikes in 2019, adopting a largely accommodative monetary policy.

In FY19, India's GDP at 6.8% (Source: CSO) is reflective of the sluggish economic environment led by a slowdown in demand driven by dampening purchasing power, drop in employment rate and inactivity and liquidity crisis in the NBFC sector. The situation was accentuated by the crisis in the aviation industry as well. Going forward, GDP performance, according to International Monetary Fund (IMF) in its World Economic Outlook report, is projected at 7.3% in FY20 and 7.5% in FY21, supported by the continued recovery of investment and robust consumption amid a more expansionary stance of monetary policy and some expected impetus from fiscal policy.

### Overview of travel and tourism

In 2018, global international tourist arrivals crossed the 1.4-bn mark, surpassing the UNWTO's target for 2020. During CY18, tourism added US\$8.8 trillion to the global economy and for the seventh consecutive year, its growth rate surpassed global growth figures (3.9% vs 3.6%).

Travel and tourism sector in India, continued as one of the top 10 contributors to global travel and tourism GDP. In India, the industry plays a significant role in economic and social aspects, generating US\$247.3 bn in 2018 growing by 6.7% and contributed 9.2% to the country's economy. It has also earned foreign exchange to the tune of US\$28.9 bn, accounting for 5.4% of total national exports.

India's travel and tourism landscape is experiencing a sea change, with travel being considered an integral part of one's annual calendar. A recent Google and Bain & Company report indicated that Indian travellers took approximately two billion domestic and international trips in 2018. Online access to travel is creating additional demand and is increasing the market size. Within the travel sector, it is expected that nearly US\$24 billion incremental travel bookings will be clocked online by 2021, which translates to 35% of all travel bookings being made online during the year.

The Government of India along with the State governments are also playing a key role in enabling the travel and tourism ecosystem. Strategic initiatives including relaxed FDI policies, revamping of the 'Incredible India' campaign, the UDAN (Ude Desh Ka Aam Nagrik), PRASAD (Pilgrimage Rejuvenation and Spirituality Augmentation Drive), National Heritage City Development, Augmentation Yojana (HRIDAY) schemes, and extension of e-visa to 166 countries have helped expand the nation's travel and tourism scenario. Foreign tourist arrivals (FTAs) in 2018 stood at 10.56 million compared to 10.04 million in 2017.

Amid such opportunities, the year also witnessed events, which negatively impacted the world of travel and tourism. One was the ominous terrorist attacks in New Zealand, Pulwama (India) and Sri Lanka which significantly impacted travel demands. Additionally, closer home, the turmoil in the Indian aviation sector has had a direct impact on the travel cost and prices. The collateral damage caused by the downfall of a long-established airline with significant seat capacity on both domestic and international routes, has triggered players in the travel and tourism industry to proactively identify systemic risks and plan mitigation actions for the same.

### Our encouraging performance

The Thomas Cook India Group today has truly emerged as a global service provider, with presence in five continents and 29 countries, as we expand both organically and inorganically. Our operations span across nine business segments within travel and travel related financial services. Our 9,700+ employees across 55 nationalities,



## During the year, we have successfully completed over 3.4 million transactions related to travel and financial services

we believe, are true embodiment of our business, values and ethics.

Our performance in FY19 is underpinned by sound fundamentals across operations, despite the disruption in the aviation sector led by higher air fares and supply constraints. During the year, we have successfully completed over 3.4 million transactions related to travel and financial services. In the domestic industry, we are further committed to our leadership across our business segments with an expansive retail presence of more than 660 touch points combined with our online presence. FY19 income from operations increased by 18% at a consolidated level from ₹ 56 bn to ₹ 66 bn. Our profit before tax grew by 985% to ₹ 573 mn from ₹ 53 mn (post exclusion of Quess Corp Limited). Let me also take this opportunity to report that during the fiscal, our standalone entity, Thomas Cook (India) Limited, has become effectively debt free on account of pre-payment of our debenture obligations. This has been made possible using the stable and strong cash flows that the Company has accrued and focused on generating year over year. As of March 31, 2019, our cash and bank deposits stand at ₹ 10,588 mn.

Income from operations of the travel segment showcased growth of 19% y-o-y, whereas EBIT performance improved 34% y-o-y. This was driven by sustainability in profitability across key segments- Outbound, India DMS and MICE, alongside successful turnaround of the acquired entities (International DMS), supported by the negative

working capital cycle of most of our travel businesses. Our progress in the non-banking forex space has remained strong. While revenues increased by 4% to ₹ 2,764 mn in the financial services segment, our concerted drive towards the retail segment, led to a sharp increase of 19% at the EBIT level. Our Thomas Cook Borderless Prepaid card sales registered a growth of 12% y-o-y. The total load volume on the card stands at US\$1.8 bn since inception.

**Acquisitions:** Your Company, whilst exploring opportunities to expand its portfolio, remained steadfast in its acquisition discipline and continued to seek attractive opportunities. In FY19 we made prudent investments to further our capabilities and sustainability.

### **DEI Holdings Limited (DEI):**

While adding on to our existing capabilities, we have also ventured into an exciting new business space, adjacent to our core travel services portfolio with a majority (51%) stake acquisition in DEI. DEI, through its operating company Digiphotography, is a global market leader providing digital souvenir imaging solutions. The company is both PAT and free cash accretive and will definitely add value to our overall performance, going ahead. One of the largest in the world, with offices across Orlando, Kuala Lumpur, Singapore, Bali, Hong Kong and Mumbai - DEI employs a team of over 1,800 professionals, in 14 Countries, with 120+ Partners across 250 of the most visited tourist attractions in the world. It has also successfully launched KlassAkt, in the field of school photography.

**Ithaka:** in our pursuit of agile solutions for our new age customers, we have partnered with Traveljunkie's Ithaka with a 24% strategic stake. Ithaka operates in the travel-tech space with a chat-based platform through its network of experienced travel influencers. It aims at servicing the Indian millennial traveller by creating the most personalised travel planning experience. It has successfully powered over 50,000+ travellers across 20 destinations. We are seeing visible synergistic benefits from this association, given our extensive scale and their cutting-edge technology.

Both acquisitions significantly add to our portfolio of end-to-end travel offerings, enabled by technology and delivered by people.

During the year, we have progressed on corporate restructuring exercise aimed at simplifying the overall holding structure of our Group including Quess Corp Limited.

### **Interplay of customer experience and technology**

Our technological advancements and aim to provide the best customer experience within our industry have enabled us to transcend from being just a travel solutions company to an experience provider. Through the various initiatives that we have embarked on, our Group has transformed its focus - from a product-centric to a customer experience driven organization. As a result, we are increasingly

- using analytics to better understand preferences, and provide customised products/ services



## Our Group aims to work responsibly to achieve the balance between the economic, social and environmental aspects of our business

- adopting technology that empowers our customer with information, and reduces human touch points, enhancing customer intimacy

We continue to build on our omnichannel approach to address customer needs and enhance operational efficiency, as customers today choose their preferred mode of interaction and expect customization on the go. As we take cognisance of such developments, we are committed to augmenting state-of-the-art, end-to-end, digital capacities and full-fledged call centres, in addition to our physical touchpoints. Today we are actively using Robotics and Artificial Intelligence (AI) for a gamut of functions, right from creating a robust recommendation engine, building dynamic packaging capabilities, reducing our turnaround time for better customer service to even fraud risk management within Forex operations. Very recently, we have launched TeeCee – Thomas Cook India's Travel Chat Bot, which is a first of its kind in the industry, with the aim to provide prompt and efficient assistance for all travel and forex related needs of our customers.

### Driving synergies with shared services

With the objective of driving cost efficiency through standardisation and automation across common support functions of our Group's entities, we instituted our Shared Services Centre (SSC) in FY18, based out of India. Within just over a year of its introduction, the SSC has helped improve group-level synergies, drive efficiencies and standardisation.

### Growing inclusively

Our Group aims to work responsibly to achieve the balance between the economic, social and environmental aspects of our business. Our initiative, Project Dialysis, along with Fairfax India Charitable Foundation (FICF) are dedicated towards addressing one of the significant and dire issues plaguing our society- limited dialysis infrastructure. FICF is associated with the Pradhan Mantri National Dialysis Programme (PMNDP) under a Public Private Partnership (PPP) scheme. The programme is aimed at enhancing sustainable, free/affordable dialysis access in remote areas of the country for renal patients. Till date, the programme reached 15 Indian states with 370 total dialysis machine installations, free to use at 70 dialysis centres, offering 99,041 free/affordable dialysis sessions to rural poor population. We plan to support the initiative with a total of 1,000 machines in the coming years.

### Reaching beyond with optimism

We believe travel helps make life richer and more fulfilling than perhaps anything else, and we will continue to ensure that our brand patrons remain the happy protagonists of their own travel stories.

The long-term growth and sustainability of the business lies in elevating customer experiences, every step of the way. We continue to learn more about our customers to make their travel experiences richer and more rewarding. Our omnichannel approach, combined with a clear strategy and a proven business model, empowers us to

deliver consistent customer delight and create exceptional value for all our stakeholders.

Our agility and strength are manifested through our employee strength, who are our true brand ambassadors. The talent and constant dedication of our people are the foundation for a stronger Thomas Cook India Group. Together, we are focused on providing our customers with elevated experience, including best-in-class solutions for their ever-changing requirements.

I take this opportunity to thank them for their ideas, hard work and commitment. On behalf of the Board and the entire leadership team, I convey my gratitude to all our customers, colleagues, business partners, the Government of India, shareholders and the wider community.

Best regards,

### Madhavan Menon

Chairman and Managing Director  
Thomas Cook (India) Limited

# Capitals and Key Performance Indicators

## Creating lasting impact

### Financial capital

Our sound, balanced and profitable growth is driven by the investments we make to create enriching customer experiences and stakeholder value.



#### REVENUE\*

₹ MILLION

FY19

Total revenue	66,032.5
Travel services	60,624.1
Financial Services	2,763.8
Vacation Ownership and Resorts	2,611.1
Human Resources Services	33.5

#### SEGMENT WISE PERFORMANCE – EBIT

₹ MILLION

FY19

Travel Services	1,817.5
Financial Services	835.5
Vacation Ownership and Resorts	(445.3)
Human Resources Services	13.3
Total	2,221.0

#### CONSOLIDATED EBIT

₹1,302.7 mn

\*From March 2018 Quesst Corp has been reclassified as an associate.

### Physical infrastructure

Our expansive, customer-facing retail presence comprising of branches, airport outlets, corporate and backend offices supports uninterrupted customer service.



#### RETAIL NETWORK^^

(AS ON MARCH 31, 2019)

##### TOTAL TOUCHPOINTS

660+

##### BRANCHES OPERATED BY THE COMPANY

313

##### FRANCHISEES

199

##### PREFERRED SALES AGENTS

150+

##### AIRPORT COUNTERS

25

^^ Excludes Sterling Holiday Resorts Ltd.

### Intellectual capital

Our expertise and innovative offerings help us to constantly enrich customers' experience. In addition, technology investments and other intellectual property strengthen our competitive advantage.



#### TOTAL INVESTMENT IN TECHNOLOGY#

₹954 mn

New innovations introduced include Holiday saving account, Holiday Basket, Travel quest, Borderless prepaid card, Thomas Cook Travel and Holiday Gift Card, Darshans, Thomas Cook Explore

#### NUMBER OF BRANDS

19

# Computer Software

### Human capital

Human capital remains one of our Group's important priorities. Effective human capital management is critical to the execution and delivery of our strategy. Our diverse and empowered team, strives to create the best curated experience for our customers.



#### NUMBER OF EMPLOYEES<sup>^</sup>

FY19

Total	11,357
On roll	9,791
On contract/outsourced	1,566

#### TOTAL TRAINING<sup>\*\*</sup> (PERSON DAYS)

8,846

#### TOTAL TRAINING SPEND<sup>\*\*</sup>

₹12.3 mn

<sup>^</sup>Excluding Qness Corp

<sup>\*\*</sup>Data excluding international entities and investment companies

### Social and relationship capital

The relationships we nurture to grow our businesses, fulfil our stakeholder commitments, drive synergies, and create long-term value.



#### TOTAL NUMBER OF CUSTOMER TRANSACTIONS

3.4+ mn

#### TOTAL NUMBER OF AIRLINE TIE-UPS

143

#### TOTAL NUMBER OF FRANCHISE BASES

199

#### TOTAL CSR SPEND<sup>@</sup>

₹9.5 mn

<sup>@</sup> Data excluding international entities and investment companies

### Digital capital

Our digital and online platforms, initiatives and technologies drive our 'truly omnichannel' approach leading to operational efficiencies and world-class customer experiences.



#### TRAVEL PACKAGES BOOKED ONLINE

30%

#### ONLINE PLATFORM

[www.thomascook.in](http://www.thomascook.in)  
[www.sotc.in](http://www.sotc.in)

#### MOBILE APPS

Thomas Cook Holidays  
Thomas Cook Forex  
Borderless Prepaid  
Thomas Cook Business Travel  
SOTC Engage  
SOTC Business Travel



## Milestones

# The Journey of Thomas Cook India Group

Starting our operations in India as early as the 19th Century, we have come a long way in becoming the preferred partner for millions of travellers. Our journey has been marked with several milestones, that have shaped, inspired and above all, motivated us to do more for our customers.

**1881**

We commenced our India operations (Mumbai)

**1983**

Initiated our journey as a listed company

**Aug '12**

Acquisition of 87% stake by Fairbridge in our Company

**May '13**

Our Company acquires 74% stake in Qess Corp (previously IKYA Human Capital Solutions Private Limited)



**Mar '18**

Quess Corp has been re-classified as an associate company

**Oct '18**

Thomas Cook India Group approved the acquisition of a 24% strategic stake in TravelJunkie Solutions Private Limited

**Oct '17**

We concluded acquisition of Forex and Travel businesses of Tata Capital

**Jun '17**

We completed acquisition of Kuoni's global DMS network across 22 countries and five continents

**Mar '19**

Our Group acquired 51% stake in DEI Holdings Limited (DEI)

**Aug '15**

We acquired Kuoni Group's Travel operations in India and HK

**Feb '14**

We announced merger with Sterling Holiday Resorts (India) in a cash and stock deal

**Jul '15**

We acquired Luxe Asia via our subsidiary Thomas Cook Lanka (Pvt) Ltd.



## Market Review

# The big picture that shapes our businesses

Thomas Cook India Group operates in a dynamic environment where the rules of the game change rapidly and 'wowing' the customer is a moving target. We stand committed to rising to the challenge, leveraging opportunities and economies of scale, while at the same time mitigating potential risks. Given our diversity, expanse of operations and global presence, we believe that we have the requisite agility to thrive and navigate the next level of growth with all our customers and stakeholders.

### MACRO TRENDS

#### Dynamic customer environment

- **Rising disposable incomes and changing consumption patterns:** The share of disposable income continues to rise proportionately to the per capita income increase, positively impacting India's consumption growth. Nearly 50% of the country's population is below the age of 25 and their aspirations contribute to the country's consumption growth.
- **The power of information:** Empowered by the sweeping reach of the internet and handheld devices, discerning customers are now well informed about their choices and alternatives are just a click away.
- **Experience-led travel gaining ground:** Around the world, travellers are seeking unique experiences to make every moment memorable. Exotic locations and unique activities are attracting immense participation.
- **Contemporary purposes of travel:** Health tourism, wellness and yoga driven travel, along with eco-tourism and solo travelling, are some of the evolving trends.
- **Continued growth of tour packages:** While FIT (Free Independent Travel) segment continues to grow, there is a healthy demand for tour packages (Group Inclusive Tour – GIT) especially among the Tier-II and Tier-III cities.

### OUR GROUP'S FOCUS

- **Customer experience initiatives:** The Group uses multiple customer relation platforms to gauge and capture customer preferences and demands in order to delight the customer. Our Group has undertaken 'Project Udaan', which is our journey towards defining the brand's customer value proposition (CVP) and charting the road for industry-leading customer experience.
- **Deploy advanced analytics:** To understand and predict customer behavior and journey, our Group deploys advanced analytics through initiative 'Project Tejas' which is designed to improve sales efficiency, lead conversion and productivity.
- **Utilise digital capital:** Our Group's fully interactive digital channel suite offers a responsive website along with travel and forex mobile apps.
- **Innovative offerings:** With the aim to continually evolve, our Group has launched many innovative travel offerings and packages – Holiday Basket: EMI-powered day solution, Ladies First: women-only group tours, Spiritual Tourism: Darshans, Festival Tourism: Kumbh Mela packages, Experiences on the Go, and so on.



## MACRO TRENDS

## OUR GROUP'S FOCUS

**Convenience led experiences**

Customers today are driven by the convenience factor which dominates their actions and decision making. Key factors such as 'on the go' access, mobile driven, hassle free transaction and knowledge to execute, influence the customer's choice.

- **Leverage domain expertise:** Our Group's expertise helps to create a smooth experience for customers with reduced turnaround time and superior consultancy.
- **Accessibility via omnichannel approach:** Through 660 retail touchpoints along with a holistic digital presence via its website and apps.
- **Technology enabled salesforce:** Voyager app for front-line sales professionals helps create customised itineraries for the discerning audience with the least turnaround time. Use of tabs for salesforce on the move adds to the convenience factor.
- **Increasing online presence in travel and forex:** Customer self-service app Thomas Cook Holidays and the Foreign Exchange app are both aimed at providing much needed flexibility to customers.
- **Use of analytics and robotics:** for faster turnaround and seamless transactions.

**Contemporary technology drives process efficiency**

State-of-the-art technology plays a pivotal role for industry players to forecast explicit and latent demand, reach out to customers, and curate memorable travel experiences for them. Digitally enabled backend processes have bolstered booking systems, forex transactions and customer interfacing through emerging technologies.

- **Technology driven systems and processes:** We use our proprietary advanced web technology platform - 'Astra' offering enhanced features and functionalities like WhatsApp-share, compare package feature, map view navigation, and so on for the ease of customers.
- **Use of Robotics and Artificial Intelligence:** To reduce turnaround times and improve customer satisfaction.

**Improving infrastructure**

Improving infrastructure encourages customers to travel more and travel wide. India now has 102 airports and the length of national highways has increased to 122,434 km. The country's energy deficiency reduced significantly and the overall connectivity through air (UDAN scheme), sea (Sagarmala) and land (National Highways) has improved. Increased services and connectivity by international and domestic airlines has also helped this cause.

- **Leverage opportunities:** Leverage improving connectivity and infrastructure to tap new destinations.
- **Drive growth by capturing potential:** Address untapped potential in Tier-II and Tier-III cities. Innovation thought new destinations. Introduce new destinations to itineraries.

**Macroeconomic and geopolitical factors**

The tourism industry functions within an evolving political and economic environment. Factors, such as turbulence in the aviation industry, acts of terrorism and natural calamities had a direct impact on the sector.

- **Business agility:** to improve efficiencies and diversifying portfolio to reduce country specific risk.
- **Customer first policy:** Focus on customer wellbeing while advising and consulting.

# Business model

## Our value-accretive business model

### INPUTS



#### Financial capital

Total equity	₹89 bn
Total debt	₹3.6 bn
Retained earnings	₹63 bn
66.9% ownership by Fairfax Holdings	



#### Physical infrastructure

Retail network	660+
Group operated*	313
Franchise	199
Preferred Sales Agents	150+
No. of airport counters	25

\* Excludes Sterling Holiday Resorts Limited



#### Intellectual capital

No. of brands	19
Technology know-how, tools, software and platforms to drive efficiencies, customer convenience and to enhance productivity	



#### Human capital

No. of employees on roll	9,791
No. of employees on contract	1,566
Total no. of employees**	11,357
Total training spend	₹12.3 mn

\*\*Includes DEI



#### Social and relationship capital

No. of franchisees	199
Total CSR spend#	₹9.5 mn
Long-term partnerships with government bodies, tourism boards and suppliers – airlines, hotels, tours	

# Data excluding international entities and investment companies

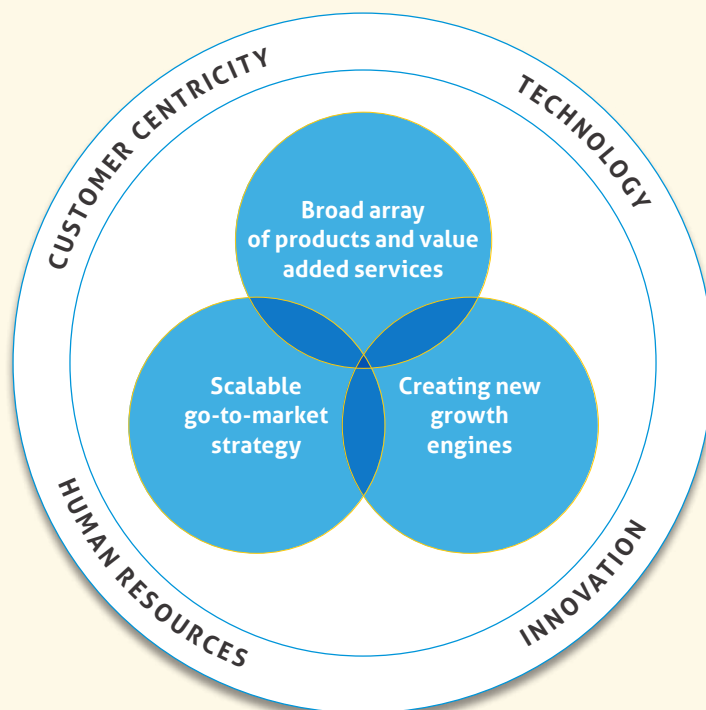


#### Digital capital

- State-of-the-art digital infrastructure
  - In-house developed website, strong SEO
  - Robust CRM, bots and advanced analytics
  - Technologies for marketing automation
- Active social media platforms

### PROCESS

Fostering an integrated travel and allied services ecosystem



#### Levers underpinning our growth engine



- Brand portfolio with end-to-end ownership and serviceability to customers
- Premier brand portfolio with multi-format strategy
- B2B and B2C travel services
- Travel-related financial services



- Omnichannel network
- Scale and expertise
- Global presence
- Brand equity



- Online business
- Domestic business
- International DMS
- Digiphotography (DEI)

#### Our values – PRIDE

Pioneering our Future, Respect for Individuals and United as a team, Integrity, Delighting the Customer, Excellence

Note:  
Financial capital is on a consolidated basis

## OUTPUTS

NUMBER OF TRANSACTIONS IN  
TRAVEL & RELATED SERVICES

3.4+ mn

FOREX TRANSACTIONS

1.2+ mn

NUMBER OF  
TRAVEL TRANSACTIONS

2.3+ mn

NUMBER OF VISAS ISSUED

2,00,000+

TOTAL LOAD VALUE  
ON FOREX CARDS

\$417 mn

## OUTCOMES

**Financial capital**

Income from operations	₹66 bn
EBITDA	₹1,975 mn
PAT	₹888 mn
Market capitalisation	₹93.7 bn
Long-term rating	CRISIL AA-/ Stable
Short-term rating	CRISIL A1+

**Manufactured capital**

New outlets added	71
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**Intellectual capital**

Travel Packages booked Online	30%
No. of mobile app users	181,000+
Total website visits	25.2 mn

New innovations introduced include Holiday saving account, Holiday Basket, Travel quest, Borderless prepaid card, Thomas Cook Travel and Holiday Gift Card, Darshans, Thomas Cook Explore

**Human capital**

Ratio of women employees as a proportion of total workforce	1 : 3
attrition rate	24%

Note: Data excluding international entities and investment companies

**Social and relationship capital**

Awards won (in diverse areas of Travel, Forex, e-Commerce, Marketing, Partnerships)	21
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CSR- Project Dialysis  
-Reached 15 Indian states  
-Installed 370 total dialysis machine free to use at 70 dialysis centres  
-Offered 99,041 free/affordable dialysis sessions

**Digital capital**

Strong social media following  
Facebook: 5,50,000+ Twitter: 16,700+  
Instagram: 17,400+

Faster customer checkouts  
Better customer satisfaction and service turnaround  
Better lead serviceability and conversion



## Strategic Framework

# The pillars of 'Focus. Invest. Grow.'

Our Group has instituted a prudent, three-pronged strategic framework that guides our decisions and actions for continuous growth.

FOCUS	
Key aspects	How do we plan to achieve this?
<b>Excellence in execution</b>	<ul style="list-style-type: none"> <li>• Drive consolidation by restructuring and amalgamation activities to unlock the potential value of Thomas Cook India Group</li> <li>• Simplify organisational architecture for a lean and agile enterprise through: <ul style="list-style-type: none"> <li>– Deconsolidation of Qess Corp</li> <li>– Granular optimisation across businesses for improved efficiency and productivity</li> <li>– Driving synergies across entities led by integration of backend operations through Shared Services Centre</li> </ul> </li> </ul>
<b>Expanding reach</b>	<ul style="list-style-type: none"> <li>• Build on the integrated value chain that provides access to multiple opportunities to expand in new markets and deepen presence in existing markets</li> <li>• Expand hybrid omnichannel network to leverage our 'phygital' presence</li> </ul>
<b>Customer centricity</b>	<ul style="list-style-type: none"> <li>• Align key business priorities with 'customer-first orientation'</li> <li>• Be the committed partner of choice</li> <li>• Deliver convenience and value for money</li> <li>• Launch innovative solutions</li> <li>• Providing apt consultancy</li> </ul>

INVEST	
Key aspects	How do we plan to achieve this?
<b>Online and digital technology</b>	<p>Adopt scalable and emerging technologies to:</p> <ul style="list-style-type: none"> <li>• Realise growth potential</li> <li>• Enhance usability and scale seamless experiences</li> <li>• Cater to customers' evolving preferences and requirements</li> <li>• Drive sales productivity</li> <li>• Facilitate speed, automation and efficiency across business functions</li> </ul>
<b>Culture of innovation</b>	<p>Utilise insight-driven and research-based framework for innovative solutions to:</p> <ul style="list-style-type: none"> <li>• Create customer delight</li> <li>• Catalyse growth and efficiency</li> <li>• Innovate new offerings</li> </ul>
<b>Widen and deepen organisational capability</b>	<ul style="list-style-type: none"> <li>• Drive our Group's core values and ambition to succeed</li> <li>• Focus on targeted advancement and grooming of existing and future employees</li> </ul>

## GROW

Key aspects	How do we plan to achieve this?
<b>Invest prudently to deliver value-accretive growth</b>	<p>Accelerate value creation for stakeholders</p> <ul style="list-style-type: none"> <li>• stable revenue growth</li> <li>• sustainable margin expansion</li> <li>• strong free cashflow generation</li> <li>• disciplined capital allocation</li> </ul>
<b>Target acquisitions and partnerships to enhance growth</b>	<ul style="list-style-type: none"> <li>• Strategic acquisitions help expand services spectrum</li> <li>• Clear payback criteria, stringent and selective approach to acquisitions</li> </ul>
<b>Inclusive growth</b>	<ul style="list-style-type: none"> <li>• Our Group undertakes programmes and projects under its Corporate Social Responsibility initiatives</li> <li>• Through Fairfax Foundation, it contributes to a larger purpose of serving the society. Active participation in the dialysis initiative to continue in this regard</li> </ul>

## Our three-pillared strategy is supported by a resilient financial profile

### Profitability emphasis

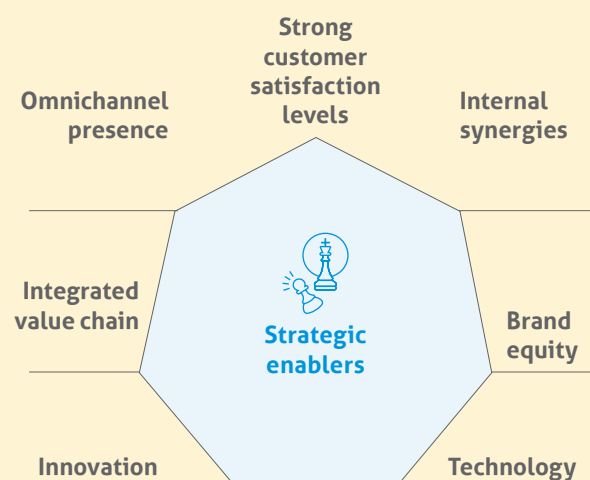
- Our Group continues to strengthen profitability, which is critical to the organisation's growth.

### Balance sheet strength

- Leaner balance sheet
- Focus on further deleveraging debt profile – Company is debt free on a standalone basis
- 'CRISIL AA-/ Stable long-term rating
- 'CRISIL A1+' short-term rating

### Orientation towards cashflow generation

- Thomas Cook India's operations are characterised by strong cash flows
- Re-investing in creation of operating leverage
- Focused cash utilisation to reduce debt profile





# Stakeholder engagement and materiality

## Engaging to enhance value

We exist in a highly interconnected world, with multiple stakeholders expressing interest in our business. Hence, continuous interaction with stakeholders forms a critical component of our decision-making processes and has a direct impact on the sustainability of our operations. Our stakeholders have been identified, prioritised and engaged with after structured internal deliberations led by the organisational leadership.

Stakeholder	Mode of engagement
<b>Investors</b> 	<ul style="list-style-type: none"><li>• General Meetings</li><li>• Information disclosure on Investor Relations section of the corporate website</li><li>• Annual reports</li><li>• Earnings call and presentations</li><li>• One-on-one/group meetings/concalls</li><li>• Roadshow and conferences</li></ul>
<b>Customers</b> 	<ul style="list-style-type: none"><li>• E-mailers/SMS</li><li>• Omnichannel customer service points</li><li>• Customer self-service app</li><li>• Customer satisfaction assessment</li><li>• Roadshows and carnivals</li><li>• Corporate engagement initiatives</li><li>• Industry conferences</li></ul>
<b>Employees</b> 	<ul style="list-style-type: none"><li>• Group/Company news</li><li>• Intranet portal</li><li>• Training programmes</li><li>• Newsletters</li><li>• Engagement initiatives by the Human Resources function</li></ul>



## Stakeholder engagement at Thomas Cook India Group

Listening to stakeholders has always been fundamental to our Group's business, and we regularly invest in a wide range of formal/informal dialogues and mutual feedback that encompasses all stakeholder groups.

Stakeholder	Mode of engagement
<b>Business partners</b> (Suppliers/ franchisees/ agents) 	<ul style="list-style-type: none"> <li>• Formal and informal partner meetings</li> <li>• Receiving feedback</li> <li>• Branch visits</li> <li>• Participation at trade fairs</li> </ul>
<b>Government and regulators</b> 	<ul style="list-style-type: none"> <li>• Regular filings</li> <li>• Press releases</li> <li>• Industry-level meetings and interactions</li> </ul>
<b>Community</b> 	<ul style="list-style-type: none"> <li>• CSR interventions through dialysis centres</li> </ul>

# Stakeholder engagement and materiality

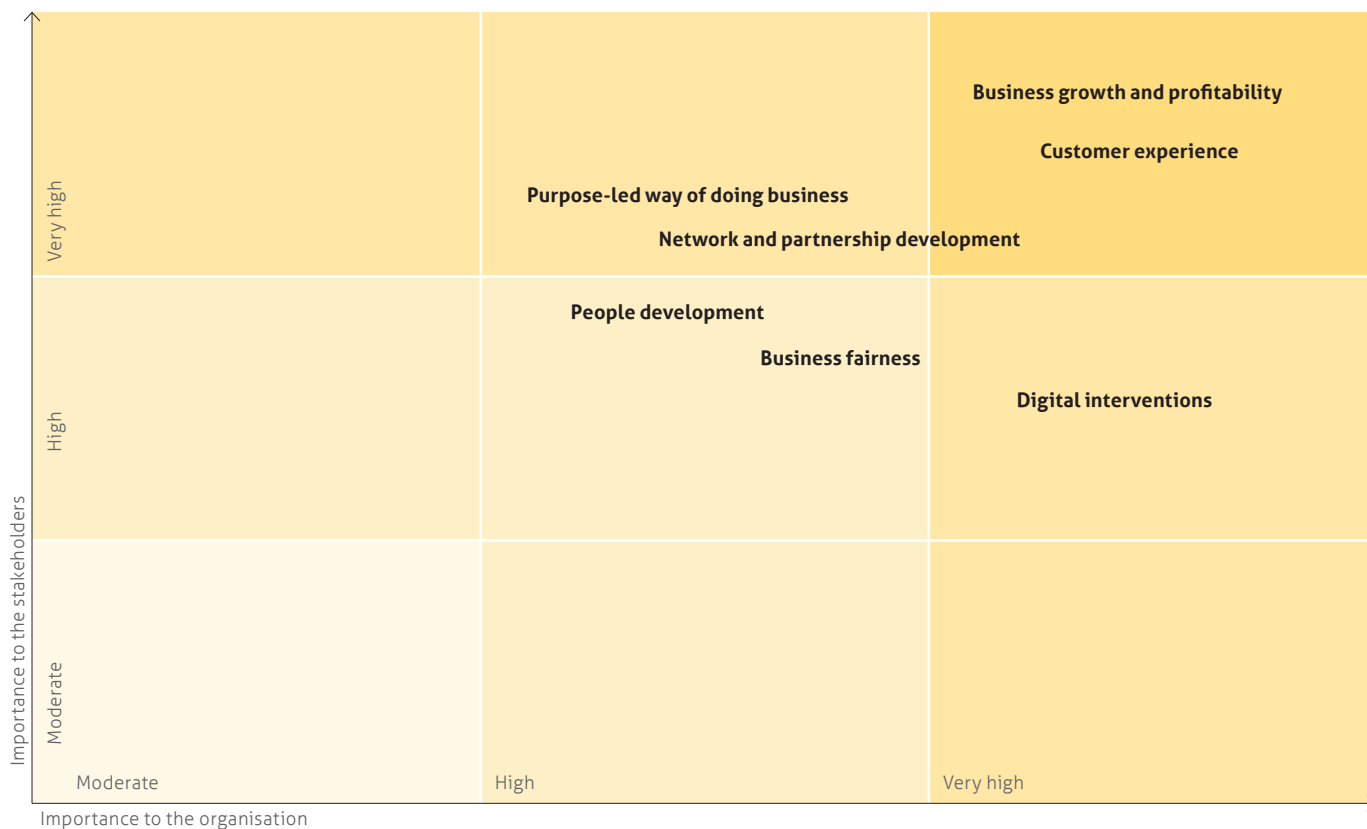
## Constant engagement for consistent value creation

By constantly soliciting feedback from our stakeholders and understanding their views and concerns, we have ascertained the matters that are relevant to them. The results of these engagements have helped us develop a materiality matrix that maps the most pertinent issues, on the basis of importance to the stakeholders and importance to the organisation.



		INVESTORS	CUSTOMERS	EMPLOYEES	BUSINESS PARTNERS	GOVERNMENT AND REGULATORS	COMMUNITY
<b>CUSTOMER EXPERIENCE</b>	Quality of services	⊙	⊙		⊙		
	One stop shop-ness/end-to-end service		⊙		⊙		
	Omnichannel touchpoints/Accessibility	⊙	⊙		⊙		
	Brand assurance and trust	⊙	⊙	⊙	⊙		
	Customer health and safety		⊙				
	Product innovation – Design, curation and management	⊙	⊙		⊙		
<b>PEOPLE DEVELOPMENT</b>	Equal employment opportunities		⊙			⊙	
	Multiculturalism		⊙				
	Gender diversity		⊙			⊙	
	Employee retention		⊙				
	Skill enhancement		⊙				
	Workplace health and safety		⊙			⊙	
	Employee engagement		⊙				
	Rewards and recognition		⊙				
<b>BUSINESS FAIRNESS</b>	Fair and ethical business operations/Fair trade	⊙	⊙	⊙	⊙	⊙	⊙
	Visa and passport compliance		⊙		⊙	⊙	
	Quality and effectiveness of GRC (Governance, Risk and Compliance)	⊙				⊙	
	Information security and Data integrity	⊙	⊙		⊙	⊙	

## Materiality matrix



		INVESTORS	CUSTOMERS	EMPLOYEES	BUSINESS PARTNERS	GOVERNMENT AND REGULATORS	COMMUNITY
<b>BUSINESS GROWTH AND PROFITABILITY</b>	Profitability and cash flow generation	⊙					
	Capital gain through share price appreciation	⊙					
	Inorganic growth	⊙	⊙				
	Cost efficiencies	⊙	⊙		⊙		
	Growing and retaining market share	⊙			⊙		
	Competition	⊙	⊙		⊙		
	Macroeconomic developments	⊙	⊙	⊙	⊙	⊙	⊙
	Geopolitical issues	⊙	⊙	⊙	⊙	⊙	⊙
<b>DIGITAL INTERVENTIONS</b>	Tech-enabled HR practices			⊙			
	Online access to services		⊙	⊙	⊙		
	New technology for process efficiencies			⊙	⊙		
<b>NETWORK AND PARTNERSHIP DEVELOPMENT</b>	Network of partners		⊙		⊙		
	Business synergies	⊙			⊙		
	Supplier relationship management	⊙			⊙		
	Continued supply of hotels, flights and experiences		⊙		⊙		
	Destination promotion	⊙			⊙	⊙	⊙
<b>PURPOSE-LED WAY OF DOING BUSINESS</b>	Social responsibility	⊙				⊙	⊙



# Customer experience and digitech

## Delighting with technology.

## Delivering with digital.

At TCIL, we harness the power of digital to deliver best-in-class services for all customers. We cater to the rising number of digital natives with dynamic customer interfaces at the frontend while deploying advanced analytics and automations to strengthen our backend.

### Front-end technology

1. OCR technology at airport counters by both Thomas Cook and SOTC
2. Website developed in-house
3. SEO optimisation, social media optimisation
4. Integrated customer service module in the Thomas Cook Holidays and Forex apps
5. Dedicated app for prepaid forex card customers
6. iLead – app for sales agents
7. Voyager – Dynamic FIT package building platform
8. iBook – custom built app for corporate customers (3,4)
9. Expense Management and Vendor Payment platforms
10. Engage – SOTC's post-booking customer app





### Back-end technology

1. Cloud platform and cloud architecture
2. State-of-the-art CRM and targeted campaigns
3. Dashboard to manage and track leads
4. Marketing automation and sales lead prioritisation
5. Automated lead
6. Inventory planning basis sales target and consumption pattern
7. Tejas – Analytics to improve marketing and sales efficiencies
8. Astra – advanced web technology platform offering enhanced features and functionalities



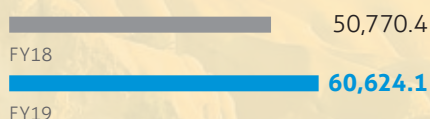
## Business Review

# *Travel and travel-related services*

The Thomas Cook India Group integrated travel and travel-related services delivers unparalleled customer experience to a wide range of customers.

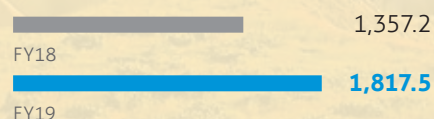
### REVENUE\*

₹mn



### EBIT

₹mn



\* In accordance with IndAS, revenue reporting for leisure travel (outbound and domestic), India and international DMS and MICE is recognized on gross basis whilst business travel is reported on net basis





## Leisure travel Outbound

Our leisure outbound business caters to both, group (GIT – Group Inclusive Tour) and individual (FIT – Free Independent Travel) customers, traveling to foreign destinations from India and Hong Kong. Our Group's Hong Kong entity, Travel Circle International Limited (Kuoni), operates as the leading premium tour operator in Hong Kong with a focus on the high-end, niche market of all-inclusive group long haul leisure travel and business travel. During the year, the Hong Kong entity intensified its product differentiation efforts, service enhancements to sharpen its product expertise and revenue.

Being an integrated player, we act as a one-stop destination for varied customer groups looking to travel abroad with ease and comfort. We are the leader in this segment in the top tier cities in India and are widening our presence across the Tier-II and Tier-III cities with dedicated offerings. Driven by robust and continued consumption, outbound leisure travel exhibited a strong growth during the fiscal.

### Key highlights of the year

- Voyager app for front-line sales professionals continued to create customised itineraries for the discerning audience with the least turnaround time
- With a strategic focus to connect with regional consumers and enhance its reach across India's high potential, yet under-leveraged markets, we partnered with the world's longest running daily family comedy show 'Taarak Mehta Ka Ooltah Chashmah'
- Introduced special Regional Tours series titled Avismarniya, Romanchak, Prekshaniya, Anandmay, Manmohak and Albelu to appeal to regional consumers with unique inclusions like our experienced local language-speaking tour managers accompanying each group, local Indian cuisine on tour to add the comfort of home cooked food, brochures printed in local scripts, and so on
- Launched Holiday Basket - an innovative EMI-powered holiday solution, offering travellers inflation-proof credit based holidays, aimed to tap into growing and aspirational travel demands
- Innovations at SOTC, such as co-created holidays (partnering with customers to curate packages), SOTC On The Go to assist the customers in booking, SOTC Easy series,

Super Holiday Sale- targeted for value-seeking travellers, Great Rail Journeys and Self Drive Holidays

### Key opportunities and outlook

International package tours continue to rise proportionately with India's rising consumption patterns and increasing disposable incomes. Yearly travel is increasingly becoming a lifestyle, as opposed to being pure discretionary spend until a few years ago. While India's share of outbound travel is yet to mature to the global average, this presents a strong opportunity for established players. Centre for Asia Pacific Aviation India (CAPA India) estimates that only around 4-5 million unique individuals in India travel overseas for leisure in any given year. The opportunity is at least 20 times this statistic, with close to 100 mn people having the purchasing power required for foreign travel. With its brand affinity, customer centricity, innovative packages and omnichannel approach, we are well-positioned to capture this mega opportunity. The following are few key drivers of the outbound leisure travel.

- Social Media and Internet Penetration
- Higher disposable income, burgeoning middle class
- Emergence of discerning travelers
- Young, millennial travellers with access and ability to travel
- Promotions by International Tourism boards
- Increased demand for frequent holidays either short or long haul

### Focus areas in the segment

- Enhanced distribution for increased penetration
  - Expanding footprint in Tier-II and Tier-III cities
  - Feet on street/Holiday Consultants
  - Channel coherence across physical and digital distribution for an omnichannel play
- Analytics for improved conversion and higher MROI (marketing ROI)
- Technology-led innovation for mass customisation
- Industry leading Customer Experience (CX)
  - To attract new audience
  - To improve customer intimacy and advocacy

### REVENUE ₹mn





## Leisure travel (Domestic)

**Our Group's domestic leisure segment engages customers with personalized and group tour holidays within India, delivered by our as well as SOTC brands. Our Group incubated this segment and forayed into the domestic market in 2012, and since then has been successfully catering to the rapidly increasing growth of local tourism. We have leveraged emerging themes such as spiritual tourism, adventure and sports tourism, which have garnered large interest from the target audiences.**

### Key highlights of the year

- Leveraged our Group's national presence along with regional focus to drive growth
- While the Group reported increased revenues in this segment led by higher focus on key markets and improved marketing, the overall results were reflective of the investments made towards the high potential travel segment
- Identified unique concepts such as
  - 'Festival Tourism' which combines spiritual elements with unique cultural experiences. This year, the Kumbh Mela and Holi proved to be significant drivers, with over 20% growth from the previous year
  - Smart weekend holidays, another significant trend popularized by millennials/ the DINKs-SINKs segment, and ad-hoc groups of friends and families.
  - Adoption of various digital tools and technologies

### Key opportunities and outlook

In India, domestic travel and tourism contributes ~87% to the overall travel and tourism GDP (Source: WTTC). With a rising aspiration for travel and with the increasing means of facilitating it, domestic tourism has gathered momentum. This also complements the fact that the average Indian household now budgets for one or more domestic tours annually.

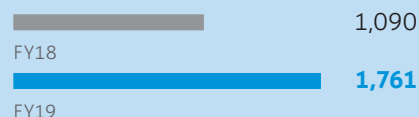
With both Central and State governments actively promoting their tourism destinations, the stage is set for further rise. This combines with better air connectivity, facilitated by the UDAN scheme, rendering previously overlooked destinations attractive to travellers. Spiritual and heritage destinations, promoted under the PRASAD and HRIDAY schemes, have also paved way for newer assortments in the domestic travel space.

With customers focusing on newer avenues of travel experiences, players in the travel and tourism space are becoming increasingly innovative. Taking a cue from these developments, we have introduced multiple novel initiatives to capture the changing demands of the domestic traveller.

### Key focus areas include

- Increase visibility in Tier-II, III and IV markets
- Curate tailored experiences led by emerging themes
- Leverage social media to maximise customer reach

### REVENUE ₹ mn





## Destination Management Specialists (DMS) (India Inbound)

The India Inbound segment is a B2B business with a network of over 1,500 partners catering to customers belonging to 100+ nationalities who travel to India, Nepal, Bhutan and Sri Lanka. The UK, Russia, Germany, France and USA are the primary source markets for TCIL's Inbound business. In India, Travel Corporation (India) Ltd (TCI) operates our Group's inbound travel business and is one of India's foremost and largest companies operating in this space. We operate under three brands – SITA, TCI and Distant Frontiers.

We administer our Inbound business across two categories – charter business based out of Goa and leisure. The leisure business is a bifurcation between FIT (Free Independent Travel) group, cruises, incentive and education travel.

### Key highlights of the year

- Increased uptick in South Indian packages
- Concentration on technology augmentation

### Key opportunities and outlook

Our Inbound business is a league apart, owing to its expertise and scalability, with unparalleled service. The number of foreign tourist arrivals in India crossed the 10 mn mark in 2017 and as on November 2018, there is a 5.6% y-o-y growth in the metric. However, India still has a considerably small share of FTAs compared to the global numbers, contributing approximately 0.76% in 2017.

### Key focus areas include

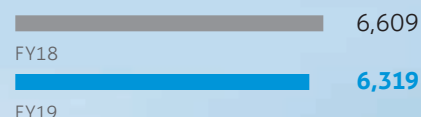
- Emphasising on service quality aided by technology to automate processes such as itinerary creation and reduce the turnaround time for the customers.
- Digitalising processes for service delivery and interfacing: Focus on building customer experience by utilising digital platforms and analytics to cater to real-time queries as well as predict customer behaviour
- Training for assistance: Train and guide customer facing personnel to provide effective consultancy to improve both turnaround time and service quality
- Expanding source markets and introducing new products: Business development to access underpenetrated source markets and establish partnerships.

Building on the expertise of the Destination Knowledge Centre, deliver new products, new itineraries, and new experiences in itineraries.

- Capturing demand from emerging destinations: Punjab, Gujarat, North East and the Buddhist Circle are emerging destinations that we look to seize.

### REVENUE

₹ mn







## Destination Management Specialists (DMS) (International Inbound)

Our Group's International DMS caters to inbound business outside India. The acquisition of entities from Kuoni Group in June 2017 has helped us attain a truly global stature. As a part of this acquisition, our Group added leading DMS entities like Asian Trails (APAC), Desert Adventures (MENA), ATM-Australian Tours Management (Australia), Allied T Pro (North America), Private Safaris (Eastern Africa) and Private Safaris (Southern Africa) under its network, creating a seamless delivery capability for our Group's B2B and B2C customers across 22 countries and five continents.

The key considerations for the acquisitions of the foreign entities included the experience of the management, strength of the brands in their region of operations, and the synergies these businesses can drive under our umbrella.

### Key highlights of the year

- During the year, the acquired entities continued to progressively turnaround. This was as a result of concerted restructuring and consolidation efforts at the specific entity level
- Technology enhancements adopted to improve connectivity and operational efficiencies
- Leveraged the entity-wide network of our India Group to derive synergistic benefits
- Increased productivity by utilising our Shared Service Centre in India
- The entities extended relationship network with several new partners with an aim to drive business operations
- In October 2018, we announced the commencement of our US operations through Allied T Pro to leverage the high-potential Business Travel segment to and from the Americas. The Company obtained the accreditation by the Airline Reporting Corporation and necessary licences to operate via Allied T Pro. The Company's US operations will offer travellers a range of services, including air, hospitality and surface transportation across our business and b-leisure segments.
- Through the DMS entity Asian Trails, we set up office in China to cater to the growing inbound segment in the region

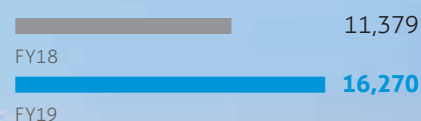
### Key opportunities and outlook

As an opportunity, the international DMS has placed us on the global map across 17 locations. Going forward, the focus will be on building on the strengths of each acquired entity, and guiding them into profitable, individual businesses under our larger Group umbrella. This will be managed through the adoption of emerging technologies, creation of expansion opportunities and driving group synergies.

We have already taken steps to strengthen our presence across adjacent markets where the International DMS entities operate.

### REVENUE

₹ mn



## The successful turnaround of International DMS

Our Group completed the acquisition of the Kuoni DMS brands in June 2017. We also identified the potential of the companies and their possible turnaround and synergies that could drive global presence and overall serviceability



**Business growth:** From the time of acquisition to date, the DMS entities have been focused on realigning growth agenda by not only leveraging its existing relationships in key source markets but also exploring new markets and forging new relationships

**Drive on technology:** Adopted new technologies that could enhance efficiencies as well as improve servicing and turnaround times

**Cost efficiencies:** Identifying opportunities where the entities could improve their costs structure and productivity, in areas including human resources, establishment costs, IT infrastructure. Utilizing the Shared Services Centre in India for Group-level entities has been a strong initiative in this direction, helping in achieving synergies

**Create a driven culture:** Our Group's philosophy empowers the entities to chart their own growth agenda whilst guiding them in creating long-term strategic goals

**Synergistic benefits:** Evaluate and explore opportunities to leverage our wide network as well as seek avenues to build global DMS presence

**New avenues for growth:** Explore avenues of growth to leverage global presence. Through Allied T Pro, we now have the US ticketing licence and this is expected to be a strategic advantage for our Group

## The results

Post acquisition, there has been a progressive improvement on all aspects identified to be key for business success and profitability

Under our Group's aegis, the entities have witnessed a positive turnaround within a short span of time.





## MICE

**We were among the initial companies in the industry to decipher the growing opportunity in the MICE segment.**

**By working with end consumer in mind, we have learnt the art of MICE and transformed the paradigm within which it operates. In an industry that functioned with a standard set list for en-masse corporate travel, we have ushered in specially curated consumer experiences that translated into business value for the customers.**

We have curated a series of best-in-class MICE programmes. These include fascinating long-haul destinations (Iceland, Canada, Japan, Korea, Norway, New Zealand, Australia and USA, among others) and short hauls (Baku, Kiev, Morocco, Oman), coupled with distinctive elements such as snow-mobiling, rafting in Norway, Formula 1 drives and 360-degree helicopter tours, and so on. We have also innovated travel within the destinations by introducing intra-city and inter-city transportation using vintage cars, stretch limousines, helicopters and so on. Realising that culinary experiences are critical to a customer's travel journey, we also incorporated exclusive dining experiences in its MICE itineraries.

The growth in this segment has been the outcome of razor-sharp customer focus, strong relationship management and industry-leading product innovations. The Group today caters to over 150 corporates, and during the year, has successfully conducted over 250

MICE assignments. With a strong base of satisfied and recurring clients, the MICE segment dedicatedly maintains best-in-class service delivery with a focus on creating unforgettable experiences.

During the year MICE performed exceedingly well and showcased a growth across key metrics.

### Key highlights of the year

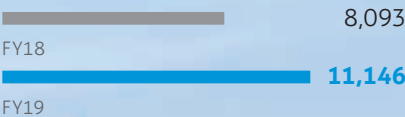
- Successfully executed one of the largest single end-to-end MICE assignments, by curating an experience for a group of over 2,000 people in Malaysia
- Selected as the Hospitality Partner for the Government of India for the 'Khelo India School Games' event, held in New Delhi. The MICE Event team coordinated and managed the hospitality requirements of over 30,000 people during the programme and once again proved our Group's exceptional service delivery prowess
- Piloted MICE tours to innovative and less explored destinations such as Iceland and Azerbaijan

### Key opportunities and outlook

India's outbound MICE tourism market is expected to generate more than two million outbound MICE tourists by 2020 and reach a US\$ 9 bn size by 2025, according to MILT Congress. Companies today, across industries and sectors, are increasingly seeking to enhance their distribution and dealer network, which has a direct correlation to the anticipated growth in this segment. Thus, MICE is a growing business opportunity and our Group is leading the industry with its differentiated, customer-centric approach.

Going forward, we envisage the addition of several new and exotic destinations to our portfolio, where it can host large teams and craft exceptional experiences for them. With this we expect to retain and grow market share, while keeping a sharp eye on customer delight.

### REVENUE ₹ mn







## Business travel

The Business Travel vertical caters to all business travel needs (ticketing and allied, non air services such as hotel bookings) of more than 500 large, mid and small corporates. At the consumer end, our Group offers services under the Thomas Cook, SOTC and Kuoni Hong Kong brands.

### Key highlights of the year

- With the aim of improving internal synergies, the Group has unified the backend services of Thomas Cook and SOTC, while the two brands continue to operate separately at the customer end. Our Shared Service Centre continues to improve efficiencies within the segment with integration of various functions.
- Seamless transition of business post GST implementation
- Technology-driven growth agenda
  - Click2Book, a web-based self-booking tool that provides a comprehensive suite of online services across flights, hotels, cars, visas, foreign exchange and travel insurance
  - Seamless integration of booking and billing for corporates
- Efficient working capital management led to further improvement in performance

### Key opportunities and outlook

The business travel landscape, similar to other segments of travel, continue to witness a change in industry dynamics. With robust capabilities and commitment, our Group is surging ahead with a clear roadmap - business development with focus on customer centricity, proactive technology adoption to drive its omnichannel approach, and process automation to enhance productivity across the operational canvas.

### Key focus areas include

- Building a portfolio by establishing long-term relationships with marquee clients/organisations
- Expand the non-air share of the business
- Enhanced customer experience using digital platforms
- Expand operations and leverage the high potential business travel segment to and from the Americas. Our Group has obtained an ARC (Airlines Reporting Corporation) accreditation and necessary operating licences via its Destination Management brand, Allied TPro (through Horizon Travel Services LLC, USA). This initiative will enable us to effectively cater to business travel requirements of our large and expanding base of global business travellers

### REVENUE ₹ mn





## E-business

The e-business team is focused on providing digital solutions by utilising real-time and research-driven data, with the aim to improve efficiencies, ROI and customer experience. The efforts have played a significant role in embedding digitisation into the organisation's DNA and thus, today offers an online portfolio across domestic and international holidays, Foreign Exchange, Visa, Flights and Hotels.

### Key highlights of the year

#### Digitally empowered sales force

To fulfil our Group's purpose, it is imperative to deliver on the strategy of customer experience. The sales teams' capabilities were further enhanced by equipping them with handheld devices enabling them to conduct end-to-end transactions at the customer touch point

#### Progressive Web App

During the year, a Progressive Web App for mobile devices was launched. This helps customers have a light-sized and functional interface to cater to their travel and real-time exchange rates: Our online platform was integrated with its core forex application to give real time exchange rates, streamlining the transaction process

#### Marketing automation

Using systems and processes, our Group invested in marketing automation to connect with prospective customers and current leads at different stages of their engagement with us. This has resulted in better lead prioritizing and conversion

#### Digital led innovations

Some of the key innovations that have driven the digital journey:

- Experience driven web platforms: [www.thomascook.in](http://www.thomascook.in) and [www.sotc.in](http://www.sotc.in)
- Integrated mobile self-service app for customers
- Voyager- a unique platform to equip the sales team
- Click2Book – a web based self-booking tool for business travel

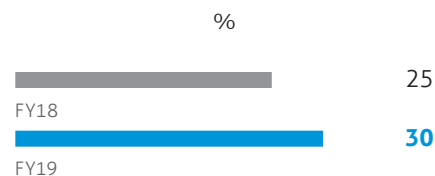
- IBook - A travel management tool for corporate clients
- Virtual reality- enables customers to sample a destination prior to booking at key retail outlets
- Project Tejas – Our Group's focused sales analytic programme designed for sales efficiency, lead conversion and productivity

### Key opportunities and outlook

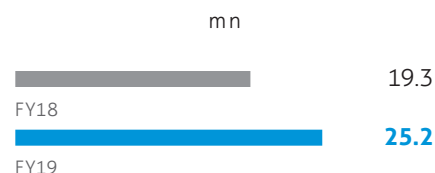
We are moving together with the world in its digital journey, with a constant quest to explore new digital initiatives that enhance customer experience and value for the organisation.

- Going forward, we plan to introduce 'Dynamic Packaging' – a holiday customisation and travel augmentation tool to its customers. This will enable us to go a step further to factor in customer preferences while offering holiday packages
- Through rating and reviews by customers on the website, we will further enhance the Search Engine Optimisation (SEO) mechanism and create trust and credibility while a customer is searching for tour packages on Google
- Going forward, we aim to introduce new age digital platforms like WhatsApp Messenger for business, considering the medium's increasing adoption and influence on the markets it serves

### PACKAGES BOOKED ONLINE



### TOTAL WEBSITE VISITS



### TOTAL NUMBER OF MOBILE APP DOWNLOADS





## Visa and passport services

Being an end-to-end travel service provider, we are equipped with expertise and knowledge to provide seamless visa and passport processing services to customers. Catering to a wide range of customers across corporate and leisure travel, our niche services in this segment give us a strong competitive edge.

Our relationship with Embassies and High Commissions, combined with a stringent quality check of applications enhance the comfort of customers while applying for a visa.

### Key opportunities and outlook

The visa business continues to be a dynamic space, which is subject to regulations and policies across borders. With increasing protectionism measures, visa applications have become critical, and services by specialists like us are expected to gain further demand.





## Business Review

# *Financial services*

Our Group's financial services include foreign exchange services and other value added services.





## Foreign exchange

**We lead the non-bank foreign exchange space in India and are the first non-banking institution to have been granted an AD-II licence by the Reserve Bank of India. We are also the only non-bank AD II licence holder to be a SWIFT member, with an in-house dealing room. We were the first in the non-banking category to issue our own prepaid travel card in India to facilitate better customer travel and convenience. The forex business is a combination of foreign exchange businesses of Thomas Cook (India) Limited, SOTC, TC Lanka, TC Mauritius Operations, and TC Forex and is one of the two core businesses of our Company (the other being travel).**

We handle around 1.2 million transactions annually and are one of the largest exporters of bank notes globally. Our strong distribution network encompasses a network of retail outlets over 200 locations and 25 airport counters in India, Sri Lanka and Mauritius. The Company's multi-currency Borderless Prepaid Card witnessed strong growth during the financial year and over 6,50,000 cards were sold since launch. The total load volume stands at US\$ 1.8 bn since inception. In FY19, the business clocked a revenue of ₹ 2,763.8 mn and an EBIT of ₹ 835.5 mn.

### Key highlights of the year

- Introduced Forex Card Mobile App for the new-age traveller, empowering them with real-time access to their Borderless Card account. It enables them to manage their account on-the-go and is complete with customer care access and emergency support, among other features
- Successfully conducted the Grand Forex Festival
- Load value on prepaid forex cards crossed US\$ 400 mn
- 'Study Buddy', our education forex medium, received positive market response
- Made concerted efforts aimed at optimising working capital management

- Launched of Contactless Payments across Prepaid Forex Cards that can be used for faster card transactions by customers at checkout counters

### Key opportunities and outlook

With travel and associated requirements increasing, foreign exchange is expected to increase in transaction volumes. We, as well-established players, continue to capitalise on this positive trend. We are geared to grow our market share, alongside increasing geographic presence. While internal synergies and cross-selling enable this growth, the following trends drive this:

- Trend in Forex growth to mirror its underlying driver of travel which is anticipated to enhance its trajectory
- Increased shift towards digital money
- Customer convenience/ omnichannel experience
- High focus on compliance and KYC

### The following are the key focus areas for us, going forward:

- Retail segment to lead the path for future growth: Increase the proportion of retail in the overall forex revenue contribution and use it as a key growth driver
- Drive towards increasing the card penetration: Improve the acceptance of prepaid card to enhance both customer convenience and stickiness along with brand recall

- Distribution footprint aided with online assisted model: Innovations including doorstep delivery of forex with online bookings, increasing retail presence along with airport counters. We are also creating hubs for catering its retail and corporate clients
- Technology to add efficiencies: Focus on analytics at the forex front to understand customer behaviour and improve serviceability

### LOAD VALUE IN PREPAID CARDS

US\$ MN



### REVENUE\*

₹ mn



\*Revenue from forex is on the basis of net margins earned

### EBIT

₹ mn





## Business Review

# Strategic Investments

To position our Company as a leading player in the evolving travel space, we explore value-accretive investments from time to time. In FY19, our Group acquired stake in two entities, namely DEI and Ithaka.





# DEI

**We assumed operating control of Digiphot Entertainment Imaging, through its holding company DEI holdings limited (DEI) – one of the world’s leading imaging solutions and services providers, in March 2019. The acquisition marks the our Group’s entry into an adjacent sector, complementary to its travel and travel related services portfolio. DEI being PAT and free cash accretive, will definitely add strength to our Group’s financial position.**

Established in 2004, DEI is fundamentally a technology-driven company with offices in Singapore, Dubai, Mumbai, Orlando, Hong Kong and Kuala Lumpur. DEI focuses on imaging solutions for the attractions industry with a robust end-to-end turnkey model by providing equipment, software, talent and operational expertise consultation to its business partners.

With a strong network of 120+ partners, DEI is present at 250+ venues spanning 14+ countries (Singapore, UAE, Hong Kong SAR, Macau SAR, China, USA, Malaysia, Thailand, Indonesia, Mauritius, Maldives, Egypt, India and Kuwait), and completed 3.6 mn transactions in 2018. At the end of CY18, DEI had reported a revenue of US\$ 65.9 mn, with an operating profit of US\$ 4.2 mn and a free cash flow of US\$ 5.3 mn

DEI, in 2017, expanded its offering and launched KlassAkt in the field of School photography - an innovative service with the ability to capture and archive every photo during school

years, allowing access to them at any time. DEI aims to grow its KlassAkt offering by actively working with nurseries/secondary and higher education institutions. It has already tied up with 90 schools across Mumbai, Dubai and Abu Dhabi.

## **DEI, a clear value accretive portfolio investment for our Group**

- DEI being PAT and FCF accretive, the acquisition will strengthen our Group’s business and financial base
- Souvenir imaging is an innovative space adjacent to travel sector which enables us to enhance our portfolio and expand our width of offerings
- Opportunities to create business synergies in common key markets/ outbound and inbound travel businesses
- Potential to attract and expand customer base that both companies cater

TOTAL CAPTURES (CY18)

96 mn+

PARTNERS

120+

SITES OPERATED

250+

WORKFORCE

1,800+

NUMBER OF TRANSACTIONS (CY18)

3.6 mn

REVENUE/PICTURE (CY18)

\$18.8



**Owned by Traveljunkie Solutions Pvt. Ltd, Ithaka is one of the world’s initial travel influencers driven personalised travel planning platforms, offering chat-based real-time travel advice.**

Our strategic investment in this new generation travel tech start-up has created a new avenue to extend and cater to the millennials. Ithaka’s business model also resonates with the hybrid technology and personalisation approach of our Group aimed to innovate and deliver a seamless customer experience to new age travellers. For Ithaka, the partnership delivers an end-to-end, bookable experience and a larger customer base with an established brand. The platform is currently present in 20 destinations across Europe, South East Asia and Central Asia covering most popular destinations like Thailand, Bali, Switzerland as well as unique and upcoming destinations like Turkey, Croatia and so on Ithaka’s travel influencer community has grown substantially over the past year and today has more than 180 influencers as part of its network.

## Business Review

# *Portfolio investments*

Our Group has portfolio interest in two entities -  
Sterling Holiday Resorts Limited and Quess Corp Limited





**Sterling Holiday Resorts Limited (Sterling) is a Leading Holiday Lifestyle company with 2,278 rooms spread over 35 resorts. This also includes four resorts of 'Nature Trails Resorts Private Limited' – an adventure holiday company located in drive-to locations from Mumbai, Pune, Nasik and Surat.**

With its new brand position of "Holiday Differently", Sterling has introduced over 200 Discoveries and Experiences across all its resorts that are unique in the destinations where the resorts are located. During the year, Sterling launched resorts in Jaipur, Mt.Abu and has plans to launch more destinations including Srinagar, Mysore and Gangtok. Aligned to its focus on customer-centric digital presence, it also launched a new website.

During the year, Sterling launched a Brand campaign over the TV along with strong exposure in the Digital and Social media space. This will be continued, in its efforts to build India's Leading Holiday Lifestyle Brand.

During the year, Sterling Holidays adopted IND AS115-Revenue from Contracts with Customers, with effect from April 1, 2018 and assessed the impact of the accounting changes, which primarily includes recognition of the membership fees and incremental costs to obtain and/or fulfil a contract with a customer, as applicable, over

the effective membership period. Due to this change, reported numbers for the financial year ended March 31, 2019 are not comparable with the last financial year. There is however no impact on Cash-flows due to this change.

- The revenue from operations increased by 3% (on the same basis, without considering the impact of IND AS115) from ₹ 2,746 mn to ₹ 2,827 mn. Reported revenue from operations stood at ₹ 2,619 mn
- Resort occupancy stood at 63% on an increased available room base.
- Average room rent grew from ₹ 3,528 in FY18 to ₹ 3,756 in FY19, an increase of 6.5%.
- Customer Service Ratings have improved further in the current year. Out of a total of 35 resorts, 31 resorts have a rating of 4 [on a scale of 5] and above in Trip Advisor and 24 Gold and one silver crown resorts as certified by RCI.

Sterling Holidays will continue to expand in new destinations in the coming year and focusing on expansion with the asset-light model, while maintaining very high standards of service focused on customer delight and experiences and discoveries. Sterling has a strong, balanced and experienced leadership team, drawn from across the hospitality and other industries, giving the team the strength, vision and competences required to guide the aggressive growth plans. In addition, the company has embarked on a digitization plan across customer-facing functions and back end processes that would enable it to focus on driving customer-centric growth.



**Established in 2007, Quess Corp Limited is India's leading business service provider, helping large and emerging companies manage their non-core activities across industries and geographies providing significant operational efficiencies.**

Quess has a team of over 3,18,000 employees with presence in India, North America, South East Asia and the Middle East across segments such as People Services, Technology Solutions, Facility Management, Industrials and Internet Business. Quess serves over 2,000 clients worldwide.

On a consolidated basis, Quess Corp reported a revenue growth of 38% to ₹ 85,270 mn; EBITDA growth of 31% to ₹ 4,646 mn and PAT margin stood at 3.01% growth of PAT to ₹ 2,566 mn. During the year, we have progressed on the corporate restructuring exercise related to Quess Corp Limited, aimed at simplifying the overall holding structure of our Group.



# Human capital

## Our people power

Our teams enable our businesses to continuously develop agile, effective responses to emerging challenges and opportunities. Our human resource policies help our go-getters to stay ahead of the market dynamics and fulfil our brand promise with continuous learning and evolution.

Our teams enable our businesses to continuously develop agile, effective responses to emerging challenges and opportunities. Our human resource policies help our go-getters to stay ahead of the market dynamics and fulfil the Group's brand promise with continuous learning and evolution.

We foster a collaborative and safe work environment for our people and ensure that they continue to engage as part of the our family for an enriching experience. We attract top-notch industry relevant talent from around the world and help them pursue a meaningful career path with us. As part of our HR policy, wide-ranging cross-functional people engagements is organised and benchmarking exercises are conducted to provide an inclusive and highly rewarding work culture.

In the recent years, post our global expansion, we have improved our cultural diversity mix and have attracted talent from 55 nationalities. We take pride in our cultural diversity and have instituted a common group policy by adopting industry-best practices across subsidiaries. Encouraging gender diversity is part of our stakeholder promise and we are constantly focusing on increasing the proportion of women workforce in our teams.

We believe in 'agility at scale', while remaining deeply rooted to our core values of customer centricity and stakeholder integrity. Going forward, we will continue to upskill our people, who are our true brand ambassadors.

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### NATIONALITIES ON BOARD

55

### TOTAL NO OF EMPLOYEES

9,791





### Training and development

**We believe in training our workforce to align them to the changing needs of the market. This involves both product and process trainings, apart from skill and behavioural development sessions.**

#### **Our trainings include:**

- Product and process training
- Behavioural trainings for competencies, skillsets and attitude
- Tour management training for itinerary creation
- Motivation training for doing better business
- Two levels of programmes for managers - Young Leader Programme and Managerial Development Programme
- Fraud and risk management trainings

Post the sessions, feedback is taken continuously and the course content is refreshed accordingly.

#### **Centre of Learning**

Centre of Learning is designed to proactively create and facilitate talent and to grow, harness and nurture the skill sets required for the Tourism and Travel industry.



### Employee engagement

**We undertake regular employee engagement initiatives across the organisation and at a pan-India level. While the last fiscal concentrated on improving interaction through interesting activities, the focus for FY20 is employee health and wellness.**

#### **Some of the practices include:**

- Interactive and fun activities
- Quarterly newsletters from HR desk as well as from senior-level managers
- Workforce using 'WOW' (Women of Will) where women on quarterly basis get together for vacations, network among each other and have fun. We also sponsor WOW trips for women employees.
- 'Fun'd'mentals,' our internal team generates new ideas every month for engagement activities.
- CNC (Coffee n Conversation) - CEOs and senior executives connect with employees for roundtable conversations.



### Our succession planning process

Continuity of leadership is one of our key focus areas. For retaining key talent, we deploy long term incentives, stock options and better compensations.

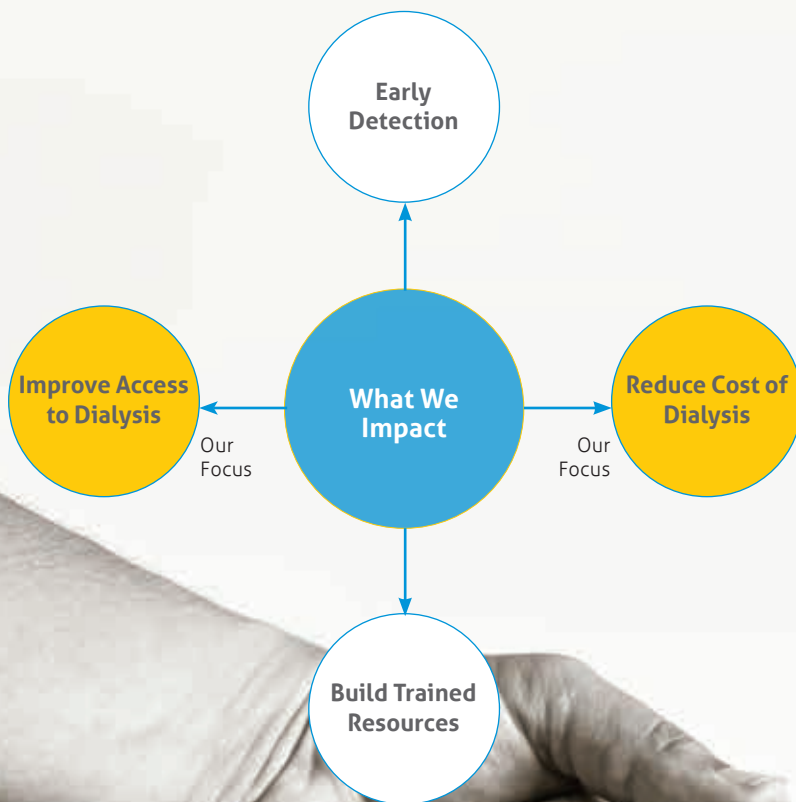
For succession planning, we conduct Behavioural Event Interviews (BEIs) and utilise HR analytics to find the best fit for succession and understand each person's organisational fit.

In the last four years, succession planning has been done for the first level i.e. the executive committee (Execom). During FY19, the succession planning exercise for second level executives commenced.

# Corporate social responsibility

## Expanding and deepening our social outreach

While we enrich people's lives by fulfilling their travel dreams, we reach out to those in need as part of our citizenship initiatives.



### Key Considerations for Project Implementation

#### Speed of Programme Development

##### Impact

- Reach
- Reduction in cost of dialysis
- Improve disease outcome

##### Sustainable Eco-system

- Optimal value to society

##### Meaningful Audits

- Transparency
- Ease of monitoring
- Consistent quality of service



## Project Dialysis

While we enrich peoples' lives by fulfilling their travel dreams, we also reach out to those in need as part of our corporate social responsibility initiatives. We work for the cause of under-served renal patients in India. Through the Fairfax India Charitable Foundation, promoted by our holding

organisation, we work to develop a high impact, holistic, sustainable and collaborative ecosystem that offers free/affordable, quality dialysis services to renal patients in parts of India where there is limited dialysis infrastructure. Till date the programme reached 15 Indian states with 370 total dialysis machine installations free to use at 70 dialysis centres and has offered 99,041 free/affordable dialysis sessions to rural poor population.

## Swachh Bharat Abhiyan

In line with the Government of India's Swachh Bharat Abhiyan, we have maintained the prefabricated toilet units installed at Kandhal Road, Ooty. The facility is helpful in promoting and maintaining hygiene at the tourist spot.

## Social Impact Target

### MACHINE INSTALLATIONS

1,000+

### STATES SUPPORTED

15+

### PATIENT'S SAVINGS

₹9,000 mn

### GOVT SAVINGS

₹4,800 mn

### DIALYSIS CENTRES

200+

### FREE DIALYSIS SESSIONS

4.5 mn+

### PROJECT COST

₹570 mn



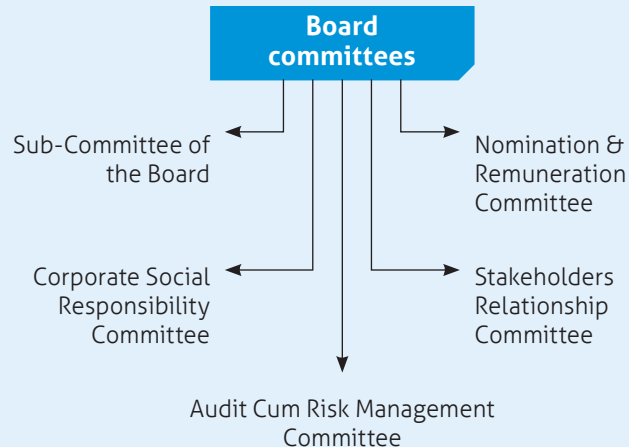
# Governance

## our robust corporate governance framework

We continue to be at the forefront of ethical best practices in corporate governance since beginning our journey. We have instituted a strong framework that draws its strengths from management responsibility and board oversight. We conduct regular review meetings and related proceedings to ensure that the organisation operates in a competitive, fair, compliant and efficient manner.

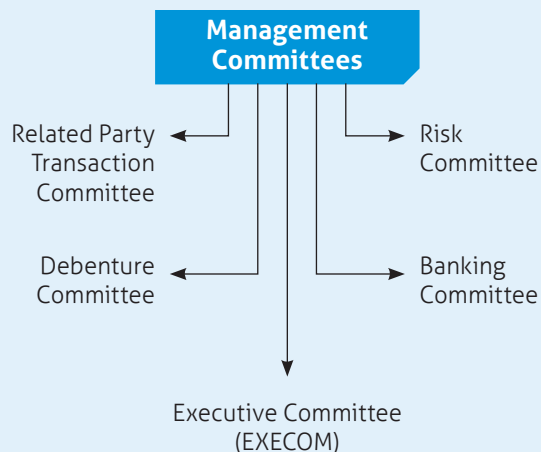
### Board committees

We have the following committees of the Board of Directors and the details pertaining to such committees are mentioned in the Corporate Governance Report which forms part of the Annual Report. (Read more on page 107)



### Management Committees

We have the following committees of Management and the details pertaining to such committees are mentioned in the Corporate Governance Report which forms part of the Annual Report. (Read more on page 116)



### Board diversity

Our Board of Directors is duly constituted with proper balance of Executive Directors, Non Executive Directors, Independent Directors and a woman Director. The changes in the composition of the Board of Directors that took place during the year were carried out in compliance with the provisions of the relevant laws. Further details are available in the Corporate Governance Report which forms part of the Annual Report.

(Read more on page 97)

### Board competence

Our Board of Directors comprises qualified members who have the skills, expertise and competence to govern and make effective contribution to our growth.

Taking into account the nature and scope of our Group's businesses, a number of Board Committees were constituted, from time to time, for effective organisational control and management of businesses.

As per the regulatory requirements, the Board carries out an annual performance evaluation of the Board as a whole, various Committees and Directors individually including the Chairman, in the manner prescribed from time to time.

In respect of Executive Directors of the Company who are involved in day-to-day operations, matters evaluated include but are not limited to:

- a) their commitment to achieving our goals and alignment with the strategic direction,
- b) their decision making ability, and
- c) their ability and actions to safeguard the interest of our shareholders.

Performance of our Non Executive and Independent Directors, who are not involved in day-to-day operations, is assessed on the basis of certain parameters like:

- a) individual's continuing commitment to the role, strategic thinking
- b) commitment of time for Board and other Committee meetings
- c) commitment of time for other duties towards like financial management and performance management, integrity and independence
- d) commitment to good corporate governance practices
- e) leadership, communication and relationships of Chairman with other Board members, and
- f) their individual competencies and contribution to the discussions and decisions at meetings.



## Board of Directors



Standing (L to R): Sumit Maheshwari, Nilesch Vikamsey, Mahesh Iyer, Sunil Mathur,  
Sitting (L to R): Chandran Ratnaswami, Madhavan Menon, Kishori Udeshi, Pravir Kumar Vohra

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### Madhavan Menon

Chairman and Managing Director

### Chandran Ratnaswami

Non Executive Director

### Kishori Udeshi

Non Executive Director – Independent

### Sunil Mathur

Non Executive Director – Independent

### Nilesch Vikamsey

Non Executive Director – Independent

### Pravir Kumar Vohra

Non Executive Director – Independent

### Mahesh Iyer

Executive Director and  
Chief Executive Officer

### Sumit Maheshwari

Non Executive Director

# Leadership Team



**Madhavan Menon**

Chairman & Managing Director,  
Thomas Cook (India) Limited



**Mahesh Iyer**

Executive Director and  
Chief Executive Officer,  
Thomas Cook (India) Limited



**Vishal Suri**

Managing Director,  
SOTC Travel Ltd.



**Dipak Deva**

Managing Director,  
Travel Corporation  
(India) Ltd.



**Debasis Nandy**

President & Group CFO  
Thomas Cook  
(India) Limited



**Monika Iuel**

Chief Executive Officer,  
Kuoni Private Safaris  
(Pty)  
Ltd., (South Africa)



**Maria Ng**

Managing Director,  
Travel Circle  
International Ltd.,  
Hong Kong



**Laurent Kuenzle**

Laurent Kuenzle,  
Chief Executive Officer,  
Asian Trails Holding Ltd.,  
Thailand



**Alexander Spiro**

Managing Director,  
Private Safaris (East  
Africa) Ltd., Kenya



**Peter Payet**

Managing Director,  
Desert Adventures  
Tourism LLC, Dubai



**Mark Morello**

Managing Director,  
Horizon Travel  
Services LLC, USA



**Mohinder Dyal**

Chief Operating Officer,  
Thomas Cook (Mauritius)  
Operations Co. Ltd.



**Chaminda Dias**

Managing Director,  
Luxe Asia (Pvt) Ltd., Sri  
Lanka



**K. S Ramakrishnan**

President & CEO DEI  
Dubai



**Ramesh Ramanathan**

Managing Director,  
Sterling Holiday  
Resorts Ltd.



# Risk management

## Proactively managing our risks

**Risk assessment and management are critical to ensure long term sustainability of the business. We have in place a strong risk management framework with regular appraisal by top management.**

Enlisted below are the key risks identified by management and mitigation measures.

Risks	Mitigation measures
<b>Economic Risk</b> Our business is closely associated with the macro environment that impacts the consumers' spending power.	To minimise the impact of the systemic risk arising from macro-economic slowdown, we have ventured into diversified business segments other than leisure travel and business travel, like student travels, foreign currency exchanges, DMS, People and Staffing solutions, IT solutions and so on, which would help to mitigate the risk arising from macro-economic slowdown, to some extent.
<b>Credit Risk</b> As we deal with a wide range of corporates and channel partners, we are exposed to credit risk. Any default or delay in payments may adversely affect our financials.	Our well-defined, balanced and comprehensive client policy drive all contracts and business dealings, in addition to the finance team's evaluation of financial capabilities of big clients and channel partners.
<b>Forex Risk</b> Being exposed to a significant number of geographies, we deal in a number of currencies and run the risk of unfavourable movement in any currency leading to financial losses.	We have a stringent hedging policy to manage forex risks. We keep a close watch on all currency movements and enters hedging contracts to protect margins.
<b>Competition Risks</b> We are a premium brand in all categories across geographies and compete with local players. Due to stiff competition and pricing wars, our operating margins can be adversely impacted.	Our leadership presence in most markets help in deriving competitive advantages while our pricing strategy is based on healthy targeted margins.
<b>Integration Risks</b> Our investment in diversified businesses in divergent geographies require harmonious integration of people, assets, processes and systems.  Any deficiency in the integration process may impact our growth prospects.	Our promoters and senior management have successful track records in managing acquisitions and integrations. Additionally, we have recently streamlined business segments into three verticals for greater focus and agility in business operations.



# Awards and recognitions

## Moments we treasure

### Thomas Cook India

Best Tour Operator (International) at Times Travel Awards 2019

Hong Kong MICE Top Agent Awards programme (TAAP Awards) 2018

The French Ambassador's Award for Exemplary Achievements in Visa Issuance– 2015 to 2018

Best Risk Management Framework, Systems, and Governance – Travel and Leisure 2019 (presented by ICICI Lombard and CNBC-TV18)

Best Cash Management Solution – India in "The Asset Triple A Treasury, Trade, Supply Chain & Risk Management Awards 2018" (By ASSET Hong Kong)

Digixx 2018 - Silver Award in Insight and Research

Digixx 2018 - Silver Award in Social media Digital campaign

### Top Agent and Outstanding Contribution Awards 2018:

**International Airlines:** Singapore Airlines, Qantas Platinum Club Award, Scoot, Air Seychelles, Air China, Ethiopian Airlines, Thai Airways, Air Seychelles, Jazeera Airways, Oman Air

**Domestic Airlines:** Air India, Air Asia, Indigo, Go Air

### SOTC

SOTC Travel Limited wins the Qantas Airways Platinum Club Award

SOTC Travel Limited wins the 2019 Times Travel Awards in Marketing Excellence

SOTC Travel Limited honoured the Top Agent Award 2017-18 by Singapore Airlines

Zee Business Travel Award for Best Tour Package Provider 2018

2018 PATA Gold Award for 'Marketing Media' - Travel Advertisement Broadcast - 'Holidays Bring You Closer'

Winner of Times Travel Awards for Best Business Travel Tour Operator & Best Domestic Tour Operator

2018 Outlook Traveller Award for Best Outbound Tour Operator

### Allied T Pro

Chairman's Circle Award, presented by the USA Travel Association and Brand USA, (2018 and 2019)

### TCI/Sita

Partners in Excellence Award for Outstanding Long-Term Partnership with Aurinkomatkat; 1993 – 2019 at ITB, Berlin

Go Vacation India - Best DMC of the year, 2018 by Adventure Specialists

Go Vacation India - the Agent of the Year by Kuoni, a brand of DER Touristic UK

### Asian Trails

TTG Travel Awards 'Best Travel Agency – Thailand' 2002, 2006, 2014, 2015, 2016, 2018 by TTG Asia



# Directors' Report

## To the Members,

Your Directors have pleasure in presenting the Forty-Second Annual Report, together with audited financial statements for the financial year ended on March 31, 2019.

## OVERVIEW

In India, travel and tourism continues to be a key contributor to the economic performance of the country. Tourism is also a potentially large employment generator besides being a significant source of foreign exchange for the country. The travel & tourism sector in India accounted for 8 per cent of the total employment opportunities generated in the country in 2017, providing employment to around 41.6 million people during the same year. The number is expected to rise by 2 per cent annum to 52.3 million jobs by 2028.

India acts as a key attraction for tourism led by its diverse cultural, historic and variety in ecology, terrains and places of natural beauty spread across the count. The sectors offers a varied portfolio of niche tourism products - cruises, adventure, medical, wellness, sports, MICE, eco-tourism, film, rural and religious tours. With India emerging as an economic powerhouse, corporate travel too has increased within the country. During 2018, Foreign Exchange Earnings (FEEs) from tourism increased 4.70 per cent year-on-year to USD 28.59 billion.

The prevalence of the Internet and the rising number of online travel companies have helped expand the Indian travel industry and empower the consumers. India is the most digitally-advanced traveller nation in terms of digital tools being used for planning, booking and experiencing a journey. India's rising middle class and increasing disposable incomes has continued to support the growth of domestic and outbound tourism.

India is the world's third largest travel and tourism related investment destination. In 2018 alone, USD 45.7 billion was invested in the sector, constituting 5.9% of national investment. Between 2000 and 2018, total foreign direct investment garnered by the sector was USD 12 billion. The Government of India, through the Ministry of Tourism, has launched several branding and marketing initiatives apart from programme implementations to boost travel and tourism in India.

## PERFORMANCE HIGHLIGHTS

For the financial year ended March 31, 2019, on a standalone basis, the Profit before tax stood at Rs.395.5 Mn in FY 2018-19 as compared to Rs. 5,384.1 Mn in FY 2017-18\*

- Total Income increased by 19% to Rs. 23,107.9 Mn from Rs. 19,429.6 Mn
- Profit After Tax stood at Rs. 264.6 Mn in FY 2018-19 as compared to Rs. 5,314.2 Mn in FY 2017-18\*.

*\* This is inclusive of one time accounting gain of Rs. 5,353.6 Mn on account of Qess Corp Limited stake sale.*

On a Consolidated basis, your Company posted a Profit before tax (before share of profit/loss of associate and joint venture) of

Rs. 572.9 Mn in FY 2018-19 as compared to Rs. 60,741.1 Mn in FY 2017-18\*.

- Total Income stood at Rs. 67,186.9 Mn in FY 2018-19 as compared to Rs. 114,115.5 Mn in FY 2017-18\*.
- Profit After Tax stood at Rs. 888.3 Mn in FY 2018-19 as compared to Rs. 61,313.9 Mn in FY 2017-18\*.

*\* results of Qess Corp Limited have been consolidated as a subsidiary upto February 28, 2018 and from March 2018, it has been reclassified as an associate with its share of profits being considered accordingly.*

## EXPANDING NETWORK

As of March 31, 2019, your Company, along with its subsidiaries, continues to be amongst the largest integrated travel groups in India. Your company is a leading integrated transnational travel and travel related services company offering a broad spectrum of services that include Foreign Exchange, Corporate Travel, MICE, Leisure Travel, Visa and Passport services and E-Business.

Your Company along with its subsidiaries and associates has presence in countries outside India through its branches/ representative offices in USA (New York), Spain (Madrid), Japan (Osaka), China, Hungary, Portugal, Poland, Italy, Germany, Brazil, Russia, Australia, Nepal, Bhutan, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Singapore, Thailand, Vietnam, Kenya, South Africa, Dubai, Abu Dhabi, Oman, Jordan, France (Paris), Mauritius Sri Lanka and Hong Kong.

Your Company (exclusive of its subsidiaries) operates through 336 locations and along with the subsidiaries, the network spans over 583 locations in 169 cities, over 150 Preferred Sales Agents and 199 Franchise Partner outlets to have a wider spread and network across the country.

## DIVIDEND

The Directors recommend dividend for approval of the members on Equity shares @ 37.5% (i.e. Rs. 0.375 per equity share of Re. 1/- each) for the financial year ended March 31, 2019.

The proposed dividend on the equity share capital will absorb Rs. 139.0 Mn for dividend and Rs. 28.5 Mn for Dividend Tax. The Board seeks approval of the shareholders for the dividend recommended on the equity share capital as will be outstanding on the date of book closure/ record date.

The above proposal for declaration of dividend forms part of the Notice of the 42nd Annual General Meeting and the relevant Resolution is recommended for the members' approval therein.

## REDEMPTION OF NON CONVERTIBLE DEBENTURES

During the year 2013, the Company issued and allotted 10.52% 1000 Unsecured Redeemable Non Convertible Debentures ('NCDs') of Rs. 10 lakh each, aggregating to Rs. 1000 Mn on private placement basis. Out of total NCDs issued and allotted, 333 NCDs were redeemed on April 15, 2016 (under Tranche I), 333 NCDs were redeemed on April 15, 2017 (under Tranche II) and 334 NCDs were redeemed on April 16, 2018 (under Tranche III) in accordance with the terms of the Information Memorandum.

During the financial year 2015-16, the Company issued & allotted 9.37% 1000 Unsecured Redeemable Non Convertible Debentures ('NCDs') of Rs. 10 lakh each, aggregating to Rs. 1000 Mn on Private placement basis. Out of total the NCDs issued and allotted, 330 NCDs (under Series I) were redeemed on its due date August 31, 2018 and for the balance 670 NCDs (under Series II and III), after securing necessary approvals, were redeemed early on September 24, 2018 along with interest accrued there on. Further the Company transferred Rs. 333.3 Mn from Debenture Redemption Reserve to General Reserve.

As on March 31, 2019, there were no outstanding NCDs of the Company. Further, total Debenture Redemption Reserve stands NIL as on March 31, 2019.

## GENERAL RESERVE

During the financial year, the Company has transferred Rs. 333.3 Mn from Debenture Redemption Reserve and Rs. 7.2 Mn from Share option Outstanding Account to General Reserve. The total General Reserve stands at Rs. 874.3 Mn as on March 31, 2019.

## PROMOTERS

### *Fairfax Financial Holdings Limited*

The promoter of your Company, Fairbridge Capital (Mauritius) Limited ("FCML") is an indirect wholly-owned subsidiary of Fairfax Financial Holdings Limited ("Fairfax"), Canada.

Fairfax is a holding company which, through its subsidiaries, is engaged in property and casualty insurance and reinsurance and the associate investment management. Fairfax was founded in 1985 by the present Chairman and Chief Executive Officer, Mr. Prem Watsa. The Company has been under present management since 1985 and is headquartered in Toronto, Canada. Its common shares are listed on the Toronto Stock Exchange. Fairfax's corporate objective is to achieve a high rate of return on invested capital and build long-term shareholder value. Over the past 33 years, Fairfax has demonstrated a strong financial track record to achieve an annual compounded appreciation in book value per share of 18.7% and currently has over USD 64 Bn in consolidated assets.

Thomas Cook (India) Limited is a part of the Fairfax group. As of date hereof, the promoter holds 66.93% of the total paid up equity share capital of the Company.

## DEPOSITS UNDER CHAPTER V OF COMPANIES ACT, 2013

During the financial year, the Company has not accepted any deposits within the meaning of Section 73 & 76 of the Companies Act, 2013, read with the Rules made thereunder, and therefore, no amount of principal or interest on deposit was outstanding as of the Balance Sheet date.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the financial year, all the transactions with related parties were in the ordinary course of business and on an arm's length basis; and there were no material contracts or arrangements or transactions at arm's length basis or otherwise. Therefore disclosure in Form AOC-2 is not applicable to the Company.

## DISCLOSURES OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

- **Details of Significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future**

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and its operations in future.

- **Other Order(s)**

The Competition Commission of India (CCI), vide its Order dated May 21, 2014 imposed a penalty of Rs. 10 Mn on the parties to the Composite Scheme of Arrangement and Amalgamation between Sterling Holidays Resorts (India) Limited (since amalgamated), Thomas Cook Insurance Services (India) Limited (since renamed as Sterling Holiday Resorts Limited) and the Company. The parties filed an appeal with the Competition Appellate Tribunal (COMPAT) against the said Order. COMPAT by its Order admitted the appeal and set aside the impugned Order. CCI subsequently filed an Appeal against COMPAT's impugned Order before the Hon'ble Supreme Court of India and the Hon'ble Supreme Court of India by its Order dated April 17, 2018 allowed the appeal of the CCI, set aside the Order passed by COMPAT and restored the Order passed by CCI imposing penalty of Rs. 10 Mn with no further costs.

## PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of Loans, Guarantees and Investment are given in the Corporate Governance Report which forms part of the Annual Report.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- in the preparation of the annual accounts for the financial year ended March 31, 2019, the applicable accounting standards have been followed and there were no material departures;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2019 and of the profit of the Company for the year ended on that date;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis;
- the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- the Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.



## DIRECTORS

### • Appointment, Re-appointment and Remuneration

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with the Rules made there under and Article 116 of the Articles of Association of the Company, Mr. Mahesh Iyer (DIN: 07560302) Executive Director and Chief Executive Officer, retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

Mr. Sumit Maheshwari (DIN: 06920646) was appointed as Additional Non Executive Director by the Board of Directors of the Company at its meeting held on September 27, 2018. As an Additional Director, he holds office up to the date of the ensuing Annual General Meeting of the Company. Accordingly, Mr. Sumit Maheshwari is proposed to be appointed as Non Executive Director liable to retire by rotation at the ensuing Annual General Meeting.

Mrs. Kishori Udeshi, Non Executive Independent Director of the Company will be completing her first term as Independent Director on September 15, 2019. Pursuant to the provisions of Companies Act, 2013, Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors vide resolution dated May 27, 2019, approved the re-appointed Mrs. Kishori Udeshi as Non Executive Independent Director for a second term w.e.f. September 16, 2019 up to September 15, 2024 or till such earlier date to conform with the policy on corporate governance of the Company, subject to the approval of the members of the Company by special resolution.

Pursuant to the SEBI notification dated May 9, 2018 effective from April 1, 2019, a company is required to secure approval of the members through special resolution in order to appoint or continue with the directorship of any person as a Non Executive Director who has attained the age of seventy five (75) years. Mr. Sunil Mathur will be attaining 75 years of age on October 11, 2019, thereby based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors vide resolution dated May 27, 2019 approved the continuation of his Directorship on the Board of the Company till the expiry of his tenure as an Non Executive Independent Director as per the original term of appointment i.e. till December 22, 2020, subject to the approval of the members.

Profile and other information of Mr. Mahesh Iyer, Mr. Sumit Maheshwari, Mrs. Kishori Udeshi and Mr. Sunil Mathur as required under Regulation 36 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 is given in the Corporate Governance Report which forms part of the Annual Report.

The members of the Company in accordance with the provisions of Part B of Section II of Part II of Schedule V of the Companies Act, 2013, at the AGM of the Company held on August 2, 2017 ratified the payment of remuneration for the period from September 12, 2016 to March 31, 2017 and approved payment of remuneration from April 1, 2017 to August 31, 2019 as payment of minimum remuneration in the event of no profit or inadequate profit. The Board of Directors based on the recommendation of the Nomination and Remuneration Committee has approved and proposed to the Members vide resolution dated May 27, 2019 for payment

of remuneration to Mr. Menon for the remainder term of his office from September 1, 2019 to February 29, 2020.

The above proposals forms part of the Notice of the 42nd Annual General Meeting and the relevant Resolutions are recommended for the members' approval therein.

### • Resignation

Mr. Harsha Raghavan, Non Executive Director (DIN: 01761512) resigned from the Board with effect from close of business hours on May 24, 2018 due to his preoccupations. The Board expressed its appreciation to the outgoing Director for his valuable inputs, insights and guidance to the Company during his tenure.

### • Declaration of Independence

The Company has received necessary declarations from all the Independent Directors on the Board of the Company confirming that they meet the criteria of Independence as prescribed under Section 149 of the Companies Act, 2013 and the Rules made there under and Regulation 16(1)(b) and other applicable regulations, if any, of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended.

### • Board Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual directors pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

In a separate meeting of independent directors, performance of non-independent directors, the board as a whole and the Chairman of the Company was evaluated. Further, the Independent Directors in the said meeting had also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board.

Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

The performance evaluation of the board was based on the criteria such as the board composition and structure, information and functioning, succession planning, strategic planning, etc.

The performance evaluation of the Committees was based on the criteria such as Structure of the Committee and meetings, effectiveness of committee meetings, frequency of the meetings, etc.

The performance evaluation of the Directors was based on the criteria such as experience, knowledge and competency, governance, safeguarding the interests of all stakeholders, etc.

The performance of the Independent Directors was based on the criteria such as time devoted and attention given to professional obligations for independent decision making and acting in the best interest of the Company, strategic guidance to the Company and help in determining important policies etc.

The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017 which is duly observed while carrying the respective evaluation.

- **Number of Board Meetings during the financial year**

During the financial year, Nine (9) meetings of the Board of Directors were held, the details of which are given in the Corporate Governance Report of the Company, which forms a part of the Annual Report.

## KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of the Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company as on the date of this Report are:

Mr. Madhavan Menon, Chairman and Managing Director  
 Mr. Mahesh Iyer, Executive Director & Chief Executive Officer  
 Mr. Brijesh Modi, Chief Financial Officer  
 Mr. Amit Parekh, Company Secretary & Compliance Officer

## AUDITORS

### Statutory Auditors

The Shareholders of the Company at the 40th Annual General Meeting (AGM) held on August 2, 2017, had appointed B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W - 100022) as Statutory Auditors of the Company for a period of 5 years commencing from the conclusion of 40th AGM till the conclusion of the 45th AGM.

Further, vide Ministry of Corporate Affairs (MCA) notification dated May 7, 2018, the requirement for ratification of appointment of Statutory Auditors by members at every AGM has been dispensed with. Accordingly, no such item has been considered in the 42nd AGM Notice.

The Statutory Auditors Report does not contain any qualifications, reservations or adverse remarks on the financial statements of the Company. Further, in compliance with the RBI requirements the Company has obtained Statutory Auditors Report in relation to downstream investments.

### Secretarial Auditor

The Board of Directors appointed Mr. Keyul M. Dedhia of M/s Keyul M. Dedhia & Associates, Company Secretaries in Practice as the Secretarial Auditor of the Company under of Section 204 of the Companies Act, 2013 read with the Rules made thereunder, for conducting the Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report for the financial year 2018-19 does not contain any adverse remark, qualification or reservation. The Secretarial Audit Report is annexed as **Annexure 1** which forms part of this Report.

### Cost Records and Audit

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

## DETAILS OF FRAUDS REPORTED BY AUDITORS

There were no frauds reported by the Statutory Auditors under the provisions of Section 143(12) of the Companies Act, 2013 and the Rules made there under.

## CORPORATE SOCIAL RESPONSIBILITY

### Corporate Social Responsibility ('CSR') Committee

In compliance with the requirements of Section 135 of the Companies Act, 2013 read with the applicable rules made there under, the Company has a duly constituted CSR Committee. The details of the Committee are provided in the Corporate Governance Report of the Company, which forms part of the Annual Report.

### CSR Policy

The contents of the CSR Policy of the Company as approved by the Board on the recommendation of the CSR Committee is available on the website of the Company and can be accessed through the web link: [https://resources.thomascook.in/downloads/TCIL-CORPORATE\\_SOCIAL\\_RESPONSIBILITY\\_POLICY\\_2.0.pdf](https://resources.thomascook.in/downloads/TCIL-CORPORATE_SOCIAL_RESPONSIBILITY_POLICY_2.0.pdf)

### CSR initiatives undertaken during the financial year 2018-19

The Annual Report on CSR Activities undertaken by Company during the financial year 2018-19, is annexed as **Annexure 2** which forms part of this Report.

During the financial year 2018-19, the Company has spent Rs. 1.5 Mn on CSR activities.

## COMMITTEES OF BOARD

The Company has the following committees of the Board of Directors and the details pertaining to such committees are mentioned in the Corporate Governance Report, which forms part of the Annual Report.

- Audit cum Risk Management Committee
- Nomination & Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Sub-Committee of the Board

## LISTING OF SECURITIES

As on the date of this report, the Company has its Equity Shares listed on the following Stock Exchanges:

- BSE Limited and
- The National Stock Exchange of India Limited

The Company has paid the Annual Listing Fees for the financial year under review for all its listed securities to the Stock Exchanges.

## CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Company continues to be committed to good corporate governance aligned with the best corporate practices. It has also complied with various standards set out by Securities and Exchange Board of India and the Stock Exchanges where its Securities are listed. The Management Discussion and Analysis Report for the financial year 2018-19, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report.

For the financial year ended March 31, 2019, your Company has complied with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable rules and regulations with respect to Corporate Governance.

A certificate from a Practising Company Secretary obtained by the Company regarding such compliance of conditions of Corporate Governance is annexed to the Corporate Governance Report which forms part of the Annual Report.

## **NOMINATION CUM REMUNERATION POLICY**

For the purpose of selection of any Directors, Key Managerial Personnel and Senior Management Employees, the Nomination & Remuneration Committee identifies persons of integrity who possess relevant expertise, experience and leadership qualities required for the position. The Committee also ensures that the incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws. The Board has, on the recommendation of the Nomination & Remuneration Committee framed a Nomination cum Remuneration policy for selection, appointment and remuneration of Directors, Key Managerial Personnel & Senior Management Employees.

During the year under review, the Company has revised the Nomination cum Remuneration Policy, in accordance with the amendments to Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The salient features of the Policy as approved by the Board and amended from time to time are as follows:

- i. Appointment of the Directors and Key Managerial Personnel of the Company.
- ii. Fixation of the remuneration of the Directors, Key Managerial Personnel and other employees of the Company.
- iii. Formulate a criterion for determining qualifications, positive attributes and independence of a director.
- iv. Specify methodology for effective evaluation of performance of Board/committees of the Board and review the terms of appointment of Independent Directors on the basis of the report of performance evaluation of the Independent Directors.
- v. To ensure a transparent nomination process for directors with the diversity of thought, experience, knowledge, perspective and gender in the Board.
- vi. Undertake any other matters as the Board may decide from time to time.

The Nomination cum Remuneration Policy of the Company is available on the website of the Company at [https://resources.thomascook.in/downloads/Whistle\\_Blower\\_Policy\\_01\\_04\\_2019\\_final.pdf](https://resources.thomascook.in/downloads/Whistle_Blower_Policy_01_04_2019_final.pdf)

## **VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

The Company has established a vigil mechanism for Directors and Employees by adopting Whistle Blower Policy which is available on the website of the Company and weblink thereto is [https://resources.thomascook.in/downloads/Whistle\\_Blower\\_Policy\\_01\\_04\\_2019\\_final.pdf](https://resources.thomascook.in/downloads/Whistle_Blower_Policy_01_04_2019_final.pdf).

## **PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND EXPENDITURE**

The Company being in the Travel and Tourism Industry, its activities do not involve any expenditure on Technology and Research and Development, therefore, the particulars in the Companies (Accounts) Rules, 2014, as amended, in respect of Conservation of Energy and Technology Absorption is not applicable to the Company. Further, the Company is not energy intensive. However, the Company takes every effort to ensure optimum use of energy by using energy- efficient LED Lightings, Air Conditioners etc.

During the financial year, the foreign exchange earnings of the Company amounted to Rs.463.1 Mn, whereas, the Company has incurred Rs. 156.4 Mn as expenditure in foreign currencies towards interest, bank charges, license fees, professional fees, travelling, subscriptions etc

## **MATERIAL CHANGES AND COMMITMENTS**

There were no material changes and commitments occurred between the end of the financial year and the date of the Report affecting the financial position of the Company.

## **RISK MANAGEMENT**

The Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 mandated the top 500 listed companies based on their market capitalization to have Risk Management Committee and accordingly to adopt Risk Management Policy. However, the Company had a risk management policy in place. The risk management related functions were overseen by the Audit Committee. Pursuant to said Regulation effective from April 1, 2019, the risk management functions have been included in the Audit cum Risk Management Committee Charter and the nomenclature of the Audit Committee has been changed to Audit cum Risk Management Committee effective from April 1, 2019.

The Company has adequate Risk Management framework to identify, measure, manage and mitigate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business strategy and enhance the Company's competitive advantage. This risk framework thus helps in managing market, credit and operational risks and quantifies potential impact at a Company level.

There are no risks which in the opinion of the Board threaten the existence of the Company. The details and the process of the Risk Management as implemented in the Company are provided as part of Management Discussion and Analysis which forms part of this Report.

## **EXTRACT OF ANNUAL RETURN**

Pursuant to the provisions of Section 92 of the Companies Act, 2013 read with applicable rules made there under, extract of the Annual Return of the Company in the prescribed Form MGT-9 is annexed as **Annexure 3** to this Report and is also available on the website of the Company at [https://resources.thomascook.in/downloads/Form\\_MGT-9\\_Extract\\_of\\_Annual\\_Return\\_for\\_the\\_Financial\\_Year\\_2018-19.pdf](https://resources.thomascook.in/downloads/Form_MGT-9_Extract_of_Annual_Return_for_the_Financial_Year_2018-19.pdf).



## COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE FINANCIAL YEAR

During the financial year, companies listed in **Annexure 4** to this Report have become or ceased to be the Company's subsidiary, joint venture or associate companies.

## ACQUISITIONS/ INCORPORATIONS/ OTHER CORPORATE RESTRUCTURINGS

The Company is committed to building long term shareholder value by growing the business inorganically and through acquisitions and alliances.

The Company was directly or indirectly involved in the following acquisitions, incorporations and corporate restructurings:

### A. Acquisitions/ Incorporations

- I. Travel Circle International (Mauritius) Limited, a wholly owned subsidiary of the Company has entered into an agreement on February 25, 2019 to acquire and has subsequently acquired 51% stake in DEI Holdings Limited, an entity registered in Jebel Ali Free Zone (JAFZA) Dubai, UAE along with its subsidiaries.
- II. Travel Corporation (India) Limited, a wholly owned subsidiary of the Company has entered into an agreement on February 25, 2019 to acquire 51% stake in BDC Digiphot Imaging Solutions Private Limited, Mumbai.
- III. Horizon Travel Services LLC, a wholly owned subsidiary of the Company has entered into an agreement on February 25, 2019 to acquire 51% stake in Digiphot Entertainment Imaging LLC, USA.
- IV. TC Tours Limited, a wholly owned subsidiary of the Company on entered into a definitive agreement October 5, 2018 to subscribe Compulsorily Convertible Preference Shares (CCPS) of TravelJunkie Solutions Private Limited in tranches resulting into 24% stake in the Company on fulfillment of such terms and conditions as mutually agreeable between the parties. Two tranches have been completed on November 27, 2018 and May 2, 2019 resulting in 21.39% holding as of date.
- V. Asian Trails Holding Limited, a subsidiary of the Company has incorporated a Joint Venture Company named Thomas Cook IN Destination (Thailand) Limited with a 49% preferred share capital of that Company.
- VI. The Company on April 13, 2018 subscribed to 303000 Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) of Rs. 10 each offered by Sterling Holiday Resorts Limited, a wholly owned subsidiary of the Company.
- VII. Asian Trails International Travel Services (Beijing) Limited, a subsidiary of the Company has incorporated a Joint Venture Company named ATC Travel Services (Beijing) Ltd by investing in 70% stake of that Company.

### B. Corporate Restructurings

- I. The Company on April 3, 2018 completed the acquisition of 100% stake in TC Travel Services Limited (formerly known as TC Travel and Services Limited) from TC Tours Limited, a wholly owned subsidiary of the Company.
- II. The Company on April 20, 2018 completed the acquisition of balance 4.44% equity stake in Travel Corporation (India) Limited (TCI) from Sterling Holiday Resorts Limited, a wholly owned subsidiary of the Company.
- III. The Board, at its meeting held on April 23, 2018 and which was further amended on December 19, 2019, approved the Composite Scheme of Arrangement and Amalgamation amongst Thomas Cook (India) Limited ('TCIL'), Qess Corp Limited ('QCL'), Travel Corporation (India) Limited ('TCI'), TC Forex Services Limited (formerly known as Tata Capital Forex Limited) ('TCF'), TC Travel Services Limited (formerly known as TC Travel and Services Limited) ('TCTSL') and SOTC Travel Management Private Limited (formerly known as SITA Travels and Tours Private Limited) ('SOTC Travel') and their respective shareholders ('the Scheme') in accordance with the provisions of Section 230 to 232 read with Section 52, 55 and 66 of the Companies Act, 2013. The Scheme inter alia provides:
  - i. Demerger of the inbound business of TCI consisting of business of handling inward foreign tourist activity from TCI into SOTC Travel;
  - ii. Amalgamation of residual TCI, TCF and TCTSL with TCIL; and
  - iii. Demerger of the Human Resource Services Business of TCIL (including shares in QCL held by TCIL) into QCL. As a part of consideration, QCL will issue shares to the shareholders of TCIL.

The said Composite Scheme is subject to requisite statutory and regulatory approvals and sanction by the respective shareholders of each of the companies involved in the Scheme.

### AWARDS AND ACCOLADES

The Company has been the recipient of the following prestigious awards and accolades during the financial year 2018-19:

1. Best Tour Operator (International) at Times Travel Awards 2019
2. Hong Kong MICE Top Agent Awards program (TAAP Awards) 2018
3. The French Ambassador's Award for Exemplary Achievements in Visa Issuance– 2015 to 2018
4. Best Risk Management Framework, Systems, and Governance – Travel and Leisure 2019 (presented by ICICI Lombard and CNBC-TV18)
5. Best Cash Management Solution – India in "The Asset Triple A Treasury, Trade, Supply Chain & Risk Management Awards 2018" (By ASSET Hong Kong)
6. Digixx 2018 - Silver Award in Insight and Research

7. Digixx 2018 - Silver Award in Social media Digital campaign
8. Top Agent and Outstanding Contribution Awards 2018:

**International Airlines:** Singapore Airlines, Qantas Platinum Club Award, Scoot, Air Seychelles, Air China, Ethiopian Airlines, Thai Airways, Air Seychelles, Jazeera Airways, Oman Air

**Domestic Airlines:** Air India, Air Asia, Indigo, Go Air

## DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has Zero Tolerance towards any action on the part of any employee which may fall under the ambit of 'Sexual Harassment' at workplace, and is fully committed to uphold and maintain the dignity of every woman executive working in the Company. The Company's Policy provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints.

Number of complaints pending as on the beginning of the financial year	Nil
Number complaints filed during the financial year	3
Number of complaints pending as on the end of the financial year	Nil

Further, the Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY

The details on Internal Financial Control System and their adequacy are provided in the Management Discussion and Analysis Report of the Company, which forms part of the Annual Report.

## PARTICULARS OF EMPLOYEES

Disclosure with respect to the remuneration of Directors and Employees as required under Section 197 of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is annexed as **Annexure 5** which forms part of this Report.

Statement containing Particulars of Employees pursuant to Section 197 of the Companies Act, 2013 and Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, forms part of the Annual Report. As per the provisions of Section 136 of the Companies Act, 2013, the reports and Financial Statements are being sent to shareholders of the Company and other stakeholders entitled thereto, excluding the Statement containing Particulars of Employees. The copy of the said statement is available at the Registered Office of the Company during the business hours on any working day excluding Saturdays, Sundays and Public Holidays up to the date of Annual General Meeting. Any shareholder interested in obtaining such details may write to the Company Secretary & Compliance Officer of the Company. Further, the copies of the said statement shall also be available at the Annual General Meeting.

## EMPLOYEES STOCK OPTION PLANS (ESOPS)

The Company after obtaining shareholders approval framed Thomas Cook Employees Stock Option Scheme 2018 – Execom (Execom ESOP 2018) and Thomas Cook Employees Stock Option Scheme 2018- Management (Management ESOP 2018).

The objectives of the Schemes were as follows:

- Execom ESOP 2018 - to reward the Execom Employees of the Company for their performance and to motivate them to contribute to the growth and profitability of the Company.
- Management ESOP 2018 - to motivate and retain key talent in the organisation and fostering ownership and financial motivation.

The Company has in force the following Schemes which get covered under the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014:

- Thomas Cook Employees Stock Option Plan 2007 (ESOP 2007)
- Thomas Cook Save As You Earn Scheme 2010 (SAYE Scheme 2010)
- Thomas Cook Employees Stock Option Plan 2013 (ESOP 2013)
- Sterling Holiday Resorts (India) Limited Employee Stock Options Scheme 2012 (SHRL ESOP 2012)
- Thomas Cook Employees Stock Option Scheme 2018 – Execom (Execom ESOP 2018)
- Thomas Cook Employees Stock Option Scheme 2018- Management (Management ESOP 2018)

During the financial year, options were granted under the following ESOP Schemes of the Company:

- 231965 options under ESOP 2013
- 1747692 options under Execom ESOP 2018
- 1850539 options granted under Management ESOP 2018.

No options were approved for grant under ESOP 2007 and SAYE Scheme 2010.

The above Schemes are in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended. The Company has also obtained the certificate from the Statutory Auditors of the Company certifying that the Company's Employee Stock Option Scheme(s) have been implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended and in accordance with the resolutions passed by the Members.

The Nomination & Remuneration Committee administers and monitors the ESOP Schemes. Disclosure on various Schemes, as required under SEBI (Share Based Employee Benefits) Regulations, 2014 read with SEBI Circular no. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 are available on the Company's website and the weblink thereto is [https://resources.thomascook.in/downloads/Disclosure\\_pursuant\\_to\\_SEBI\(Share-Based-Employee-Benefits\)\\_Regulations\\_2014\\_for\\_the\\_financial\\_year\\_2018-19.pdf](https://resources.thomascook.in/downloads/Disclosure_pursuant_to_SEBI(Share-Based-Employee-Benefits)_Regulations_2014_for_the_financial_year_2018-19.pdf).

During the financial year, no employee has received options equal to or exceeding 1% of the issued share capital of the Company at the time of grant during the financial year.

## SUBSIDIARY AND ASSOCIATE COMPANIES

In accordance with Section 129 of the Companies Act, 2013, read with the Rules made thereunder, the Company has prepared a consolidated financial statement of the Company and all its subsidiary and associate companies, which is forming part of the Annual Report. A statement containing salient features of the financial statements and other necessary information of the subsidiary/ associate/ joint venture companies in the format prescribed under Form AOC-1 is included in the Annual Report. The said Form also highlights the financial performance of each of the subsidiaries and associates companies included in the consolidated financial statements of the Company.

In accordance with the provisions of the Section 136 of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, [www.thomascook.in](http://www.thomascook.in). Further, as per the proviso of the said section, Annual Financial Statements of each of the subsidiary companies have also been placed on the website of the Company at [www.thomascook.in](http://www.thomascook.in). Accordingly, the said documents are not being attached to the Annual Report. Shareholders interested in obtaining a copy of the Annual Financial Statements of the subsidiary companies may write to the Company Secretary & Compliance Officer of the Company.

## DIVIDEND DISTRIBUTION POLICY

The Dividend Distribution Policy of the Company is annexed herewith as **Annexure 6** and is also available on the website of the Company at [www.thomascook.in](http://www.thomascook.in).

## BUSINESS RESPONSIBILITY REPORT

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Business Responsibility Report describing the initiatives undertaken by the Company from an environment, social and governance perspective, forms part of the Annual Report.

## INTEGRATED REPORTING

The Company has embarked its journey of the Integrated Reporting framework prescribed by the International Integrated Reporting Council (IIRC). We are taking our first step to move to Integrated

Reporting in line with our continuous commitment to voluntarily disclose more information. Through this Report, we aspire to provide our stakeholders an all-inclusive depiction of the organization's value creation using both financial and non-financial resources. The Report strives to provide insights into our key strategies, operating environment, the operating risk and opportunities, governance structure and the Company's approach towards long-term substantiality.

## DISCLOSURE REQUIREMENTS

The various policies and codes adopted by the Company are stated in detail in the Corporate Governance Report of the Company, which forms part of the Annual Report.

The Company during the financial year complied with the applicable provisions of the Secretarial Standards issued by the Institute of the Companies Secretaries of India.

## ACKNOWLEDGEMENT AND APPRECIATION

Your Board takes this opportunity to thank the Company's Shareholders, Customers, Vendors and all other Stakeholders for their continued support throughout the financial year. Your Directors also thank the Reserve Bank of India and other Banks, Ministry of Tourism, Financial Institutions, Government of India, State Governments and all other Government agencies and Regulatory authorities for the support extended by them and also look forward to their continued support in future.

Your Board also wishes to place on record its appreciation on the contribution made by the Company's employees across all levels without whose hard work, solidarity and support, your Company's consistent growth would not have been possible.

## FOR AND ON BEHALF OF THE BOARD

**Madhavan Menon**  
Chairman & Managing  
Director  
DIN: 00008542

**Mahesh Iyer**  
Executive Director  
& Chief Executive Officer  
DIN: 07560302

Place: Mumbai  
Dated: May 27, 2019



Form No. MR-3  
**Secretarial Audit Report**

For The Financial Year Ended March 31, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Thomas Cook (India) Limited**

**Corporate Identity Number: L63040MH1978PLC020717**

Thomas Cook Building, Dr. D. N. Road, Fort, Mumbai- 400 001.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Thomas Cook (India) Limited (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our limited verification of the Company's Books, Papers, Minute Books, Forms and Returns filed with applicable regulatory authority(ies) and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended on March 31, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to reporting made hereinafter:

We herewith report that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management and of the Company. Our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon. We have examined on test check basis, the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and produced before us for the financial year ended March 31, 2019, as per the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder with respect to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, to the extent the same was applicable to the Company;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009/ The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (to the extent applicable);
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the Audit period**);
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998/ The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**Not applicable to the Company during the Audit period**); and
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- (vi) We relied on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for the compliance of the following laws applicable specifically to the Company:
  - 1. The Passports Act, 1967 and applicable Rules thereto.
  - 2. IATA Guidelines for Agents.

We have also examined compliance with the applicable clauses of:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of the Companies Act, 2013; and

- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s).

Based on the aforesaid information provided by the Company, we report that during the financial year under report, the Company has complied with the provisions of the above mentioned Acts, Rules, Regulations, Guidelines, Standards, etc. and we have no material observation or instances of non compliance in respect of the same subject to the following observation:

The Hon'ble Supreme Court of India by its Order dt April 17, 2018 set aside the Order passed by Competition Appellate Tribunal (COMPAT) and restored the Order passed by Competition Commission of India (CCI) imposing penalty of Rs. 1 crore with no costs.

**We further report that,** during the Audit period:

1. One of the designated employees of the Company had dealt in equity shares of the Company during non-transaction period notified as per the Company's Prevention of Insider Trading Code. The Company took necessary action in this regard and also informed SEBI of the said occurrence.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all Directors about scheduled Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance, and a reasonable system exists for Board Members for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We report that majority decisions were carried through while dissenting member's views, if any, were captured and recorded as part of the Minutes. Based on the representations made by the Company and its Officers, the Company has proper system in place which facilitates/ ensures capturing and recording of any dissenting views of Board Members.

We report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that,** during the audit period,

- a. The Company has redeemed 334 10.52% Unsecured Redeemable Non Convertible Debentures ('NCDs') of Rs. 10 lakh each on April 16, 2018 as per the terms of the issue.

- b. The Board of Directors of the Company has approved the Composite Scheme of Arrangement and Amalgamation between Thomas Cook (India) Limited ('TCIL'), Qess Corp Limited ('QCL'), Travel Corporation (India) Limited ('TCI'), TC Forex Services Limited (formerly known as Tata Capital Forex Limited) ('TCF'), TC Travel Services Limited (formerly known as TC Travel and Services Limited) ('TCTSL') and SOTC Travel Management Private Limited (formerly known as SITA Travels and Tours Private Limited) ('SOTC TRAVEL') and their respective shareholders ('the Scheme') in accordance with the provisions of Section 230 to 232 read with Section 52, 55, and 66 of the Companies Act, 2013 subject to approval of the Members, Creditors and such other concerned regulatory authority(ies), as the case may be.
- c. The Company has redeemed 330 9.37% Unsecured Redeemable Non Convertible Debentures ('NCDs') Series I of Rs. 10 lakh each on August 31, 2018 as per the terms of the issue.
- d. The members have passed a Special Resolution in the Annual General Meeting of the Company held on September 27, 2018 to give authority to the Board of Directors to offer, invite subscriptions for secured or unsecured, redeemable non-convertible debentures, in one or more tranches, on private placement basis, provided that the total amount that may be so raised, does not exceed Rs. 300 crores.
- e. The Company has redeemed 330 and 340 9.37% Unsecured Redeemable Non Convertible Debentures ('NCDs') Series II and Series III, respectively, of Rs. 10 lakh each on September 24, 2018 as per the terms of the issue.
- f. The Company has granted 1850539 Options under Thomas Cook Employees Stock Option Scheme 2018- Management ('ESOP 2018- Management').
- g. The Company has granted 1747692 Options under Thomas Cook Employees Stock Option Scheme 2018- Execom ('ESOP 2018- Execom').
- h. The Company has granted 231965 Options under Thomas Cook Stock Option Scheme 2013 ('ESOP 2013').

**For Keyul M. Dedhia & Associates**  
Company Secretaries

**Keyul M. Dedhia**

*Proprietor*

FCS No: 7756 COP No: 8618

**May 27, 2019, Mumbai**

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

## 'Annexure A'

To,  
**The Members,**  
**Thomas Cook (India) Limited**  
**Corporate Identity Number: L63040MH1978PLC020717**

Thomas Cook Building, Dr. D. N. Road, Fort, Mumbai- 400 001.

**Sub: Our report of even date is to be read along with this letter.**

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test-check basis (by verifying records as was made available to us) to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we follow provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and we have relied on Statutory Auditors' independent assessment on the same.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. Our examination was limited to the verification of process followed by Company to ensure adequate Compliance on test-check basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Keyul M. Dedhia & Associates**  
**Company Secretaries**

**Keyul M. Dedhia**  
**Proprietor**  
*FCS No: 7756 COP No: 8618*

**May 27, 2019, Mumbai**



## Annual Report On Corporate Social Responsibility (CSR) Activities

### 1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or Programmes:

The Company has set high ethical standards for all its dealings and believes in inspiring trust and confidence. With a strong belief that we exist not only for doing good business, but equally for the betterment of society, the Company has implemented its CSR policy / charter to focus on the following areas:

1. Education and Employability through its vocational education arm viz., Thomas Cook Centre of Learning (COL);
2. Health and Sanitation;
3. Rural / Tribal Area Development;
4. Contribution to Emergency Relief Funds.

During the financial year under review, the Company's total expenditure on CSR activities stood at Rs.14,50,616/-. The Company undertook the following activities:

1. Through Project Dialysis – the Company's flagship CSR initiative, funded and installed 96 dialysis machines and cumulatively 131 dialysis machines at 58 dialysis centres located in remote areas of Assam, Arunachal Pradesh, Meghalaya, Nagaland, Odisha, Jammu & Kashmir, Himachal Pradesh, Uttar Pradesh, Uttarakhand, Chhattishgarh, Andhra Pradesh and Tamil Nadu where there were no or limited dialysis infrastructure offering free/affordable dialysis access.
2. The Company maintained the pre-installed prefabricated toilet units at Kandhal Road, Ooty (in line with Swachh Bharat Abhiyan).

The CSR policy is posted on the Company's website and the weblink thereto is [https://resources.thomascook.in/downloads/TCIL\\_CORPORATE\\_SOCIAL\\_RESPONSIBILITY\\_POLICY\\_2.0.pdf](https://resources.thomascook.in/downloads/TCIL_CORPORATE_SOCIAL_RESPONSIBILITY_POLICY_2.0.pdf)

### 2. The Composition of the CSR Committee:

As on the date of this report, the constitution of the CSR Committee is as follows:

- Mrs. Kishori Udeshi, Non Executive Independent Director - Chairperson
- Mr. Mahesh Iyer, Executive Director and Chief Executive Officer – Member
- Mr. Sumit Maheshwari, Non Executive Director - Member

CSR Policy implementation is periodically reviewed and monitored by a two tiered Governance Structure comprising of:

- i) Tier I – CSR Committee of the Board, and
- ii) Tier II – CSR Steering Committee.

### 3. Average net profit of the company for last three financial years: Rs. 2,90,12,311/-

### 4. Prescribed CSR Expenditure (Two per cent of the amount as in item 3 above)

As per the provisions of Section 135 of the Companies Act, 2013, read with the rules framed there under, the corpus amount to be spent by the Company on CSR activities shall be at least 2% of the average net profits of the Company for the preceding three financial years, which amounts to Rs. 5,80,246/-.

### 5. Details of CSR spent during the financial year

- a) The Total amount to be spent for the financial year was Rs. 5,80,246/- against this the Company's CSR spending was Rs. 14,50,616/- i.e. Rs. 8,70,370/- was spent over and above the approved budget.

b) Manner in which the amount spent during the financial year is detailed below:

(Amount in Rs.)							
(1) Sr. No	(2) CSR project or activity identified	(3) Projects or programs (1) Local area or other (2) specify the state and district where projects or program was undertaken	(4) Sector in which the project is covered	(5) Amount outlay (budget) project or programs wise	(6) Amount spent on the projects or programs (1) Direct expenditure on Projects or programs (2) Overhead	(7) Cumulative expenditure upto the reporting period	(8) Amount spent: Direct or through implementing agency
1	<u>Project Dialysis</u> The project supports the worthy cause of creating a sustainable & free/affordable dialysis access at remote areas of India having limited dialysis infrastructure supporting the marginalised communities.	Collaborating with Government of India supporting Charitable Hospitals & Pradhan Mantri National Dialysis Programme at Assam, Arunachal Pradesh, Meghalaya, Nagaland, Odisha, Jammu & Kashmir, Himachal Pradesh, Uttar Pradesh, Uttarakhand, Chhattishgarh, Andhra Pradesh, Tamil Nadu	Promoting Health Care Including Preventive Health Care	14,01,835	Direct Expenditure on Project 14,01,835	1,41,23,028	Fairfax India Charitable Foundation: 14,01,835
2	<u>Swachh Bharat Abhiyan</u> Maintenance of preinstalled prefabricated toilet unit at Kandhal Road, Ooty	Ooty, Tamil Nadu	Health and Sanitation	48,781	Direct Expenditure on Project 48,781	40,39,791	Fairfax India Charitable Foundation: 48,781
<b>Total</b>				<b>14,50,616</b>	<b>14,50,616</b>	<b>1,81,62,891</b>	<b>14,50,616</b>

**Details of implementing agency:**

Fairfax India Charitable Foundation Trust: The Trust aids the dialysis ecosystem in India. It is focused towards creating an affordable quality dialysis access programme in various remote parts of the country where there is limited dialysis access. The Company is one of the settlors of the Trust along with Travel Corporation (India) Limited, SOTC Travel Limited and Fairbridge Capital Private Limited.

6. **In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report: N.A.**
7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.**

We do hereby confirm that the facts and contents of this report are fair and correct.

We hereby declare that implementation and monitoring of the CSR Policy are in compliance with CSR objectives and policy of the Company.

**For Thomas Cook (India) Limited**

**Mahesh Iyer**  
Member  
CSR Committee  
DIN: 07560302

**Kishori Udeshi**  
Chairperson,  
CSR Committee  
DIN: 01344073

Place: Mumbai  
Dated: May 27, 2019

**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on March 31, 2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

1	CIN	L63040MH1978PLC020717
2	Registration Date	21/10/1978
3	Name of the Company	Thomas Cook (India) Limited
4	Category / Sub-Category of the Company	Company limited by shares / Indian Non-Government Company
5	Address of the Registered office and contact details	Thomas Cook Building, Dr. D N Road, Fort, Mumbai – 400 001 Maharashtra Tel: +91 22 4242 7000 Fax: +91 22 2302 2864 Email id: <a href="mailto:sharedept@in.thomascook.com">sharedept@in.thomascook.com</a> Website: <a href="http://www.thomascook.in">www.thomascook.in</a>
6	Whether listed company	Yes
7	Name, Address and Contact details of Registrar and Share Transfer Agent	TSR Darashaw Limited, 6-10, Haji Moosa Patrawala Indl. Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai – 400 011 Tel: +91 22 6656 8484 Fax: +91 22 6656 8494 Email id: <a href="mailto:csg-unit@tsrdarashaw.com">csg-unit@tsrdarashaw.com</a> Website: <a href="http://www.tsrdarashaw.com">www.tsrdarashaw.com</a>

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

All the business activities contributing 10% or more of the total turnover of the Company are as under:-

Sr. No.	Name and Description of main products / services	NIC Code of the product/ service	% to total turnover of the Company*
1	Travel and Related Service	79110 & 79120	89.03
2	Financial Service	64990	10.83

\* The Company records net revenue in its books. Hence, the above percentage is with respect to net revenue and not turnover of the Company

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sr. No.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary of the Company	% of shares held	Applicable Section
1.	Fairbridge Capital (Mauritius) Limited Office 6, Level 1, Maeva Tower, Cybercity, Ebene, Mauritius	N.A.	Holding	66.94	2(46)
2.	Sterling Holiday Resorts Limited Purva Primus, 4th Floor, 236, Okhiyampettai, Old Mahabalipuram Road, Thoraipakkam Kancheepuram Chennai Tamil Nadu - 600097,	U63040TN1989PLC114064	Subsidiary	100.00	2(87)
3.	Sterling Holidays (Ooty) Limited "Purva Primus", 4 <sup>th</sup> Floor, No. 236, Okhiyampettai, Old Mahabalipuram Road, Thoraipakkam, Chennai, Tamil Nadu - 600 097,	U55102TN1989PLC018344	Step Down Subsidiary	98.00	2(87)



Sr. No.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary of the Company	% of shares held	Applicable Section
4.	<b>Sterling Holiday Resorts (Kodaikanal) Limited</b> Purva Primus", 4 <sup>th</sup> Floor, No. 236, Okhiyampettai, Old Mahabalipuram Road, Thoraipakkam, Chennai -600 097 Tamil Nadu	U92490TN1987PLC014215	Step Down Subsidiary	98.00	2(87)
5.	<b>Nature Trails Resorts Private Limited</b> Pinak Galaxy, B-602, Opposite Goenka International School, Kapurbawdi Junction, Ghodbunder Road, Thane (West), 400607	U55100MH2005PTC150901	Step Down Subsidiary	100.00	2(87)
6.	<b>Indian Horizon Marketing Services Limited</b> Torana Apts, Flat No. 4, Gr.Flr,Opp. Post & Telegraphy Colony,Andheri Sahar Road, Andheri (East) Mumbai 400099	U74999MH1989PLC054765	Subsidiary	100.00	2(87)
7.	<b>TC Tours Limited</b> Thomas Cook Building, Dr. D. N. Road Fort, Mumbai 400001	U63040MH1989PLC054761	Subsidiary	100.00	2(87)
8.	<b>Jardin Travel Solutions Limited</b> Thomas Cook Building, Dr. D.N. Road, Fort, Mumbai 400001	U63090MH2015PLC267993	Step-down Subsidiary	100.00	2(87)
9.	<b>Borderless Travel Services Limited</b> Thomas Cook Building, Dr. D.N. Road, Fort, Mumbai 400001	U63090MH2015PLC267758	Subsidiary	100.00	2(87)
10.	<b>TC Forex Services Limited (formerly known as Tata Capital Forex Limited)</b> 324, Dr. D.N. Road, Fort, Mumbai - 400001	U65921MH2006PLC238745	Subsidiary	100.00	2(87)
11.	<b>TC Travel Services Limited (formerly known as TC Travel and Services Limited)</b> 324, Dr. D.N. Road, Fort, Mumbai – 400001	U63040MH2008PLC187559	Subsidiary	100.00	2(87)
12.	<b>Thomas Cook Lanka (Private) Limited</b> No. 393 Union Place, Colombo 02, Sri Lanka	N.A.	Subsidiary	100.00	2(87)
13.	<b>Luxe Asia (Private) Limited</b> No. 393 Union Place, Colombo 02, Sri Lanka	N.A.	Step Down Subsidiary	100.00	2(87)
14.	<b>Thomas Cook (Mauritius) Holding Company Limited</b> C/O Executive services 2nd floor, Jamalacs Building, Rue du Vieux Conseil, Port Louis	N.A.	Subsidiary	100.00	2(87)
15.	<b>Thomas Cook (Mauritius) Operations Company Limited</b> Ground Floor, Anglo Mauritius House, 4 Intendance Street, Port Louis, Mauritius	N.A.	Step Down Subsidiary	100.00	2(87)
16.	<b>Thomas Cook (Mauritius) Holidays Limited</b> Ground Floor, Anglo Mauritius House, 4 Intendance Street, Port Louis,11328 Mauritius	N.A.	Step Down Subsidiary	100.00	2(87)

Sr. No.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary of the Company	% of shares held	Applicable Section
17.	<b>SOTC Travel Limited (Formerly Known as SOTC Travel Private Limited)</b> 324, Dr. D.N. Road, Fort, Mumbai 400001	U63040MH2001PLC131691	Subsidiary	100.00	2(87)
18.	<b>Travel Circle International (Mauritius) Ltd.</b> IFS Court, Bank Street, Twenty Eight, Cybercity, Ebene 72201, Mauritius	N.A.	Step-down Subsidiary	100.00	2(87)
19.	<b>SOTC Travel Management Private Limited (formerly known as SITA Travels and Tours Private Limited)</b> 7th Floor, Tower A, Urmi Estate, 95, Ganpatrao Kadam Marg, Lower Parel (W), Mumbai 400013	U63040MH2001PTC131693	Subsidiary	100.00	2(87)
20.	<b>SITA World Travel (Nepal) Private Limited</b> Jwagal, Kupondole, Lalitpur PO Box 2656Kathmandu, Nepal	N.A.	Step Down Subsidiary	63.32	2(87)
21.	<b>SITA World Travel Lanka (Private) Limited</b> 118C Barnes Place, Colombo 07, Sri Lanka	N.A.	Step Down Subsidiary	100.00	2(87)
22.	<b>Quess Corp Limited</b> 3/3/2, Bellandur Gate, Sarjapur Main Road, Bangalore – 560 103 Karnataka, India	L74140KA2007PLC043909	Associate	48.82	2(6)
23.	<b>Travel Corporation (India) Limited</b> 324, Dr. D.N. Road, Fort Mumbai-400001	U63040MH1961PLC012067	Subsidiary	100.00	2(87)
24.	<b>TC Visa Services (India) Limited</b> 324, Dr. D.N. Road Fort Mumbai 400001	U63090MH2011PLC221429	Step Down Subsidiary	100.00	2(87)
25.	<b>Travel Circle International Limited (formerly known as Luxe Asia Travel (China) Limited)</b> 30/F, AXA Tower, Landmark East, 100 How Ming Street, Kwun Tong, Kowloon, Hong Kong	N.A.	Step Down Subsidiary	100.00	2(87)
26.	<b>Horizon Travel Services LLC (USA)</b> 2711 Centerville Road, Suite 400, Wilmington, New Castle Country, Delaware 19808	N.A.	Step-down Subsidiary	100	2(87)
27.	<b>Asian Trails Holding Ltd</b> ABAX Corporate Services Ltd., 6/F Tower A, 1 CyberCity, Ebene, Republic of Mauritius	N.A.	Step-down Subsidiary	80	2(87)
28.	<b>Asian Trails International Travel Services (Beijing) Ltd (formerly known as Kuoni Destination Management (Beijing) Limited)</b> Room 1401, Scitech Building, No 22 Jianguoman Outer Street, Chaoyang District, Beijing	N.A.	Step-down Subsidiary	80	2(87)
29.	<b>ATC Travel Services (Beijing) Limited</b> 1412 SciTech #22 Jianguomenwai Avenue Chaoyang District Beijing China	N.A.	Step down subsidiary	56	2(87)

Sr. No.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary of the Company	% of shares held	Applicable Section
30.	<b>Asian Trails Tours Limited</b> No.(635-J), Yoma Yeiktha, Pyay Road, Kamayut Township, Yangon	N.A.	Step-down Subsidiary	68	2(87)
31.	<b>Asian Trails Co. Ltd</b> No. 22, Street 294, P.O.Box 621, Sangkat Boeng Keng Kong I, Khan Chamkarmorn, Phnom Penh, Cambodia	N.A.	Step-down Subsidiary	76	2(87)
32.	<b>AT Lao Co. Ltd</b> P.O. Box 5422, Unit 10, Ban Khounta Thong, Sikhottabong District, Vientiane City, Lao P.D.R	N.A.	Step-down Subsidiary	64*	2(87)
33.	<b>PT Asian Trails Limited</b> Jl. Bypass Ngurah Rai No. 260 Sanur, Denpasar, Bali – Indonesia 80228	N.A.	Step-down Subsidiary	52.8	2(87)
34.	<b>Asian Trails SDN. BHD.</b> SOHO Suites @ KLCC Block A2, Level 32-3A, No. 20, Jalan Perak, 50450 Kuala Lumpur, Wilayah Persekutuan, Kuala Lumpur	N.A.	Step-down Subsidiary	80	2(87)
35.	<b>Asian Trails (Vietnam) Co. Ltd</b> 193 Dinh Tien Hoang, Da Kao Ward, district I, Ho Chi Minh	N.A.	Step-down Subsidiary	56*	2(87)
36.	<b>Asian Trails Limited</b> 9 <sup>th</sup> Floor, SG Tower, Soi Mahadlek Luang 3, Rajdamri Rd., Lumpini, Pathumwan, Bangkok 10330, Thailand	N.A.	Step-down Subsidiary	80*	2(6)
37.	<b>Chang Som Limited</b> 9/F SG Tower, 161/1 Soi Mahadlek Luang 3, Rajdamri Rd., Lumpini, Pathumwan, Bangkok 10330 Thailand.	N.A.	Step-down Subsidiary	80	2(87)
38.	<b>Reem Tours &amp; Travels LLC</b> Office No. 306, 307, owned by Al Barsha Real Estate, Al Barsha 1, Dubai, UAE	N.A.	Step-down Subsidiary	100	2(87)
39.	<b>Gulf Dunes LLC</b> Office No-305, Al Barsha Boutique Build, Al Barsha 1, P.O BOX-124174- Dubai, U.A.E	N.A.	Step-down Subsidiary	100	2(87)
40.	<b>Gulf Dunes Tourism LLC</b> Villa No. 4321, Way No. 3054, Al Sarooj Muscat Oman	N.A.	Step-down Subsidiary	100	2(87)
41.	<b>Desert Adventures Tourism LLC</b> Office No-301 to 304, Al Barsha Boutique Build, Al Barsha 1, P.O BOX-25488-Dubai, U.A.E	N.A.	Step-down Subsidiary	100	2(87)
42.	<b>Muscat Desert Adventures Tourism LLC</b> Villa No. 4321, Way No. 3054, Al Sarooj Muscat Oman	N.A.	Step-down Subsidiary	100	2(87)
43.	<b>Desert Adventures Tourism Limited</b> 5th floor Bassam Abbasi Bldg 142 Office 503 · Mecca Street · P.O. Box 3688- ZIP Code 11821· Amman · Jordan	N.A.	Step-down Subsidiary	100	2(87)



Sr. No.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary of the Company	% of shares held	Applicable Section
44.	<b>Kuoni Private Safaris (Pty) Ltd</b> Ground Floor, Block 3, Northgate Park, Corner Section & Platinum Drive Brooklyn, Cape Town, 7405	N.A.	Step-down Subsidiary	100	2(87)
45.	<b>Kuoni Private Safaris Namibia (Pty) Limited</b> 61 Bismark Street, Windhoek Namibia	N.A.	Step-down Subsidiary	100	2(87)
46.	<b>Private Safaris (East Africa) Limited</b> 2 <sup>nd</sup> Floor, Oilibya Plaza, Muthaiga P.O. Box 16913, 00620, Muthaiga - Nairobi, Kenya Oilibya Plaza, Muthaiga P.O. Box 16913, 00620 Muthaiga - Nairobi, Kenya	N.A.	Step-down Subsidiary	100	2(87)
47.	<b>Kuoni Australia Holding Pty. Ltd</b> Level 1, 28 Victoria Street, Carlton, Victoria 3053 Australia	N.A.	Step-down Subsidiary	100	2(87)
48.	<b>Australian Tours Management Pty Ltd</b> Level 2, 200 Lygon Street, Carlton, Victoria 3053 Australia	N.A.	Step-down Subsidiary	100	2(87)
49.	<b>DEI Holdings Limited</b> C/o Trident Trust Company (UAE) Limited, P.O. Box 214745, Dubai, United Arab Emirates	N.A.	Step-down Subsidiary	51	2(87)
50.	<b>Digipphoto Entertainment Imaging LLC</b> 1406, Grosvenor Business Tower, P.O.Box- 114572, Tecom, Dubai, UAE	N.A.	Step-down Subsidiary	51	2(87)
51.	<b>D E I General Trading LLC</b> 1406, Grosvenor Business Tower, P.O.Box-114572, Tecom, Dubai, UAE	N.A.	Step-down Subsidiary	51	2(87)
52.	<b>DIGI Photo Electronics Repairing LLC</b> Shed No 8, Behind Grand Mall, Al Quoze Industrial Area 1, P.O.Box 114572, Dubai, UAE	N.A.	Step-down Subsidiary	51	2(87)
53.	<b>Digipphoto Entertainment Imaging Pte Limited</b> Techplace 1, Blk 4012 #07-04, Ang Mo Kio Avenue 10, Singapore 569628	N.A.	Step-down Subsidiary	51	2(87)
54.	<b>Digipphoto Entertainment Imaging SDN. BHD.</b> 21.02, Level 21, Menara Am First, No.1, Jalan 19/3, 46300 Petaling Jaya, Selangor, Malaysia	N.A.	Step-down Subsidiary	51	2(87)
55.	<b>PT. Digipphoto Imaging Indonesia</b> Soho Capital@Podomoro City, 16 Floor Suite SC-1606A Jl Letjen S. Parman Kav 28 Tanjung Duren Selatan Grogol Petamburan Jakarta Barat Dki Jakarta 11470	N.A.	Step-down Subsidiary	50.90	2(87)
56.	<b>Digipphoto Entertainment Imaging Ltd</b> Room 07, 2/F, Fat Lee Building, 17 Hung To Road Kwun Tong, Hong Kong	N.A.	Step-down Subsidiary	51	2(87)
57.	<b>Digipphoto Imaging (Macau) Limited</b> Calçada de Santo Agostinho, n.o 19, 7.o andar, Macau	N.A.	Step-down Subsidiary	51	2(87)

Sr. No.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary of the Company	% of shares held	Applicable Section
58.	<b>Digipho Entertainment Image (Shanghai) Co. Limited</b> Room 71B, 1 <sup>st</sup> Floor, Building No.6, 4299 Jindu Road, Minhang District, Shanghai, China	N.A.	Step-down Subsidiary	51	2(87)
59.	<b>DEI Solutions Limited</b> C/o - MITCO Corporates Services Ltd, 4 <sup>th</sup> Floor Ebene Skies , Rue de l' Institut, Ebene, Mauritius	N.A.	Step-down Subsidiary	51	2(87)

\*Percentage above reflects dividend rights held in the Company.

Note: The above list does not include associate(s) and subsidiary(ies) of the associate company(ies); the associate company(ies) of the subsidiary(ies)

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year i.e 01.04.2018				No. of Shares held at the end of the year i.e 31.03.2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A) Promoters</b>									
(a) Individuals / Hindu Undivided Family	0	0	0	0.00	0	0	0	0.00	0.00
(b) Central Government / State Governments(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d) Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (A) (1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>(2) Foreign</b>									
(a) Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b) Bodies Corporate	248153725	0	248153725	67.03	248153725	0	248153725	66.94	-0.09
(c) Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (A) (2)</b>	<b>248153725</b>	<b>0</b>	<b>248153725</b>	<b>67.03</b>	<b>248153725</b>	<b>0</b>	<b>248153725</b>	<b>66.94</b>	<b>-0.09</b>
<b>Total Shareholding of Promoter and Promoter Group (A)</b>	<b>248153725</b>	<b>0</b>	<b>248153725</b>	<b>67.03</b>	<b>248153725</b>	<b>0</b>	<b>248153725</b>	<b>66.94</b>	<b>-0.09</b>
<b>(B) Public Shareholding</b>									
<b>(1) Institutions</b>									
(a) Mutual Funds / UTI	42771658	8460	42780118	11.56	48787573	8460	48796033	13.16	1.60
(b) Financial Institutions / Banks	214048	8900	222948	0.06	100299	8900	109199	0.03	-0.03
(c) Central Government / State Governments(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e) Insurance Companies	7243166	0	7243166	1.96	9480433	0	9480433	2.56	0.60
(f) Foreign Institutional Investors	170165	2445	172610	0.05	0	2445	2445	0.00	-0.05

Category of Shareholders		No. of Shares held at the beginning of the year i.e 01.04.2018				No. of Shares held at the end of the year i.e 31.03.2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Foreign Portfolio Investors (Corporate)	23590170	0	23590170	6.37	14076817	0	14076817	3.80	-2.57
(j)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (B) (1)</b>		<b>73989207</b>	<b>19805</b>	<b>74009012</b>	<b>20.00</b>	<b>72445122</b>	<b>19805</b>	<b>72464927</b>	<b>19.55</b>	<b>-0.45</b>
<b>(2) Non-Institutions</b>										
(a)	Bodies Corporate									
(i)	Indian	5952638	61003	6013641	1.62	4905025	60883	4965908	1.34	-0.28
(ii)	Overseas	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Individuals -								0.00	
i	Individual shareholders holding nominal share capital upto Rs. 1 lakh	26930302	2751796	29682098	8.02	31148243	2441215	33589458	9.06	1.04
ii	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	6682838	0	6682838	1.81	6423334	0	6423334	1.73	-0.08
(c)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Alternate Investment Fund	3464892	0	3464892	0.94	3584167	0	3584167	0.97	0.03
(e)	Any Other									
(i)	Trust	48282	6000	54282	0.01	12476	6000	18476	0.00	-0.01
(ii)	Directors & their relatives	1304165	0	1304165	0.35	1071819	0	1071819	0.29	-0.06
(iii)	Unclaimed or Suspense or Escrow Account	25000	0	25000	0.01	22500	0	22500	0.01	0.00
(iv)	NBFC	510367	0	510367	0.14	107165	0	107165	0.03	-0.11
(v)	IEPF	307354	0	307354	0.08	326829	0	326829	0.09	0.01
<b>Sub-total (B) (2)</b>		<b>45225838</b>	<b>2818799</b>	<b>48044637</b>	<b>12.98</b>	<b>47601558</b>	<b>2508098</b>	<b>50109656</b>	<b>13.52</b>	<b>0.54</b>
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>		<b>119215045</b>	<b>2838604</b>	<b>122053649</b>	<b>32.98</b>	<b>120046680</b>	<b>2527903</b>	<b>122574583</b>	<b>33.06</b>	<b>0.09</b>
<b>TOTAL (A)+(B)</b>		<b>367368770</b>	<b>2838604</b>	<b>370207374</b>	<b>100.00</b>	<b>368200405</b>	<b>2527903</b>	<b>370728308</b>	<b>100.00</b>	<b>0.00</b>
<b>(C) Shares held by Custodians and against which Depository Receipts have been issued</b>										
(1)	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
<b>GRAND TOTAL (A)+(B)+(C)</b>		<b>367368770</b>	<b>2838604</b>	<b>370207374</b>	<b>100.00</b>	<b>368200405</b>	<b>2527903</b>	<b>370728308</b>	<b>100.00</b>	<b>0.00</b>



## ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year i.e. 01.04.2018			Shareholding at the end of the year i.e. 31.03.2019			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares Pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of shares Pledged / encumbered to total shares	
1	Fairbridge Capital (Mauritius) Limited	248153725	67.03	0.00	248153725	66.94*	0.00	-0.09
<b>Total</b>		<b>248153725</b>	<b>67.03</b>	<b>0.00</b>	<b>248153725</b>	<b>66.94</b>	<b>0.00</b>	<b>-0.09</b>

\*The reason for decrease in percentage of total shares held by promoter is due to increase in paid-up share equity share capital of the company on account of allotment of equity shares to employees under various Employee Stock Option Schemes.

## iii. Change in Promoters' Shareholding: No Change

## iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2018		Date	Reason	Purchase of Shares/Sale of Shares in Shareholding		Cumulative Shares during the year	
		No of Shares	% of total Shares of the Company			No of Shares	% of total shares of the company^	No of Shares	% of total shares of the company^
1	Aditya Birla Sun Life Trustee Private	1,80,58,486	4.88					1,80,58,486	4.87
				06.04.2018	Purchase of Shares	412800	0.11	1,84,71,286	4.98
				13.04.2018	Purchase of Shares	316800	0.09	1,87,88,086	5.07
				20.04.2018	Purchase of Shares	168750	0.05	1,89,56,836	5.11
				27.04.2018	Purchase of Shares	113400	0.03	1,90,70,236	5.14
				04.05.2018	Purchase of Shares	342450	0.09	1,94,12,686	5.24
				11.05.2018	Purchase of Shares	356400	0.10	1,97,69,086	5.33
				18.05.2018	Purchase of Shares	171450	0.05	1,99,40,536	5.38
				25.05.2018	Sale of Shares	-43875	-0.01	1,98,96,661	5.37
				25.05.2018	Purchase of Shares	155025	0.04	2,00,51,686	5.41
				01.06.2018	Purchase of Shares	159750	0.04	2,02,11,436	5.45
				08.06.2018	Purchase of Shares	137700	0.04	2,03,49,136	5.49
				14.06.2018	Purchase of Shares	180000	0.05	2,05,29,136	5.54
				15.06.2018	Purchase of Shares	40500	0.01	2,05,69,636	5.55
				22.06.2018	Purchase of Shares	223155	0.06	2,07,92,791	5.61
				29.06.2018	Purchase of Shares	207900	0.06	2,10,00,691	5.66
				06.07.2018	Purchase of Shares	356212	0.10	2,13,56,903	5.76
				13.07.2018	Purchase of Shares	263250	0.07	2,16,20,153	5.83
				20.07.2018	Purchase of Shares	310500	0.08	2,19,30,653	5.92
				27.07.2018	Purchase of Shares	297000	0.08	2,22,27,653	6.00
				03.08.2018	Purchase of Shares	454500	0.12	2,26,82,153	6.12
				10.08.2018	Purchase of Shares	267750	0.07	2,29,49,903	6.19
				17.08.2018	Purchase of Shares	166500	0.04	2,31,16,403	6.24
				20.08.2018	Purchase of Shares	67500	0.02	2,31,83,903	6.25
				21.08.2018	Purchase of Shares	162000	0.04	2,33,45,903	6.30
				24.08.2018	Purchase of Shares	144000	0.04	2,34,89,903	6.34
				27.08.2018	Purchase of Shares	72000	0.02	2,35,61,903	6.36
				29.08.2018	Purchase of Shares	126000	0.03	2,36,87,903	6.39
				31.08.2018	Purchase of Shares	99000	0.03	2,37,86,903	6.42
				03.09.2018	Purchase of Shares	72000	0.02	2,38,58,903	6.44
				05.09.2018	Purchase of Shares	90000	0.02	2,39,48,903	6.46
				07.09.2018	Purchase of Shares	90000	0.02	2,40,38,903	6.48
				14.09.2018	Purchase of Shares	153000	0.04	2,41,91,903	6.53
				20.09.2018	Purchase of Shares	99000	0.03	2,42,90,903	6.55
				21.09.2018	Purchase of Shares	27000	0.01	2,43,17,903	6.56

Sr. No	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2018		Date	Reason	Purchase of Shares/Sale of Shares in Shareholding		Cumulative Shares during the year	
		No of Shares	% of total Shares of the Company			No of Shares	% of total shares of the company^	No of Shares	% of total shares of the company^
				27.09.2018	Purchase of Shares	184284	0.05	2,45,02,187	6.61
				28.09.2018	Purchase of Shares	22716	0.01	2,45,24,903	6.62
				01.10.2018	Purchase of Shares	54000	0.01	2,45,78,903	6.63
				04.10.2018	Purchase of Shares	90000	0.02	2,46,68,903	6.65
				05.10.2018	Purchase of Shares	18000	0.00	2,46,86,903	6.66
				12.10.2018	Purchase of Shares	216000	0.06	2,49,02,903	6.72
				19.10.2018	Purchase of Shares	68900	0.02	2,49,71,803	6.74
				26.10.2018	Purchase of Shares	147500	0.04	2,51,19,303	6.78
				02.11.2018	Purchase of Shares	197100	0.05	2,53,16,403	6.83
				09.11.2018	Purchase of Shares	106200	0.03	2,54,22,603	6.86
				16.11.2018	Purchase of Shares	126000	0.03	2,55,48,603	6.89
				23.11.2018	Purchase of Shares	81000	0.02	2,56,29,603	6.91
				30.11.2018	Purchase of Shares	178200	0.05	2,58,07,803	6.96
				07.12.2018	Purchase of Shares	99000	0.03	2,59,06,803	6.99
				14.12.2018	Purchase of Shares	92979	0.03	2,59,99,782	7.01
				21.12.2018	Purchase of Shares	189900	0.05	2,61,89,682	7.06
				28.12.2018	Purchase of Shares	113400	0.03	2,63,03,082	7.09
				31.12.2018	Purchase of Shares	37800	0.01	2,63,40,882	7.11
				04.01.2019	Purchase of Shares	107100	0.03	2,64,47,982	7.13
				11.01.2019	Sale of Shares	-22500	-0.01	2,64,25,482	7.13
				11.01.2019	Purchase of Shares	162883	0.04	2,65,88,365	7.17
				18.01.2019	Purchase of Shares	135000	0.04	2,67,23,365	7.21
				25.01.2019	Purchase of Shares	121500	0.03	2,68,44,865	7.24
				01.02.2019	Purchase of Shares	111900	0.03	2,69,56,765	7.27
				08.02.2019	Purchase of Shares	189000	0.05	2,71,45,765	7.32
				15.02.2019	Sale of Shares	-32795	-0.01	2,71,12,970	7.31
				15.02.2019	Purchase of Shares	184866	0.05	2,72,97,836	7.36
				22.02.2019	Purchase of Shares	115739	0.03	2,74,13,575	7.39
				01.03.2019	Purchase of Shares	116192	0.03	2,75,29,767	7.43
				08.03.2019	Purchase of Shares	79200	0.02	2,76,08,967	7.45
				15.03.2019	Sale of Shares	-17692	0.00	2,75,91,275	7.44
				15.03.2019	Purchase of Shares	179869	0.05	2,77,71,144	7.49
				22.03.2019	Purchase of Shares	122400	0.03	2,78,93,544	7.52
				29.03.2019	Sale of Shares	-27698	-0.01	2,78,65,846	7.52
				29.03.2019	Purchase of Shares	272916	0.07	2,81,38,762	7.59
				<b>31.03.2019</b>	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>2,81,38,762</b>	<b>7.59</b>
<b>2</b>	<b>ICICI Prudential Mutual Fund</b>	<b>2,41,96,441</b>	<b>6.54</b>					<b>2,41,96,441</b>	<b>6.53</b>
				06.04.2018	Sale of Shares	-575608	-0.16	2,36,20,833	6.37
				13.04.2018	Sale of Shares	-1675132	-0.45	2,19,45,701	5.92
				13.04.2018	Purchase of Shares	1700689	0.46	2,36,46,390	6.38
				20.04.2018	Sale of Shares	-2169871	-0.59	2,14,76,519	5.79
				20.04.2018	Purchase of Shares	1395869	0.38	2,28,72,388	6.17
				27.04.2018	Sale of Shares	-355472	-0.10	2,25,16,916	6.07
				04.05.2018	Sale of Shares	-1959346	-0.53	2,05,57,570	5.55
				11.05.2018	Sale of Shares	-1557670	-0.42	1,89,99,900	5.13
				11.05.2018	Purchase of Shares	358199	0.10	1,93,58,099	5.22
				25.05.2018	Sale of Shares	-848562	-0.23	1,85,09,537	4.99
				01.06.2018	Sale of Shares	-432509	-0.12	1,80,77,028	4.88
				08.06.2018	Sale of Shares	-512894	-0.14	1,75,64,134	4.74

Sr. No	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2018		Date	Reason	Purchase of Shares/Sale of Shares in Shareholding		Cumulative Shares during the year	
		No of Shares	% of total Shares of the Company			No of Shares	% of total shares of the company^	No of Shares	% of total shares of the company^
				14.06.2018	Sale of Shares	-3186036	-0.86	1,43,78,098	3.88
				15.06.2018	Sale of Shares	-91149	-0.02	1,42,86,949	3.85
				22.06.2018	Sale of Shares	-100633	-0.03	1,41,86,316	3.83
				29.06.2018	Sale of Shares	-116430	-0.03	1,40,69,886	3.80
				06.07.2018	Sale of Shares	-415160	-0.11	1,36,54,726	3.68
				13.07.2018	Sale of Shares	-210875	-0.06	1,34,43,851	3.63
				20.07.2018	Sale of Shares	-15242	0.00	1,34,28,609	3.62
				27.07.2018	Sale of Shares	-259615	-0.07	1,31,68,994	3.55
				03.08.2018	Sale of Shares	-64291	-0.02	1,31,04,703	3.53
				10.08.2018	Sale of Shares	-55462	-0.01	1,30,49,241	3.52
				17.08.2018	Sale of Shares	-3816	0.00	1,30,45,425	3.52
				24.08.2018	Sale of Shares	-952421	-0.26	1,20,93,004	3.26
				27.08.2018	Sale of Shares	-195468	-0.05	1,18,97,536	3.21
				29.08.2018	Sale of Shares	-8754	0.00	1,18,88,782	3.21
				31.08.2018	Sale of Shares	-45010	-0.01	1,18,43,772	3.19
				27.09.2018	Purchase of Shares	2	0.00	1,18,43,774	3.19
				19.10.2018	Sale of Shares	-577142	-0.16	1,12,66,632	3.04
				02.11.2018	Sale of Shares	-61366	-0.02	1,12,05,266	3.02
				16.11.2018	Sale of Shares	-41110	-0.01	1,11,64,156	3.01
				30.11.2018	Sale of Shares	-46817	-0.01	1,11,17,339	3.00
				07.12.2018	Sale of Shares	-40518	-0.01	1,10,76,821	2.99
				04.01.2019	Purchase of Shares	59944	0.02	1,11,36,765	3.00
				11.01.2019	Sale of Shares	-124062	-0.03	1,10,12,703	2.97
				18.01.2019	Sale of Shares	-27065	-0.01	1,09,85,638	2.96
				15.03.2019	Sale of Shares	-130470	-0.04	1,08,55,168	2.93
				22.03.2019	Sale of Shares	-369530	-0.10	1,04,85,638	2.83
				29.03.2019	Purchase of Shares	95331	0.03	1,05,80,969	2.85
				<b>31.03.2019</b>	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>1,05,80,969</b>	<b>2.85</b>
<b>3</b>	<b>ICICI Prudential Life Insurance Company Ltd</b>	<b>72,43,166</b>	<b>1.96</b>					<b>72,43,166</b>	<b>1.95</b>
				06.04.2018	Purchase of Shares	572994	0.15	78,16,160	2.11
				14.06.2018	Purchase of Shares	37434	0.01	78,53,594	2.12
				15.06.2018	Purchase of Shares	871633	0.24	87,25,227	2.35
				22.06.2018	Purchase of Shares	16886	0.00	87,42,113	2.36
				29.06.2018	Purchase of Shares	37513	0.01	87,79,626	2.37
				06.07.2018	Purchase of Shares	71589	0.02	88,51,215	2.39
				13.07.2018	Purchase of Shares	22780	0.01	88,73,995	2.39
				20.07.2018	Purchase of Shares	20142	0.01	88,94,137	2.40
				27.07.2018	Purchase of Shares	4278	0.00	88,98,415	2.40
				03.08.2018	Purchase of Shares	20908	0.01	89,19,323	2.41
				20.08.2018	Purchase of Shares	3892	0.00	89,23,215	2.41
				29.08.2018	Purchase of Shares	10961	0.00	89,34,176	2.41
				01.10.2018	Sale of Shares	-68348	-0.02	88,65,828	2.39
				04.10.2018	Sale of Shares	-466268	-0.13	83,99,560	2.27
				05.10.2018	Sale of Shares	-26219	-0.01	83,73,341	2.26
				12.10.2018	Sale of Shares	-557181	-0.15	78,16,160	2.11
				02.11.2018	Sale of Shares	-10428	0.00	78,05,732	2.11
				09.11.2018	Sale of Shares	-101841	-0.03	77,03,891	2.08
				16.11.2018	Sale of Shares	-210692	-0.06	74,93,199	2.02
				07.12.2018	Sale of Shares	-211	0.00	74,92,988	2.02
				14.12.2018	Sale of Shares	-49	0.00	74,92,939	2.02



Sr. No	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2018		Date	Reason	Purchase of Shares/Sale of Shares in Shareholding		Cumulative Shares during the year	
		No of Shares	% of total Shares of the Company			No of Shares	% of total shares of the company^	No of Shares	% of total shares of the company^
				21.12.2018	Sale of Shares	-36794	-0.01	74,56,145	2.01
				28.12.2018	Sale of Shares	-37398	-0.01	74,18,747	2.00
				31.12.2018	Sale of Shares	-136	0.00	74,18,611	2.00
				04.01.2019	Sale of Shares	-4097	0.00	74,14,514	2.00
				11.01.2019	Sale of Shares	-60997	-0.02	73,53,517	1.98
				18.01.2019	Sale of Shares	-48133	-0.01	73,05,384	1.97
				25.01.2019	Sale of Shares	-48598	-0.01	72,56,786	1.96
				08.02.2019	Sale of Shares	-5017	0.00	72,51,769	1.96
				29.03.2019	Purchase of Shares	165508	0.04	74,17,277	2.00
				<b>31.03.2019</b>	<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>74,17,277</b>	<b>2.00</b>
<b>4</b>	<b>Reliance Capital Trustee Company Limited A/C Reliance Growth Fund #</b>	<b>0</b>	<b>0.00</b>					<b>0</b>	<b>0.00</b>
				27.04.2018	Purchase of Shares	102189	0.03	1,02,189	0.03
				04.05.2018	Purchase of Shares	2027811	0.55	21,30,000	0.57
				11.05.2018	Purchase of Shares	1200000	0.32	33,30,000	0.90
				25.05.2018	Purchase of Shares	620000	0.17	39,50,000	1.07
				17.08.2018	Sale of Shares	-375449	-0.10	35,74,551	0.96
				20.08.2018	Sale of Shares	-257755	-0.07	33,16,796	0.89
				21.08.2018	Sale of Shares	-415708	-0.11	29,01,088	0.78
				24.08.2018	Sale of Shares	-2901088	-0.78	0	0.00
				27.09.2018	Purchase of Shares	1751758	0.47	17,51,758	0.47
				28.09.2018	Purchase of Shares	2	0.00	17,51,760	0.47
				01.10.2018	Purchase of Shares	500000	0.13	22,51,760	0.61
				04.10.2018	Purchase of Shares	891500	0.24	31,43,260	0.85
				26.10.2018	Purchase of Shares	28900	0.01	31,72,160	0.86
				02.11.2018	Purchase of Shares	171100	0.05	33,43,260	0.90
				01.02.2019	Purchase of Shares	2000	0.00	33,45,260	0.90
				08.02.2019	Purchase of Shares	25	0.00	33,45,285	0.90
				01.03.2019	Purchase of Shares	30	0.00	33,45,315	0.90
				08.03.2019	Purchase of Shares	7760	0.00	33,53,075	0.90
				15.03.2019	Purchase of Shares	222629	0.06	35,75,704	0.96
				22.03.2019	Purchase of Shares	765061	0.21	43,40,765	1.17
				29.03.2019	Purchase of Shares	1048	0.00	43,41,813	1.17
				<b>31.03.2019</b>	<b>At the end of year</b>	<b>-</b>	<b>-</b>	<b>43,41,813</b>	<b>1.17</b>
<b>5</b>	<b>Tata Large And Mid Cap Fund #</b>	<b>0</b>	<b>0.00</b>					<b>0</b>	<b>0.00</b>
				15.06.2018	Purchase of Shares	2060000	0.56	20,60,000	0.56
				29.06.2018	Purchase of Shares	862300	0.23	29,22,300	0.79
				06.07.2018	Purchase of Shares	618400	0.17	35,40,700	0.96
				13.07.2018	Purchase of Shares	1426077	0.38	49,66,777	1.34
				13.07.2018	Sale of Shares	-1426077	-0.38	35,40,700	0.96
				16.11.2018	Purchase of Shares	90000	0.02	36,30,700	0.98
				23.11.2018	Purchase of Shares	110000	0.03	37,40,700	1.01
				07.12.2018	Purchase of Shares	100000	0.03	38,40,700	1.04
				14.12.2018	Purchase of Shares	40000	0.01	38,80,700	1.05
				<b>31.03.2019</b>	<b>At the end of year</b>	<b>-</b>	<b>-</b>	<b>38,80,700</b>	<b>1.05</b>

Sr. No	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2018		Date	Reason	Purchase of Shares/Sale of Shares in Shareholding		Cumulative Shares during the year	
		No of Shares	% of total Shares of the Company			No of Shares	% of total shares of the company^	No of Shares	% of total shares of the company^
6	India Whizdom Fund	29,75,750	0.80					29,75,750	0.80
				13.04.2018	Purchase of Shares	1,25,600	0.03	31,01,350	0.84
				31.03.2019	At the end of the year	0	0.00	31,01,350	0.84
7	Ramesh Ramanathan	23,10,506	0.62					23,10,506	0.62
				28.09.2018	Purchase of Shares	63,346	0.02	23,73,852	0.64
				31.03.2019	At the end of year	-	-	23,73,852	0.64
8	Tata Aia Life Insurance Co Ltd-Whole Life Mid Cap Equity Fund-Ulif #	0	0.00					0	0.00
				15.06.2018	Purchase of Shares	1107707	0.30	11,07,707	0.30
				22.06.2018	Purchase of Shares	951294	0.26	20,59,001	0.56
				30.11.2018	Sale of Shares	-5500	0.00	20,53,501	0.55
				31.03.2019	At the end of the year		0.00	20,53,501	0.55
9	Government Pension Fund Global	31,38,606	0.85					31,38,606	0.85
				08.06.2018	Sale of Shares	-72,101		30,66,505	0.83
				14.06.2018	Sale of Shares	-76,026		29,90,479	0.81
				15.06.2018	Sale of Shares	-42,329		29,48,150	0.80
				22.06.2018	Sale of Shares	-1,80,694		27,67,456	0.75
				29.06.2018	Sale of Shares	-2,96,666		24,70,790	0.67
				06.07.2018	Sale of Shares	-1,07,221		23,63,569	0.64
				13.07.2018	Sale of Shares	-69,968		22,93,601	0.62
				20.07.2018	Sale of Shares	-23,191		22,70,410	0.61
				27.07.2018	Sale of Shares	-45,771		22,24,639	0.60
				03.08.2018	Sale of Shares	-57,911		21,66,728	0.58
				10.08.2018	Sale of Shares	-69,798		20,96,930	0.57
				17.08.2018	Sale of Shares	-25,802		20,71,128	0.56
				20.08.2018	Sale of Shares	-37,966		20,33,162	0.55
				21.08.2018	Sale of Shares	-17,871		20,15,291	0.54
				24.08.2018	Sale of Shares	-1,08,268		19,07,023	0.51
				27.08.2018	Sale of Shares	-30,333		18,76,690	0.51
				29.08.2018	Sale of Shares	-86,784		17,89,906	0.48
				31.08.2018	Sale of Shares	-29,315		17,60,591	0.47
				03.09.2018	Sale of Shares	-53,427		17,07,164	0.46
				05.09.2018	Sale of Shares	-23,605		16,83,559	0.45
				31.03.2019	At the end of year	-	-	16,83,559	0.45
10	Kotak Mahindra (International) Limited	43,31,270	1.17					43,31,270	1.17
				14.06.2018	Sale of Shares	-30,00,000	-0.81	13,31,270	0.36
				31.03.2019	At the end of the year	-	-	13,31,270	0.36
11	The Board Of Regents Of The University Of Texas System - Ut Saga Tree Llc*	19,99,354	0.54					19,99,354	0.54
				06.04.2018	Sale of Shares	-1,46,986	-0.04	18,52,368	0.50
				13.04.2018	Sale of Shares	-1,39,649	-0.04	17,12,719	0.46
				13.07.2018	Sale of Shares	-14,120	0.00	16,98,599	0.46
				20.07.2018	Sale of Shares	-95,874	-0.03	16,02,725	0.43
				27.07.2018	Sale of Shares	-47,940	-0.01	15,54,785	0.42
				03.08.2018	Sale of Shares	-1,41,108	-0.04	14,13,677	0.38
				10.08.2018	Sale of Shares	-94,869	-0.03	13,18,808	0.36
				31.03.2019	At the end of the year	-	-	13,18,808	0.36
12	Bright Star Investments Pvt Ltd*	16,74,400	0.45					16,74,400	0.45
				22.03.2019	Sale of Shares	-4,90,000	-0.13	11,84,400	0.32
				31.03.2019	At the end of the year		0.00	11,84,400	0.32

Sr. No	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2018		Date	Reason	Purchase of Shares/Sale of Shares in Shareholding		Cumulative Shares during the year	
		No of Shares	% of total Shares of the Company			No of Shares	% of total shares of the company <sup>^</sup>	No of Shares	% of total shares of the company <sup>^</sup>
13	Kuwait Investment Authority Fund 225*	25,59,413	0.69					25,59,413	0.69
				11.05.2018	Sale of Shares	-4,33,812	-0.12	21,25,601	0.57
				18.05.2018	Sale of Shares	-18,129	0.00	21,07,472	0.57
				15.06.2018	Sale of Shares	-44,868	-0.01	20,62,604	0.56
				22.06.2018	Sale of Shares	-6,18,219	-0.17	14,44,385	0.39
				29.06.2018	Sale of Shares	-2,41,769	-0.07	12,02,616	0.32
				14.09.2018	Sale of Shares	-53,208	-0.01	11,49,408	0.31
				20.09.2018	Sale of Shares	-76,094	-0.02	10,73,314	0.29
				21.09.2018	Sale of Shares	-14,351	0.00	10,58,963	0.29
				30.10.2018	Sale of Shares	-10,58,963	-0.29	0	0.00
				02.11.2018	Purchase of Shares	10,58,963	0.29	10,58,963	0.29
				10.11.2018	Sale of Shares	-10,58,963	-0.29	0	0.00
				16.11.2018	Purchase of Shares	10,58,963	0.29	10,58,963	0.29
				11.01.2019	Sale of Shares	-7,33,687	-0.20	3,25,276	0.09
				18.01.2019	Sale of Shares	-17,551	0.00	3,07,725	0.08
				25.01.2019	Sale of Shares	-1,86,491	-0.05	1,21,234	0.03
				15.03.2019	Sale of Shares	-1,21,234	-0.03	0	0.00
				31.03.2019	At the end of the year	-	-	0	0.00

<sup>^</sup> % of total shares of the Company held by Top 10 shareholders is calculated taking into consideration the outstanding equity share capital of the Company as on the financial year ended March 31, 2019.

#Not in the list of Top 10 shareholders as on April 1, 2018. The same has been reflected above since the shareholder was one of Top 10 shareholders as on March 31, 2019.

\*Ceased to be in the list of Top 10 as on March 31, 2019. The same is reflected above since the shareholder was one of the Top 10 shareholders as on April 1, 2018.

#### v. Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2018		Date	Reason	Purchase of Shares/ Decrease in Shareholding		Cumulative Shares during the year	
		No of Shares	% of total Shares of the Company			No of Shares	% of total shares of the company <sup>*</sup>	No of Shares	% of total shares of the company <sup>*</sup>
1	Mr. Madhavan Menon	1303670	0.35					13,03,670	0.35
				14.06.2018	Sale of Shares	-88,000	-0.02	12,15,670	0.33
				16.11.2018	Sale of Shares	-1,100	0.00	12,14,570	0.33
				19.11.2018	Sale of Shares	-2,000	0.00	12,12,570	0.33
				27.11.2018	Sale of Shares	-2,000	0.00	12,10,570	0.33
				28.11.2018	Sale of Shares	-646	0.00	12,09,924	0.33
				04.12.2018	Sale of Shares	-10,000	0.00	11,99,924	0.32
				12.12.2018	Sale of Shares	-20,000	-0.01	11,79,924	0.32
				31.12.2018	Sale of Shares	-2,549	0.00	11,77,375	0.32
				07.01.2019	Sale of Shares	-7,451	0.00	11,69,924	0.32
				15.01.2019	Sale of Shares	-11,165	0.00	11,58,759	0.31
				16.01.2019	Sale of Shares	-1,884	0.00	11,56,875	0.31
				17.01.2019	Sale of shares	-17,132	0.00	11,39,743	0.31
				18.01.2019	Sale of Shares	-251	0.00	11,39,492	0.31
				07.02.2019	Sale of Shares	-24,638	-0.01	11,14,854	0.30



Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2018		Date	Reason	Purchase of Shares/ Decrease in Shareholding		Cumulative Shares during the year	
		No of Shares	% of total Shares of the Company			No of Shares	% of total shares of the company*	No of Shares	% of total shares of the company*
				08.02.2019	Sale of Shares	-16,822	0.00	10,98,032	0.30
				15.02.2019	Sale of Shares	-2,738	0.00	10,95,294	0.30
				19.02.2019	Sale of Shares	-85,240	-0.02	10,10,054	0.27
				01.03.2019	Sale of Shares	-50,000	-0.01	9,60,054	0.26
				05.03.2019	Sale of Shares	-50,000	-0.01	9,10,054	0.25
				06.03.2019	Sale of Shares	-50,000	-0.01	8,60,054	0.23
				14.03.2019	Sale of Shares	-39,100	-0.01	8,20,954	0.22
				15.03.2019	Sale of Shares	-10,900	0.00	8,10,054	0.22
				31.03.2019	At the end of the year	-	-	8,10,054	0.22
2	Mr. Mahesh Iyer	2,51,270	0.06					2,51,270	0.06
				-	No Change	0	0.00	2,51,270	0.06
				31.03.2019	At the end of the year	-	-	2,51,270	0.06
3	Mr. Chandran Ratnaswami	0	0.00					0	0.00
				-	No Change	0	0.00	0	0.00
				31.03.2019	At the end of the year	-	-	0	0.00
4	Mr. Sumit Maheshwari	0	0.00					0	0.00
				-	No Change	0	0.00	0	0.00
				31.03.2019	At the end of the year	-	-	0	0.00
5	Mr. Nilesh Vikamsey	0	0.00					0	0.00
				-	No Change	0	0.00	0	0.00
				31.03.2019	At the end of the year	-	-	0	0.00
6	Mr. Pravir Kumar Vohra	495	0.00					495	0.00
				15.06.2018	Purchase of Shares	10,000	0.00	10,495	0.00
				31.03.2019	At the end of the year	-	-	10,495	0.00
7	Mrs. Kishori Udeshi	0	0.00					0	0.00
				-	No Change	0	0.00	0	0.00
				31.03.2019	At the end of the year	-	-	0	0.00
8	Mr. Sunil Mathur	0	0.00					0	0.00
				-	No Change	0	0.00	0	0.00
				31.03.2019	At the end of the year	-	-	0	0.00
9	Mr. Brijesh Modi	0	0.00					0	0.00
				-	No Change	0	0.00	0	0.00
				31.03.2019	At the end of the year	-	-	0	0.00
10	Mr. Amit Parekh	21,266	0.00					21,266	0.01
				27.04.2018	ESOP Allotment	2,666	0.00	23,932	0.01
				31.03.2019	At the end of the year	-	-	23,932	0.01

\* % of total shares of the Company held by Directors and KMP is calculated taking into consideration the outstanding equity share capital of the Company as on financial year ended March 31, 2019.

Note: Mr. Harsha Raghavan, Non-Executive Director resigned w.e.f. May 24, 2018 and therefore he is not included in the list above list

## V. INDEBTEDNESS

(Amount in Rs.)				
Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposit	Total
<b>Indebtedness at the beginning of the financial year</b>				
1) Principal Amount	-	1,464,430,762	-	1,464,430,762
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	-	88,408,189	-	88,408,189
<b>Total (1+2+3)</b>	-	<b>1,552,838,951</b>	-	<b>1,552,838,951</b>
<b>Change in Indebtedness during the financial year</b>				
<b>Principal Amount</b>				
(+) Addition	-	-	-	-
(-) Reduction	-	(1,385,406,993)	-	(1,385,406,993)
<b>Interest Accrued But not Due</b>				
(+) Addition	-	18,438	-	18,438
(-) Reduction	-	(88,408,189)	-	(88,408,189)
<b>Interest Due But not Paid</b>				
(+) Addition	-	-	-	-
(-) Reduction	-	-	-	-
<b>Net change</b>	-	<b>(1,473,796,744)</b>	-	<b>(1,473,796,744)</b>
<b>Indebtedness at the end of the financial year</b>				
1) Principal Amount	-	79,023,769	-	79,023,769
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	-	18,438	-	18,438
<b>Total (1+2+3)</b>	-	<b>79,042,207</b>	-	<b>79,042,207</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount in Rs.)				
Sr. No.	Particulars of Remuneration	Madhavan Menon, Chairman & Managing Director	Mahesh Iyer, Executive Director and Chief Executive Officer (w.e.f 29th May, 2018)*	Total
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	22,756,240	15,682,672	38,438,912
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3,348,168	632,002	3,980,170
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--
2	Sweat Equity	--	--	--
3	Commission	N.A.	N.A.	
	(i) As % of Profit			
	(ii) Others, specify			
	Others, please specify	--	--	--
4	Performance Bonus	34,997,600	18,900,000	53,897,600
	<b>Total</b>	<b>61,102,008</b>	<b>35,214,674</b>	<b>96,316,682</b>
	Stock Options Exercised	Nil	Nil	Nil
	Ceiling as per the Companies Act, 2013	As per the provisions of the Companies Act, 2013		

\*Mr. Mahesh Iyer, Chief Executive Officer of the Company was appointed as Executive Director and Chief Executive Officer of the Company w.e.f. May 29, 2018, however his remuneration details have been disclosed for full financial year.

**B. Remuneration to other Directors (Non Executive Directors):**

**I. Non Executive Independent Directors**

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Fee for attending Board /Committee	Commission	Others, please specify	Total Amount
<b>1</b>	<b>Independent Directors</b>				
	Mrs. Kishori Udeshi	3,585,000	1,361,381	-	4,946,381
	Mr. Pravir Kumar Vohra	3,375,000	1,361,381	-	4,736,381
	Mr. Nilesh Vikamsey	2,950,000	1,361,381	-	4,311,381
	Mr. Sunil Mathur	3,110,000	1,361,381	-	4,471,381
	<b>Total (1)</b>	<b>13,020,000</b>	<b>5,445,524</b>	<b>-</b>	<b>18,465,524</b>
<b>2</b>	<b>Other Non Executive Directors</b>				
	Mr. Chandran Ratnaswami*	-	-	-	-
	Mr. Harsha Raghavan (up to 24th May, 2018)*	-	-	-	-
	Mr. Sumit Maheshwari*	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total (B)=(1+2)</b>	<b>13,020,000</b>	<b>5,445,524</b>	<b>-</b>	<b>18,465,524</b>
	<b>Total Managerial Remuneration</b>	<b>13,020,000</b>	<b>5,445,524</b>	<b>-</b>	<b>18,465,524</b>
	Overall Ceiling as per the Companies Act, 2013	As per the provisions of the Companies Act, 2013			

\*Mr. Chandran Ratnaswami, Mr. Harsha Raghavan and Mr. Sumit Maheshwari have waived their entitlement to their share of commission and sitting Fees

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Brijesh Modi, Chief Financial Officer	Amit Parekh, Company Secretary and Compliance Officer	Total amount
<b>1</b>	<b>Gross Salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9,030,959	4,678,249	13,709,208
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	201,096	201,096
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
<b>2</b>	<b>Sweat Equity</b>	-	-	-
<b>3</b>	<b>Commission</b>	-	-	-
	(i) As % of Profit			
	(ii) Others, specify			
<b>4</b>	<b>Others</b>	-	-	-
	Performance Bonus	5,528,224	543,391	6,071,615
	<b>Total</b>	<b>14,559,183</b>	<b>5,422,736</b>	<b>19,981,919</b>
<b>5</b>	<b>Stock Options Exercised</b>	Nil	2666	-



## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES (Under Companies Act, 2013):

There were no penalties, punishment or compounding of offences during the year ended March 31, 2019

### FOR AND ON BEHALF OF THE BOARD

**Madhavan Menon**

*Chairman & Managing Director*

*DIN: 00008542*

**Mahesh Iyer**

*Executive Director and Chief Executive Officer*

*DIN: 07560302*

Place: Mumbai

Dated: May 27, 2019

## ANNEXURE 4

### Companies which have become/ceased to be Company's subsidiaries, Joint venture or Associate Companies as per the provisions of the Companies Act, 2013.

Companies/ Bodies Corporate which have become Subsidiaries during the financial year 2018-19:

Sr. No.	Name of the Company
1.	DEI Holdings Limited
2.	Digiphoto Entertainment Imaging LLC
3.	D E I General Trading LLC
4.	DIGI Photo Electronics Repairing LLC
5.	Digiphoto Entertainment Imaging Pte Limited
6.	Digiphoto Entertainment Imaging SDN. BHD.
7.	PT. Digiphoto Imaging Indonesia
8.	Digiphoto Entertainment Imaging Limited
9.	Digiphoto Imaging (MACAU) Limited
10.	Digiphoto Entertainment Image (Shanghai) Co. Limited
11.	DEI Solutions Limited
12.	ATC Travel Services (Beijing) Ltd

*Note: This annexure does not include associate(s) and subsidiary(ies) of the associate company(ies); the associate company(ies) of the subsidiary(ies)*

#### FOR AND ON BEHALF OF THE BOARD

**Madhavan Menon**

Chairman & Managing Director  
DIN: 00008542

**Mahesh Iyer**

Executive Director and Chief Executive Officer  
DIN: 07560302

Place: Mumbai

Dated: May 27, 2019

## Particulars of Directors and Employees

Disclosure with respect to the remuneration of Directors and Employees as required under Section 197 of the Companies Act, 2013 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, are as follows:

- (a) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19:

Names of Directors	Designation	Ratio to median remuneration
Mr. Madhavan Menon	Chairman and Managing Director	128.80
Mr. Chandran Ratnaswami <sup>#</sup>	Non Executive Director	-
Mr. Harsha Raghavan <sup>*</sup>	Non Executive Director	-
Mrs. Kishori Udeshi	Non Executive Independent Director	10.43
Mr. Pravir Kumar Vohra	Non Executive Independent Director	9.98
Mr. Nilesh Vikamsey	Non Executive Independent Director	9.09
Mr. Sunil Mathur	Non Executive Independent Director	9.43
Mr. Sumit Maheshwari <sup>#</sup>	Non Executive Director	-
Mr. Mahesh Iyer	Executive Director and Chief Executive Officer	74.23

<sup>#</sup>Mr. Chandran Ratnaswami and Mr. Sumit Maheshwari waived their entitlement to their share of commission and sitting fees

<sup>\*</sup>Mr. Harsha Raghavan resigned w.e.f. May 24, 2018

- (b) Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2018-19 vis-a-vis the previous financial period 2017-18:

Director, Chief Financial Officer, Chief Executive Officer and Company Secretary	Designation	% increase in remuneration in financial year
Mr. Madhavan Menon	Chairman and Managing Director	19
Mr. Mahesh Iyer	Executive Director and Chief Executive Officer	18.59
Mr. Chandran Ratnaswami	Non-Executive Director	-
Mr. Harsha Raghavan <sup>#</sup>	Non-Executive Director	-
Mr. Sumit Maheshwari	Non-Executive Director	-
Mrs. Kishori Udeshi <sup>^</sup>	Non-Executive Independent Director	216.62
Mr. Pravir Kumar Vohra <sup>^</sup>	Non-Executive Independent Director	151.63
Mr. Nilesh Vikamsey <sup>^</sup>	Non Executive Independent Director	367.49
Mr. Sunil Mathur <sup>^</sup>	Non Executive Independent Director	188.06
Mr. Amit J. Parekh	Company Secretary and Compliance Officer	-2.94
Mr. Brijesh Modi <sup>*</sup>	Chief Financial Officer	-

<sup>#</sup>Mr. Harsha Raghavan resigned w.e.f. May 24, 2018

<sup>^</sup>The increase in remuneration is on account of the following:

- Higher number of Board/Committee(s) meetings held in FY 2018-19 as compared to FY 2017-18; and
- Increase in amount of Commission payable for FY 2018-19 as compared to commission paid for FY 2017-18.

<sup>\*</sup> Percentage increase in remuneration is not reported for Mr. Brijesh Modi as he was holding office of Chief Financial Officer only for part of the financial year 2017-18 and hence not comparable.

- (c) Percentage increase in the median remuneration of employees in the financial year 2018-19: 7%
- (d) Number of permanent employees on the rolls of Company: 2518

- (e) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

During the financial year, average increases in salaries of employees was 8.8% and average increase in managerial salaries was 7.6%. This was based on recommendation of the Nomination and Remuneration Committee as per industry benchmark.

- (f) **Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company affirms that the remuneration is as per the Nomination cum Remuneration Policy of the Company.

**FOR AND ON BEHALF OF THE BOARD**

**Madhavan Menon**

*Chairman & Managing Director*

*DIN: 00008542*

**Mahesh Iyer**

*Executive Director and Chief Executive Officer*

*DIN: 07560302*

Place: Mumbai

Dated: May 27, 2019



## Dividend Distribution Policy Of Thomas Cook (India) Limited

The Board of Directors (the "Board") of Thomas Cook (India) Limited (the "Company") has adopted the Dividend Distribution Policy (the "Policy") of the Company as required in terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") in its meeting held on October 26, 2016.

### 1. EFFECTIVE DATE

The Policy shall become effective from the date of its adoption by the Board i.e. October 26, 2016.

### 2. PURPOSE, OBJECTIVES AND SCOPE

The Securities and Exchange Board of India ("SEBI") vide its Notification dated July 08, 2016 has amended the Listing Regulations by inserting Regulation 43A in order to make it mandatory to have a Dividend Distribution Policy in place by the top five hundred listed companies based on their market capitalization calculated as on the 31st day of March of every year. Considering the provisions of the aforesaid Regulation 43A, the Board of Directors (the "Board") of the Company recognizes the need to lay down a broad framework for considering decisions by the Board of the Company, with regard to distribution of dividend to its shareholders and/ or retaining or plough back of its profits. The Policy also sets out the circumstances and different factors for consideration by the Board at the time of taking such decisions of distribution or of retention of profits, in the interest of providing transparency to the shareholders.

The Policy is not an alternative to the decision of the Board for recommending dividend, which is made every year after taking into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided as relevant by the Board.

Declaration of dividend on the basis of parameters in addition to the elements of this Policy or resulting in amendment of any element or the Policy will be regarded as deviation. Any such deviation on elements of this Policy in extraordinary circumstances, when deemed necessary in the interests of the Company, along with the rationale will be disclosed in the Annual Report by the Board of Directors.

The Policy shall not apply to:

- Determination and declaring dividend on preference shares as the same will be as per the terms of issue approved by the shareholders;
- Distribution of dividend in kind, i.e. by issue of fully or partly paid bonus shares or other securities, subject to applicable law;
- Distribution of cash as an alternative to payment of dividend by way of buyback of equity shares.

### 3. GENERAL POLICY OF THE COMPANY AS REGARDS DIVIDEND

The general considerations of the Company for taking decisions with regard to dividend payout or retention of profits shall be as following-

1. Subject to the considerations as provided in the Policy, the Board shall determine the dividend payout in a particular year after taking into consideration the operating and financial performance of the Company, the advice of executive management including the CFO, and other relevant factors.
2. The Board may also, where appropriate, aim at distributing dividends in kind, subject to applicable law, in form of fully or partly paid shares or other securities.

### 4. CONSIDERATIONS RELEVANT FOR DECISION OF DIVIDEND PAY-OUT

The Board shall consider the following, while taking decisions of a dividend payout during a particular year-

#### Statutory requirements

The Company shall observe the relevant statutory requirements including those with respect to mandatory transfer of a certain portion of profits to any specific reserve such as Debenture Redemption Reserve, Capital Redemption Reserve etc. as provided in the Companies Act, 2013, which may be applicable to the Company at the time of taking decision with regard to dividend declaration or retention of profit.

#### Agreements with lending institutions/ Debenture Trustees

The decision of dividend pay-out shall also be affected by the restrictions and covenants contained in the agreements as may be entered into with the lenders of the Company from time to time.

#### Proposals for major capital expenditures etc.

In addition to plough back of earnings on account of depreciation, the Board may also take into consideration the need for replacement of capital assets, expansion and modernization or augmentation of capital stock, including any major capital expenditure proposals.

#### Expectations of major stakeholders, including small shareholders

The Board, while considering the decision of dividend pay-out or retention of a certain amount or entire profits of the Company, shall, as far as possible, consider the expectations of the major stakeholders including the small shareholders of the Company who generally expects for a regular dividend payout.

## 5. FACTORS THAT MAY AFFECT DIVIDEND PAYOUT

### External Factors

#### *Taxation and other regulatory concern*

Dividend distribution tax or any tax deduction at source as required by applicable tax regulations in India, as may be applicable at the time of declaration of dividend.

Any restrictions on payment of dividends by virtue of any regulation as may be applicable to the Company at the time of declaration of dividend.

#### *Product/ market expansion plan*

The Company's growth oriented decision to conserve cash in the Company for future expansion plan impacts shareholders expectation for the long run which shall have to be considered by the Board before taking dividend decision.

#### *Macroeconomic conditions*

Considering the state of economy in the Country, the policy decisions that may be formulated by the Government and other similar conditions prevailing in the international market which may have a bearing on or affect the business of the Company, the management may consider retaining a larger part of the profits to have sufficient reserves to absorb unforeseen circumstances.

### Internal Factors

#### *Past performance/ reputation of the Company*

The trend of the performance/ reputation of the Company that has been during the past years determine the expectation of the shareholders.

#### *Working capital management in the Company*

The current working capital management system within the Company also impacts the decision of dividend declaration.

## 6. CIRCUMSTANCES UNDER WHICH DIVIDEND PAYOUT MAY OR MAY NOT BE EXPECTED

The Board shall consider the factors provided above Para 4, before determination of any dividend payout after analyzing the prospective opportunities and threats, viability of the options of dividend payout or retention etc. The decision of dividend payout shall, majorly be based on the aforesaid factors considering the balanced interest of the shareholders and the Company.

## 7. MANNER OF DIVIDEND PAYOUT

The discussion below is a summary of the process of declaration and payment of dividends, and is subject to applicable regulations:

### **In case of final dividends**

1. Recommendation, if any, shall be done by the Board, usually in the Board meeting that considers and approves the annual financial statements, subject to approval of the shareholders of the Company.

2. The dividend as recommended by the Board shall be approved/declared at the annual general meeting of the Company.
3. The payment of dividends shall be made within 30 days from the date of declaration to the shareholders entitled to receive the dividend on the record date/book closure period as per the applicable law.

### **In case of interim dividend**

1. Interim dividend, if any, shall be declared by the Board.
2. Before declaring interim dividend, the Board shall consider the financial position of the Company that allows the payment of such dividend.
3. The payment of dividends shall be made within 30 days from the date of declaration to the shareholders entitled to receive the dividend on the record date as per the applicable laws.
4. In case no final dividend is declared, interim dividend paid during the year, if any, will be regarded as final dividend in the annual general meeting.

## 8. MANNER OF UTILISATION OF RETAINED EARNINGS

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilization of the retained earnings of the Company shall be based on the following factors:

### **Market expansion plan:**

- Product expansion plan;
- Increase in production capacity;
- Modernization plan;
- Diversification of business;
- Long term strategic plans;
- Replacement of capital assets;
- Where the cost of debt is expensive;
- Other such criteria as the Board may deem fit from time to time.

## 9. AMENDMENT

To the extent any modification/amendment, if required, the Managing Director or Group Head – Legal, Secretarial and Administration or Company Secretary and Compliance officer of the Company are severally authorised to review and amend the Policy, to such extent required. Such amendments and Policy shall be placed before the Board for noting.

## FOR AND ON BEHALF OF THE BOARD

**Madhavan Menon**  
Chairman & Managing Director  
DIN: 00008542

**Mahesh Iyer**  
Executive Director and  
Chief Executive Officer  
DIN: 07560302

Place: Mumbai  
Dated: May 27, 2019

# Management Discussion and Analysis

## ORGANISATIONAL OVERVIEW

Headquartered in India, Thomas Cook India Group – Thomas Cook (India) Limited and its subsidiaries – is one of the leading integrated travel and travel-related financial services companies in the Asia-Pacific region. In FY19 consolidated total income stood at ₹ 67.2 bn and as on March 31, 2019 market capitalisation was ₹ 93.7 bn.

Having established its presence in India as early as 1881, Thomas Cook (India) Limited (TCIL) was incorporated in 1978 and listed in 1983 and has advanced through a series of organic and inorganic growth opportunities. Today the Company, along with its subsidiaries, operates in 29 countries across five continents and employs a team of over 9,700 people across 55 nationalities. It has broadly bifurcated its services under three verticals – Travel and Travel-related Services, Financial Services and Portfolio and Strategic Investments.

## TRAVEL AND TRAVEL-RELATED SERVICES

Travel and tourism forms the largest business of the Company in terms of reach and footprint. The Company is known for its customised travel offerings across leisure, destination management, corporate travel, MICE and visa services. Together, the travel segment on a consolidated basis registered a 19% revenue growth while EBIT grew by 34%.

### Leisure Travel (Outbound)

The Group's leisure travel offering caters to Indian customers aspiring to experience foreign destinations on holidays. It serves both Free Independent Travel (FIT) and Group Inclusive Tour (GIT) customers, who are looking for an end-to-end, premium and seamless travel experience. It curates holidays for travellers across all age groups and segments.

During the year, the business has focused on deepening its customer connect and widening its regional presence. Campaigns, such as Albelu, Avismarniya, Romanchak and so on, were designed with a regional flavour and continue to run successfully to serve underpenetrated markets while also expanding reach. Other campaigns and travel packages such as the Simply Series targeting online customers, City Breaks targeting the viable B-Leisure segment, Hello Series and mono-destination Group Tours continued to receive a positive welcome from the customers. The Grand India Holiday Sale, which is a 10-day intense campaign aligned with the peak booking season, helped boost the reach and conversion.

Travel Quest, the Company's unique study tour vertical, has resonated well with the students and their parents. We have registered strong delivery of 3,376 student travellers since its inception to destinations as diverse as Korea, Singapore and Europe.

In order to address the changing needs of today's traveller, the Group has leveraged innovative technology platforms. For example, Voyager, a unique technology platform with comparative rates, has helped the sales force in curating customised holiday packages in real-time. The Thomas Cook Holidays App is another key initiative helping customers book holidays on-the-go at the touch of a button.

The Thomas Cook India Group's technology initiatives at the customer front are matched with a state-of-the-art analytics programme that helps in understanding customer preferences and journeys. These initiatives are further used for customising the Company's approach of targeting and building customer relationships (Read more on technology on page 22-23).

### SOTC:

The Group also operates outbound travel under SOTC Travel Limited, which is celebrating its 70<sup>th</sup> anniversary of foundation. A leading name in the travel and tourism industry, SOTC offers Leisure Travel, MICE, Online and Business Travel solutions. Driven by the motto of creating industry-leading customer experiences, SOTC constantly adapts to the changing needs of its target audience, supported by technology.

SOTC was the first to introduce the concept of one-day road shows called Holiday Bazaars in India with an aim to promote day-offs. It also pioneered the concept of travel merchandise business, under the 'Holiday Essentials' offering. The Company has established tours conducted in regional languages where close to 40 products were launched comprising Gurjar Viswadarshan, Bhraman Mandal, South India, North India and Durga Puja products, across regional markets. Other innovations by SOTC include:

- Co-created holidays (partnering with customers to curate packages)
- SOTC on the go to assist customers in booking experiences and trips at the touch of a button
- SOTC Easy series
- Super Holiday Sale, targeted for value-seeking travellers
- Great Rail Journeys and Self-drive Holidays
- Darshans, to leverage the high potential pilgrimage segment

### TC Tours Limited:

TC Tours Limited (earlier known as Thomas Cook Tours Limited) is a wholly owned subsidiary of the Company and offers air ticketing, hotels, domestic tours and allied services to the Group's multiple travel offerings across Leisure, Corporate Travel and MICE.

### TC Travel Services Limited:

TC Travel Services Limited, operating under the 'TC Travel' brand, offers a wide range of services including airline ticketing, hotel accommodation, visa and passport facilitation, travel insurance, and so on.

### Travel Circle International Limited (Kuoni 勝景遊):

The Group's Hong Kong entity, Travel Circle International Limited (Kuoni 勝景遊), operates as the leading premium tour operator in Hong Kong with a focus on the high-end, niche market of all-inclusive group long haul leisure and business travel. Around 80% of the entity's portfolio is from its B2C segment and the remainder is via its B2B network.

During the year, the Company intensified its product differentiation efforts and service enhancements to fortify its leading position in the Hong Kong market. It has made concentrated efforts towards product re-engineering, which has further sharpened its product expertise and revenue.

Driven by the goal of perfecting every moment of travel experience for its customers, the Company has a dedicated three tier customer contact (before, during and after travel) mechanism, which was redesigned to interact with, collect feedback from and subsequently enhance service delivery at each customer touch point.

The Company continues to consolidate its premium brand position while enhancing its branding initiatives that reinforce its values and global heritage. It continues to adopt online and social media presence alongside alternate media of promotion to maintain a deep connect with the customers.

### **Thomas Cook (Mauritius) Holidays Limited:**

Apart from the above, the Group owns and operates a subsidiary in Mauritius, Thomas Cook (Mauritius) Holidays Limited, which offers outbound tours to major Asian and European markets and unique destination markets.

### **Leisure Travel (Domestic)**

With a national presence within the domestic leisure travel vertical, the Group offers innovative and diverse tour packages and customised offerings to groups and individuals with an aim to deliver the best travel experiences across India.

The business is focused on providing an 'immersive experience' to its discerning customers through carefully curated packages to various domestic destinations. Some innovative themes captured include spiritual, adventure and sports tourism. It has also curated exclusive 'Ladies First', women-only group tours, to popular domestic destinations. Packages tailored with such themes have been highly successful, and the Group has leveraged social media platforms, in addition to mainstream media, to popularise these themes. This year, the Company's dedicated Kumbh Mela packages saw increasing uptake among customers, adding to the share of its festival tourism segment.

The Company has also partnered with Sterling Holiday Resorts, a group concern, to create unique holiday packages and jointly expand the market.

The Government of India's programmes, such as PRASAD have complemented the Group's spiritual tours segment across Thomas Cook and SOTC brands. Towards this effect, SOTC has launched 'Darshans', with a selection of over 40 specially designed religious and spiritual experiences across 60 destinations in India. This is apart from the Company's religious tours, such as Ramayana Trails, Kailash Manasarovar Yatra, and Char Dham.

### **Destination Management Services (India Inbound)**

In India, Travel Corporation (India) Limited (TCI) operates the Group's inbound travel business. TCI is one of India's foremost and largest companies operating in this space. In existence for over 58 years, TCI offers tailor-made travel and related services to India, Nepal, Bhutan and Sri Lanka, each supported by dedicated market teams with its experienced professionals across 21 offices. The Company operates under three brands – SITA, TCI and Distant Frontiers.

The Group offers both charter and leisure businesses with the former catering to large groups from Russia, the UK and other European nations centred around Goa, as the primary destination. For leisure, given the strong relationships built, the Group has become a reliable partner for them, guaranteeing the delivery of excellent services within leisure, FIT (Free Independent Travel), group, cruises, incentive and education travel. During the year, the whole of India Inbound business delivered a robust performance.

Luxe Asia (Private) Limited, based in Sri Lanka, is a wholly owned subsidiary of Thomas Cook Lanka (Private) Limited. Luxe Asia is focused primarily on inbound tourism from key global markets and services related to both tour operator and traveller segments in Sri Lanka and the Maldives.

TCI-Go Vacation India Pvt. Ltd. is a joint venture Destination Management Company of the Group with REWE Group- Germany, that offers tailor-made travel and related services to India, each supported by dedicated market teams with experienced professionals.

### **Destination Management Services (International Inbound)**

The Group acquired Kuoni Group's DMS businesses in June 2017, which has a widespread presence in Southeast Asia (Asian Trails), the Middle East (Desert Adventures), Australia (ATM-Australian Tours Management), North America (Allied-T Pro), South Africa and East Africa (Private Safaris). The Group aims to utilise this wide network to enhance its global presence, drive synergies and, thereby increase its competitive advantages from these acquisitions.

During the year, the emphasis for this segment was on creating enduring value by focusing on growth and cost optimisation efforts, which have contributed to a successful and responsible turnaround.

Read more on international DMS on page 28-29.

The Group's Mauritius subsidiary, Thomas Cook (Mauritius) Holidays Limited, also operates as a DMS and is committed to grow this segment. The Company is looking at various avenues to drive its growth, including imbuing synergy within the Group.

### **Meetings, Incentives, Conferences and Events (MICE)**

The Group's MICE portfolio is a growing segment that is driven by its capabilities and expertise to organise seamless travel solutions for large groups. Its customer-centric approach with a strong focus on experience-led travel has helped it carve out a niche in the industry.

During the year, the Group undertook MICE assignments facilitating customers' travel to exotic locations including Iceland and Azerbaijan. The Group today caters to over 150 corporates and during the year has successfully conducted over 250 MICE assignments.

The Company has also identified the ₹ 20 bn destination wedding space as a lucrative opportunity area to be catered under its MICE offering. Towards this end, it has set up a dedicated team to conduct a pilot programme, following which a new vertical will be rolled out catering to the destination wedding segment.

### **Business Travel**

The Group's Business Travel segment facilitates employee travels alongside providing hotels, transfers, visas, among other services for its corporate clients, spanning small, mid and large markets.



At the consumer end, the Group offers services under the Thomas Cook, SOTC and Kuoni Hong Kong brands. At the corporate level, however, there is a centralisation of processes of both Thomas Cook and SOTC brands, to achieve efficiencies and deliver better customer experience.

The Group aims to increase its network of hotel partners, to improve the choices for its customers while driving its margins and profitability.

It also actively follows a digital and analytics route to capture user data that complements feedback mechanism and improves service. The iBook tool, launched by both the Company and SOTC is a proprietary, custom-built app for corporate clients, where multiple functionalities can be managed seamlessly.

Similarly, Click2Book, a web-based self-booking tool provides a comprehensive suite of online services across flights, hotels, cars, visas, foreign exchange and travel insurance. Since its launch, the tool has received an exceptional welcome from the customers and at present, over a third of corporate travel bookings come through Click2Book.

TCIL's Business Travel mobile app, which provides services including expense management and self-service capabilities.

The Company has taken concerted efforts to leverage the high potential business travel segment to and from the Americas. It has, to that end, obtained ARC (Airlines Reporting Corporation) accreditation and necessary operating licences through its Destination Management brand, Allied T Pro (through Horizon Travel Services LLC, USA).

### Visa and passport services

For an integrated player in the travel space, this segment, via TC Visa Services (India) Limited, gives the Group a strong competitive advantage. It catering to a wide range of customers across corporate and leisure travel sectors. From ensuring a comprehensive application process to updating customers at every point until closure and feedback, the Company's service centres around customer satisfaction and convenience. Customers can avail the Company's visa services either by walking into a branch or through online or call centre applications. Driven by convenience, the Company also offers doorstep service to customer's preferred location to further guarantee seamless experience.

The visa team also caters to ancillary transactions including attestations, notarisations, foreign national travel registrations, and PIO/OCI cards.

### E-BUSINESS

In today's world, travel consumers are led by dynamic preferences within their budgets. This has changed their behavioural patterns and hence, service providers must be well-prepared to cater to their needs in advance. Towards this end, the Group has relied on technology to drive its business model and omnichannel strategy with the aim of transforming the way it conducts its business.

The DNA of digital is ushering in a round-the-clock, through-the-year serviceability paradigm. The Group's digital journey is half a decade old and it is reflected across its service spectrum.

Thomas Cook India Group is one of the very few global players that has a true omnichannel reach over its customers. Along with its widespread on-ground presence, around 30% of the packaged holidays and bookings are made through its online channels. The Company's e-business team concentrates on real-time, data-driven initiatives to improve efficiencies and customer experience.

Some of the initiatives that has augmented the omnichannel strategy include:

### Travel and travel-related services

With its commitment to provide best-in-class serviceability, the Company has taken a platform-agnostic approach in catering to travel customers.

- Its 500+ physical outlets and fully operational call-centres help walk-in customers and on-call queries, respectively.
- Fully interactive digital channel suite offers a responsive website, complete with a chatbot, and available reviews of numerous company packages.
- The Company has also introduced an industry first, customer self-service app - Thomas Cook Holidays - for the omnichannel customers who have booked a holiday with the Company. They can avail real time updates on payment, tour and visa status at the touch of a finger through this platform.
- In the previous fiscal, an advanced web technology platform named 'Astra' was deployed, which offers enhanced features and functionalities like WhatsApp-share, compare package, map view navigation, and so on for the ease of customers.
- For SOTC, 'On the Go' was launched to help customers create inimitable experiences and guided journeys. These experiences include sightseeing tours, day trips, unique experiences, shows/concerts, popular activities to handpicked hotels, transportation and so on.

**25 million+**

VISITS TO THE THOMAS COOK & SOTC WEBSITE

Equipped with its omnichannel strategy, the Company aims to deliver best-in-class convenience to customers, across platforms of their choice. Using the data repository put together from multiple sources, the Company focuses on advanced analytics to understand and predict a customer's behavioural patterns and engage accordingly with each customer segment.

### Thomas Cook digital channels: USPs

- Listings of 2000+ packaged holidays to 100+ countries globally – the largest spread by any travel company in India
- Holidays categorised by themes such as Honeymoon, Adventure, Spiritual, and so on
- Holidays categorised by demographics such as Senior Citizen Holidays, Women's Only tours, Youth Only Tours, among others
- Worldwide luxury holidays available on a click
- Holiday Gift Cards by occasions such as birthdays and anniversaries

#### Online Foreign exchange

The Company's digital drive has pioneered selling forex online in India and has changed the dynamics in the industry. It has provided a huge competitive leverage for the Company in the operating environment. The Company has now rolled out doorstep delivery of forex, which is yet another industry-first initiative.

#### Online Visa services

The Company offers visa and related services, assisting customers in visa applications for various destinations and purposes. With its expertise in the travel space, the Company has now emerged as a platform that offers visa services online and delivered to home. This is facilitated by a robust process and technology-led backend to minimise human intervention.

### TRAVEL-RELATED FINANCIAL SERVICES

#### Foreign Exchange

The Company leads the non-bank foreign exchange space in India and is the first non-banking institution to have been granted an AD-II licence by the Reserve Bank of India. The Company was the first in the non-banking category to issue its own prepaid travel card in India to facilitate better customer travels and convenience. The forex business is a combination of foreign exchange businesses of the Company, SOTC, TC Lanka, TC Mauritius Operations and TC Forex and is one of the two core businesses of the Company (the other being travel).

Forex is a long-standing business of the Company and it derives large volumes and value from it. It offers forex at both wholesale and retail levels and handles over 1.2 million transactions annually.

Education forex is a strong demand driver for the segment. Similarly, airports continue to be a focus area for the Company, with emphasis on second tier airports with ongoing engagements at first tier airports. Recently, It has also added Bengaluru airport to the portfolio.

As of March 31, 2019, the total load value on forex cards is US\$417 mn and over 650,000 cards sold since launch. To leverage demand and benefit customers, campaigns like 'Grand Forex Sale' were introduced, offering attractive rates and doorstep delivery of forex

under four hours across 15 cities. In FY19, the business clocked a revenue of ₹ 2,763.8 mn and an EBIT of ₹ 835.5 mn.

The Company is also the first to offer contactless cards, free of extra costs to all customers availing the forex service. The prepaid card ensures longer client lock-in and wallet share while building brand recall.

From February 2018 onwards, SOTC has been granted a Full-Fledged Money Changer (FFMC) licence, enabling the brand to widen its portfolio of offerings as a one-stop-solution for all travel-related requirements, thus adding convenience to the travelers who book Forex.

The Group's Mauritius subsidiary Thomas Cook (Mauritius) Operations Company Limited, registered a healthy performance despite a tough economic situation and business context. The company, with its steadfast focus on the money transfer service business, has strengthened its position in the segment and has created a unique advantage for itself in the cross-border remittance segment, as it's the only Foreign Exchange Dealer in Mauritius with the requisite capabilities. Besides that, it maintains a concerted focus on enhancing margins and profitability.

Thomas Cook Lanka (Private) Limited, the Company's Sri Lankan subsidiary, offers foreign exchange services in Sri Lanka through its presence at Bandaranayke International Airport and branches in Colombo and Kandy.

TC Forex offers travel related foreign exchange products including currency notes and travel cards.

#### Value Added Services (VAS)

The Company, through its Value-add Team, offers a wide range of services including:

- o Overseas and domestic travel insurance
- o Gift cards
- o Passport protection services
- o Roaming voice and data solutions
- o TBA (Travel Business Associate) –An innovate channel of business which has partners who are associated with the Company for sourcing all lines of business

The VAS Team actively engages with businesses by means of regular training programmes to offer appropriate products/services to their customers.

### STRATEGIC INVESTMENTS

#### Digiphotography Entertainment Imaging (DEI)

In March 2019, the Group announced its acquisition of DEI Holdings Limited (DEI) with 51% stake, one of the world's leading imaging solutions and services providers.

DEI is a global market leader committed to providing turnkey imaging solutions through highest quality of services. It is a technology-driven company focusing on the attractions industry. With a wide range of products and the latest technological innovations, its constant endeavour is to elevate guest experience.

With the acquisition of DEI, the Group marks its entry into an adjacent sector, complementary to its travel and travel-

related services portfolio. At the end of CY18, DEI had reported a revenue of US\$65.9 mn, with an operating profit of US\$ 4.2 mn and a free cash flow of US\$5.3 mn. The acquisition is both PAT and cash flow accretive for the Group.

Since its inception in 2004, in Dubai, the Company has spread its footprints across Orlando, Kuala Lumpur, Singapore, Bali, Hong Kong and Mumbai. Equipped with a team of over 1,800 professionals, DEI operates in 14 countries, with 120+ partners around 250 attractions. DEI also launched KlassAkt in the field of School photography in 2017 - an innovative service with the ability to capture and archive every photo clicked during school years and allows access to them at any time.

### Ithaka

During FY19, the Group acquired a minority stake in Ithaka, owned by Traveljunkie Solutions Pvt. Ltd. Ithaka is an app offering chat-based real-time travel advice from destination experts. It started as a marketplace for travel experiences and later, turned into a chat-based travel assistance platform. In addition to its existing services for destinations such as Thailand, Bali, UAE, Singapore, Malaysia and Turkey, it has now extended its offerings to 8 more countries situated in Europe - France, Netherlands, Germany, Austria, Italy, Switzerland, Czech Republic and Spain. The Group believes that Ithaka will help establish possible synergies and create an added avenue to reach out to its rising millennial customer base.

## PORTFOLIO INVESTMENTS

### Quess Corp Limited (Quess)

Established in 2007, Quess Corp Limited is India's leading business services provider. It aims in helping large and emerging companies manage their non-core activities by leveraging its integrated service offerings across industries and geographies providing significant operational efficiencies to its clients. Quess is headquartered in Bengaluru, India and has a team of over 318,000 employees with presence in India, North America, South East Asia and the Middle East across segments such as People Services, Technology Solutions, Facility Management, Industrials and Internet Business. Quess serves over 2,000 clients worldwide.

During the year, the Thomas Cook India Group undertook a corporate restructuring programme that was aimed at simplifying and clarifying structure and holdings, streamlining businesses and resources, ensuring focused management and eliminating cross holdings. The restructuring also involves the consolidating of human resource services business into Quess. Pursuant to the Composite scheme, the Company's shareholders will receive 1,886 equity shares of Quess (of ₹ 10 each) for every 10,000 equity shares (of ₹ 1 each) held in the former.

### Sterling Holiday Resorts Limited

Sterling Holiday Resorts Limited (Sterling) is a leading holiday lifestyle company with 2278 rooms spread over 35 resorts. This also includes four resorts of 'Nature Trails Resorts Private Limited'. With the new brand position of 'Holiday Differently', Sterling has introduced over 200 Discoveries and Experiences that are unique in the destinations where our resorts are located. In FY19, Sterling launched resorts in Jaipur and Mount Abu and has plans to launch more destinations including Srinagar, Mysore and Gangtok.

With its newly launched website, the company has also established a customer-centric digital presence. During the year, Sterling launched a brand campaign starting with TV ads along with strong presence in the digital and social media space.

Sterling Holidays adopted IND AS 115 - Revenue from Contracts with Customers, with effect from April 1, 2018 and assessed the impact of the accounting changes, which primarily includes recognition of the membership fees and incremental costs to obtain and/or fulfil a contract with a customer, as applicable, over the effective membership period. Due to this change, reported numbers for the financial year ended March 31, 2019 are not comparable with the last financial year. There is however no impact on Cash-flows due to this change.

- The revenue from operations increased by 2.9% (on the same basis, without considering the impact of IND AS115) from ₹ 2,746.1 mn to ₹ 2,826.7 mn. Reported revenue from operations stood at ₹ 2,619.1 mn
- Resort occupancy stood at 63% on an increased available room base.
- Average room rent grew from ₹ 3,528 in FY18 to ₹ 3,756 in FY19, an increase of 6.5%.
- Customer Service Ratings have improved further in the current year. Out of a total of 35 resorts, 31 resorts have a rating of 4 [on a scale of 5] and above in Trip Advisor and 24 Gold and one silver crown resort, as certified by Resorts Condominiums International (RCI).

### Technology

Knowing that we live and work in a technology and digital driven era, the Group continues to adopt emerging technologies and agile design thinking to ensure a truly integrated and seamless customer experience. Today it deploys best-in-class digital platforms – both at the customer interface and at the backend operations. Technology forms the base of the Company's omnichannel approach and drives efficiencies across its operations.

### Digital infrastructure

Over the past two years, the Group has continuously refreshed its digital approach to align itself with the pace of continuous change and adaptation. Key highlights of this journey are captured below.

- The Company initiated its cloud adoption with focus on multi cloud architecture to contain redundancies
- State-of-the-art Contact Centre (CC) technology consolidation project started wherein all CC locations (including third party) will be migrated on a centralised platform with enhanced features
- Institutionalised the Customer Relationship Management (CRM) system with service delivery capabilities
- OCR (Optical Character Recognition) technology for passport scans has been implemented at the Company's backend holiday booking applications. This has also been seamlessly integrated at the airport forex counters to enable faster checkouts
- Voyager, an advanced technology platform, was developed to enable our sales teams to build customised itineraries on the go and provide real-time quotations and bookings to our customers

## Proprietary website development

In early 2018, the Company introduced a revamped and responsive website to engage better with the customers and drive sales. The website is built by the Company's in-house team, helping it achieve cost efficiencies, faster go-to-market ability and nimble footedness. The portal is entirely customer engagement-led and during FY19, the Company continued to derive direct benefits from this.

## Analytics

To understand and predict customer behaviour and journey, the Company deploys advanced analytics. The following are the key objectives and programmes under the analytics initiative:

- Sales lead prioritisation and management to enhance lead conversion and, thereby improve customer satisfaction
- Targeted marketing campaigns and CRM initiatives to tap the right customer segment with the right offering
- Efficient inventory management led by data driven analysis of consumption patterns

## Mobile initiatives

- The Company enhanced its Thomas Cook App by integrating customer self-service as a module, enabling customers to manage their holidays better through updates on visa status, downloading of flight tickets and other tour related documents. Additionally, customers can also make their holiday related payments directly through the application.
- The Company launched an iPad-based application, iLead, to empower the sales team to showcase the full range of holiday packages to customers, and based on their preferences, create their lead to service them better. They can also make a holiday booking on the app and collect payment from the customers.
- SOTC has enhanced the initial holiday application by providing consumers with the choice to view its extensive range of tour packages on the app and conduct purchases online.
- The Tour Managers application has been further enhanced to take real time feedback of the customers on tour.

## Shared Services Centre (SSC)

At the Group level, SSC focuses on consolidation of business operations that are used by multiple entities of the Group. These include functions such as HR, IT, Admin and Finance. With its various entities managed under one Shared Service Centre, the Group unlocks efficiencies and better management of resources. This also ensures that the same vendor and employee experience is provided to all companies across the Group. SSC, also utilises technology solutions to streamline processes. The Company went live with its first phase of bots on certain processes leading to enhanced efficiency.

## Funds management

### Sharp focus on liquidity and cashflow

In today's times, liquidity and credit pose challenges for a good number of entities across India. Amid this environment, the Group's long-standing approach towards conserving cash, minimising

dependence on external borrowings, and creating enough liquidity backups have served it in good stead.

By principle, the Group has chosen to constrain its borrowings as far as possible by focusing on efficiencies. Over the last six years, it has been aggressive on maximising financial efficiency within the entire system. This is in line with the philosophy of generating Free Cash Flow (FCF) - one of the key criteria that the Group's parent Fairfax uses to measure performance of its companies.

### Key focus areas for FY19

- Efficiency improvement and free cash maximisation which enabled the Company to be debt free in 2018. The Company continues to generate free cash, which in turn garners good returns
- Liquidity risk management wherein the Company worked on creating liquidity backups, in the form of cash reservoirs (invested in liquid schemes or bank deposits) and undrawn bank lines.
- Support to Group companies - The strong position of the parent company i.e. Thomas Cook (India) Ltd., acts as a backup support system for the entire Group, comprising multiple brands and companies spread over 29 countries. This support would eventually lead to higher shareholder value maximisation, the benefits of which would be reaped by the Group.

### Role of technology in funds management:

- Utilising payment gateways such as Unified Payment Interface (UPI) for quicker payments and collections
- The Company also has Amex Business Travel Account (BTA) and MasterCard/VISA Central Travel Account (CTA) mechanisms in place, through which monies are collected and directly paid to airlines
- Adopted payment options such as plastic and virtual credit cards and automated platforms, the Company also has Nostro accounts in place, akin to those used by banks. For overseas payments through Nostro accounts the Company has a multi-currency tool to conduct cross-currency payments using more than 100 currencies. This immensely helps fund management while resulting in customer satisfaction

## Customer experience

From the very onset, the Group's focus has always revolved around the customer. In order to continuously delight its customers, the Company has adopted a multi-pronged approach that comprises technology (read more on technology on page 22-23), differentiated offerings (read more on offerings from page 24 onwards), and end-to-end serviceability, among others. The Company's business model (view the business model on page 14-15) is centred around customer experience and is on a constant drive to arrive at strategies (read strategies on page 16-17) that can maximise customer satisfaction.

Customer experience forms the organisational culture at the Group and towards this end, the Company has launched 'Project Udaan', which is its journey towards defining the brand's customer value



proposition (CVP) and charting the road for industry-leading customer experience. The enhanced CVP is expected to further the Group's position as trusted advisors for customers and win them over with responsiveness and responsibility.

### Human resources

The Group's over 9,700 strong workforce is the backbone of its operations. Here, each employee is treated with dignity and respect and they are the Group's brand ambassadors to the external world. The Company, thus, focuses on building a nurturing ecosystem that empowers employees and gives them growth opportunities through different training programmes, leadership development modules, engagement sessions, and so on.

Your Company's Centre of Learning is designed to facilitate talent growth, while also harnessing and nurturing the skill sets required for the travel and tourism industry. Centre of Learning gives the trainees an exposure to the travel industry via several forums, industry meets and associated education programmes. These include Certificate Course in World Tour Management, Advance Diploma in Travel and Tourism Management, International Air Transport Association – Foundation/ Consultant Course and Travel Professional Programme – A Post Graduate Diploma in Travel and Tourism Management. A total of 280 students were certified by the Centre for various programmes during FY19.

***A detailed discussion on Human Capital and employee engagement can be read on page 40-41.***

### Remuneration policy and performance criteria

The Nomination & Remuneration Committee determines and recommends to the Board, the compensation of the Directors and employees. The shareholders approve the compensation of the entire period of the Executive Directors' term. The compensation payable to each of the Independent Non Executive Directors is limited to a fixed percentage of profits per year as recommended by the Nomination & Remuneration Committee, subject to necessary approvals, where required. (Read more on page 54).

### Corporate social responsibility

As part of the Fairfax Group of Companies, the Company has partnered with the Fairfax India Charitable Foundation (FICF) to contribute to a nationwide dialysis support programme to beneficiaries in areas where there is limited access to nephrology care.

***A detailed discussion on CSR engagement may be read on page 42-43.***

### Financial performance

#### Consolidated performance

- Total Income stood at ₹ 67,186.9 mn in FY19 as compared to ₹ 1,14,115.5 mn in FY18\*
- Profit After tax stood at ₹ 888.3 mn in FY19, compared ₹ 61,313.9 mn in FY18\*

\* results of Qess Corp Limited have been consolidated as a subsidiary upto February 28, 2018 and from March 2018, it has

been reclassified as an associate with its share of profits being considered accordingly.

### Segmental performance

#### Travel services

At a consolidated level, Travel Services registered ₹ 60,624.1 mn as revenue from operations, growing by 19% y-o-y. The segment registered an EBIT of ₹ 1,817.5 mn, a y-o-y growth of 34% from the previous fiscal. The results showcase, growth in all key travel segments, namely Leisure outbound, MICE, India DMS and online business. Additionally, acquired international DMS witnessed a smart turnaround in the year, which is reflective in the overall results.

#### Foreign exchange

Forex revenue grew by 4% y-o-y to reach ₹ 2,763.8 mn, whereas EBIT grew by 19% to touch ₹ 835.5 mn. The segment continues to strengthen its focus on the retail space in the sector where it registered a growth of 14% y-o-y.

#### Standalone performance

Led by strong trading across businesses, revenue from operations for FY19 increased by 18% to ₹ 23,108.0 mn from ₹ 19,429.7 mn

- Standalone profit before tax increased by 875% to ₹ 395.5 mn in FY19 from ₹ 40.6 mn in FY18. This is exclusive of a one-time accounting gain of ₹ 5,353.6 mn on account of Qess stake sale.

#### Risk management

Risk assessment and management are critical to ensure long-term sustainability of the business. The Company, has in place, a strong risk management framework with regular appraisal by the top management. The Company was awarded the 'Best Risk Management Framework, Systems, and Governance' – Travel and Leisure CNBC TV-18 Annual India Risk Management Awards in 2017 and 2018.

Enlisted below are the key risks identified by the management and the related mitigation measures.

- **Economic Risk:** The business of the Company is closely associated with the macro environment that impacts the consumers' spending power.

Mitigation measures: To minimise the impact of the systemic risk arising from macro-economic slowdown, the Company has ventured into diversified business segments other than leisure travel and business travel, like student travels, foreign currency exchanges, DMS, people and staffing solutions, IT solutions and so on, which would help to mitigate the risk arising from macro-economic slowdown, to some extent.

- **Credit Risk:** As the Company deals with a wide range of corporates and channel partners, it is exposed to credit risk. Any default or delay in payments may adversely affect the Company's financials.

Mitigation measures: The Company's well-defined, balanced and comprehensive client policy drives all contracts and business dealings in addition to the finance team's evaluation of financial capabilities of big clients and channel partners.

- **Forex risks:** Being spread across a significant number of geographies, the Company deals in several monies and runs the risk of unfavourable movement in any currency leading to financial losses.

Mitigation measures: The Company has a stringent hedging policy to manage forex risks. The Company keeps a close watch on all currency movements and enters hedging contracts to protect margins.

- **Competition risks:** The Company is a premium brand in all the categories across geographies and competes with local players. Due to stiff competition and pricing wars, the Company's operating margins can be adversely impacted.

Mitigation measures: The Company's leadership presence in most markets helps to derive competitive advantages while our pricing strategy is based on healthy target margins.

- **Integration risks:** The Company's investment in diversified businesses in divergent geographies requires harmonious integration of people, assets, processes and systems. Any deficiency in the integration process may impact the Company's growth prospects.

Mitigation measures: The Company's promoters and senior management have successful track records in managing acquisitions and integrations. Besides, the Company has recently streamlined business segments into four verticals for greater focus and agility in business operations.

#### Internal control systems and their adequacy

Internal control systems are embedded in all processes across all functions within the Company. These systems are regularly reviewed and wherever necessary, they are modified or re-designed to ensure better efficiency, and improved controls. All processes and systems are subject to Internal Audit through an annual internal audit plan approved by the Audit and Risk Committee. These are further supported by Statutory Auditors who validate whether the financial reporting is true and fair, and Internal Financial Control (IFC) auditors who check the design adequacy and operating effectiveness of the Company's internal financial controls. The results of all audits are discussed with Senior Management and reviewed by the Audit and Risk Committee that meets at least every quarter. The Company has also adopted a system of Concurrent Audit, in line with RBI guidelines for its Foreign Exchange business across branches. The Company's Anti-Money Laundering Policy is regularly reviewed and updated, incorporating applicable revisions therein, according to any modified guidelines issued by the RBI.

#### Global economy

CY18 witnessed two distinct halves. While the first half of the year performed remarkably well with strong manufacturing-led economic growth, the second half was characterized by rising trade protectionism and a series of tariff hikes. Taken together, the year exhibited sluggish growth, with the global economy expanding at a 3.6% growth rate.

In the reporting period, oil prices rallied amidst the US sanctions on Iran, and reduced oil supply from Venezuela. During the year, the US economy expanded as a function of tax cuts and spending increases that stimulated demand. As growth and interest rates in the United

States outpaced those in other major economies, the US dollar has appreciated against most other currencies in 2018.

In the second half of CY18, a combination of factors eroded the global growth momentum. The overall growth situation was hampered considering rising trade tensions between major economies, primarily the US and China. China has seen an economic tightening and growth in Europe was lukewarm. Emerging economies of Asia, however, stood their grounds with rising consumption levels and domestic spending.

#### Outlook

The IMF expects the world economy to grow at 3.3% in 2019. Growth is expected to level off in the first half and stronger recovery is predicted in the second half, provided the trade tensions settle. A stabilisation in emerging markets, recovery in Europe following months of subdued activity and overall improving market sentiment will act as enablers of this forecast.

Following 2019, the growth is expected to bounce back to 3.6% levels, led by activity in economies such as India and China. Global growth will be led by emerging market economies from 2020 onwards.

#### Indian economy

India continued to be one of the fastest-growing major economies in FY19. Growing at 6.8% (Source: Central Statistics Office) compared with 7% projected the emerging economy displayed moderated levels of consumption, investment and government-led expenditure. The structural reforms, such as demonetisation and Goods and Services Tax (GST) undertaken between 2016 and 2018 have started to bear fruit and the temporary impediments to growth have diminished. The downward trend was also led by moderation in growth of agriculture and manufacturing, increase in unemployment rates and temporary reasons, like the financial crisis in NBFC.

While the economic fundamentals allowed headroom for India's growth, two major events contributed to a muted sentiment within both investor and consumer circles in FY19. One was the NBFC liquidity crunch, that was caused by an asset liability mismatch in the books of several established players. This triggered a slowdown in the non-banking lending space, affecting overall liquidity in the economic system and arresting activity. However, led by consumer finance, the scenario is improving.

The second event signified the fallacies in India's aviation sector, where a long-established airline player faced default charges on its overseas lending, leading to the grounding of its aircrafts. This led to a domino effect that affected the travel and tourism industry with unavailability of flights and rising costs. At a larger level, it contributed to the nosediving of the stock market and unearthed the systemic issues in the airline industry.

Domestic demand strengthened amidst rising disposable incomes and structural reforms such as the GST and bank recapitalisation. Rural demand sustained on the back of increase in minimum support prices (MSPs) and a normal monsoon. Headline consumer price inflation (CPI) remained under the targeted 4%. Overall,

CPI inflation fell from 3.7% in August-September 2018 to 2.6% in February 2019, after touching a low of 2.0% in January 2019 (Source: IBEF).

The government has maintained an unwavering focus on both physical and social infrastructure development in the country. The result of this is visible through project implementations including large metro rail projects, Dedicated Freight Corridors (DFCs), 'Bharatmala' and 'Sagarmala' programmes and rural electrification initiatives.

India jumped 23 places in the World Bank's Ease of Doing Business index, reflecting India's attractiveness as an investment destination. Driven by favourable demographics and robust consumption demand, India also climbed five places in the World Economic Forum's competitive index. India is South Asia's top ranked economy in terms of competitiveness and has exhibited the highest gain among G-20 economies.

## Outlook

India is expected to grow by 7.3% in FY20 and 7.5% in FY21 (Source: IMF). The growth will be led by continued and strong levels of consumption, an expansionary monetary policy and prudent fiscal policy.

Going forward, the Indian economy is expected to contribute 13.7% to the world economy (Source: Bloomberg). This is indicative of the larger role India is playing in the global scenario both as a supplier and a consumer economy.

## Global industry review - Travel and tourism

The global travel and tourism industry is witnessing an unprecedented growth. Driven by increasing disposable incomes, proliferation of technology, larger awareness and a yearning for experience, travel has become more accessible and affordable in the recent past. This trend is expected to continue, and the growth momentum is expected to rise further.

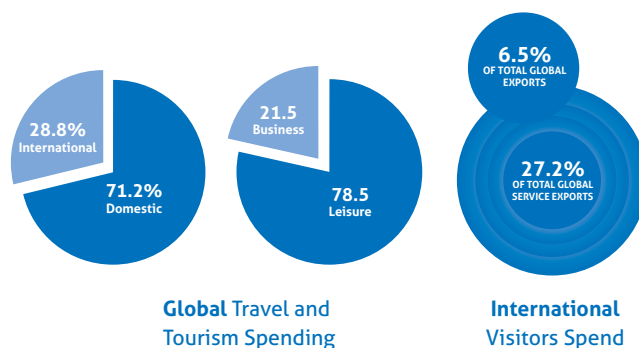
In CY18, the travel and tourism industry added US\$8.8 trillion to the world economy. For the eighth straight year, the industry has surpassed global economic growth levels. At 3.9%, it became the second fastest growing sector after manufacturing, contributing 10.4% to the world's total economic activity in 2018. Regions including Oceania, Southeast Asia, India and China contributed significantly to this growth. According to the World Travel & Tourism Council (WTTC), travel and tourism was responsible for 20% of all jobs created worldwide.

Global tourism: Key Indicators						
Indicator		2018		2019 (E)		2029 (E)
		Value	% Share globally	Value	Value	% Share globally
Contribution to GDP (\$ trillion)	Direct	2.75	3.2%	2.85	4.07	3.5%
	Total	8.81	10.4%	9.13	13.09	11.5%
Contribution to employment (million)	Direct	122.89	3.8%	125.60	154.06	2.1%
	Total	318.81	10.0%	328.21	420.66	11.7%

(Sources: WTTC, Yes Bank – FICCI report)

International tourist arrivals surpassed UNWTO's 2020 target of 1.4 billion in 2018, led by the Middle East, Africa, Asia and the Pacific, as well as Europe led growth. Strong economic growth, affordable

air travel, technological changes, changing business models, and greater visa facilitation have brought about this feat.



Europe remained the largest travel and tourism market with an activity worth US\$2.2 trillion, closely followed by Northeast Asia at US\$2.1 trillion and North America coming third at US\$1.9 trillion. USA remained the largest travel and tourism market, contributing 7.8% of the American economy.

The following table outlines the contribution of the other economies where tourism is flourishing.

Region	Contribution by travel and tourism industry (in USD billion)	y-o-y growth %
Latin America	336	8.7
South Asia	296	8.8
Middle East	237	8.7
Oceania	206	12.2
Africa	194	8.5

(Source: WTTC)

## Emerging trends in the industry

1. New consumers being added to the travel pool

Every year, millions of people are being added to global pool of travellers, aided by rising disposable income and consumption levels.

2. Conscious innovation in travel offerings

With rising demand, there is a proliferation of travel service providers globally. From established organisations to start-ups, players are innovating to cater to this demand. Between 2016 and 2018, over US\$30 bn in funding was raised by travel start-ups, which validates the innovation potential in the space. Novel packages, exotic destinations and experiential tours have become the ask of the day and customised travel is gaining larger ground.

3. Newer purposes for travel

Globally, there is a case being built for newer reasons to travel or to centre the travel itinerary around themes such as ecological, health, and sports tourism. These widen the breadth of the overall travel ecosystem, increases demand, and ushers in innovation.

4. Technology powering customer education and personalisation

With travel becoming more customised, contemporary technology that combines Artificial Intelligence (AI), Machine

Learning and Advanced Analytics, helps businesses cater better to the customers. It also aids in understanding customer needs on a real-time basis and significantly minimise the turnaround time for service delivery. On the other hand, democratisation of the internet has empowered consumers to understand the available options and choose packages that suit their need, budget and aspirations.

### Global megatrends impacting forex

The foreign exchange market is the most actively traded market in the world with an average of US\$5 trillion being transacted every day in forex. CY18 witnessed significant volatility in the global foreign exchange markets, triggered by geopolitical developments around the world. The following are expected to have an impact on the Forex market in 2019:

1. Federal Reserve 2019 policy and the US economy
2. US-China trade war
3. Eurozone issues
4. Brexit uncertainty

### Outlook

The travel and tourism industry is undergoing a paradigm shift, fuelled by consumer expectations, technology and affordability. With players in the industry strongly pursuing growth by catering to growing demand, the sector is set to expand with differentiated and customised offerings.

Based on current trends, economic prospects and the UNWTO Confidence Index, international arrivals are set to grow 3% to 4% in CY19.

The industry is also expected to generate more employment going forward, with an estimated 100 million jobs to be created within the next ten years. By 2029, the total number of people working in the travel and tourism industry is expected to touch 421 million.

Globally there is a looming threat of protectionism that can adversely affect the growth momentum of industries. For example, in the US, nearly 11% of all travel-related economic contribution is done by Chinese visitors. With the recent tariff impositions between the US and China, business travel demand may witness some headwinds. However, high-level dialogues and intervention by policymakers and organisations are expected to restrict splaying of the trade issues and in turn, contain the ripple effect.

Terrorism remains a continuing threat for destinations around the world. The recent attacks in Sri Lanka is a testimony to how anti-social elements are causing widespread terror and panic, the effects of which translate to lower travel demand and traffic in the region. Stronger security measures and stringent travel procedures are crucial in battling growing terrorism.

Overall, 2019 is expected to see the consolidation among consumers of emerging trends. The innovation trend will continue on the supply side and the sector is expected to grow at an estimated 4% in 2019 (Source: WTTC).

### Indian industry review - Travel and tourism

In India, travel and tourism holds an important place in economic contribution, employment generation and cultural exchanges. The country has been a major hub of tourism for decades, owing to its natural beauty and cultural and historic heritage. In recent years, trends such as ecotourism and health tourism have also gained ground in the country. With India emerging as an economic powerhouse, corporate travel too has augmented within the country.

Outbound travel from India has increased, supported by increasing disposable income and available packages. With regard to travel, there is a shift in the mindset of the consumers where it has transformed into a budgeted expense from previously being a discretionary spend.

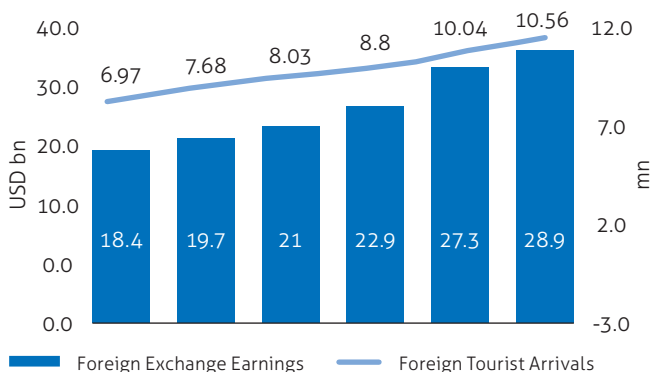
During 2018, travel and tourism grew by 6.7% in India, to generate US\$247.3 billion. It accounted for 9.2% of the economy and generated 26.7 million jobs during the year. This level of travel-related activity in the country has placed it as the world's eighth largest contributor to travel and tourism GDP.

Travel and tourism industry has emerged as the third largest forex earner for India. At US\$28.9 billion, India's Foreign Exchange Earnings (FEE) for tourism constituted 5.4% of total exports.

In India, MICE (Meetings, Incentives, Conferences, Events) is an underpenetrated opportunity. While a late entrant, India's MICE tourism earnings surpassed US\$3.5 billion in 2018, with an 8% year-on-year growth.

(Sources: WTTC, Yes Bank – FICCI report, IBEF)

### Forex Exchange Earnings and Foreign Tourist Arrivals (FTAs)



(Source: Ministry of Tourism, Government of India)

### 3

India's rank in Travel & Tourism Countries Power Ranking by WTTC  
Key parameters considered: Natural resources, cultural resources, business travel environment and price competitiveness



India's rank in Travel & Tourism Competitiveness ranking by the World Economic Forum

Key parameters considered: Total travel & tourism GDP, foreign visitor spending (visitor exports), domestic spending, and travel & tourism capital investment

### Online travel

The dominion of the internet and the rising number of online travel companies have helped in expanding the Indian travel industry and empowering the consumers. Established players with a traditionally brick and mortar model have also ventured into the online space, realising the larger potential of an omnichannel approach. With tech-savvy millennials opting to travel in their own terms, online travel has become their go-to option, particularly for flight and hotel bookings. According to Praxis, online travel market in India is expected to touch US\$13.6 billion in 2021, accounting for 43% of the total travel category in the country. This is more than double the market size of online travel in 2015.

### India Inbound travel: Composition and dynamics

In India, tourism is largely driven by domestic travellers, and is on a constant rise. In terms of international visitors, India achieved the milestone of 10 million foreign tourist arrivals (FTAs).

Between 2013 and 2017, FTAs from India's top 10 source countries grew at a CAGR of 5.24%. The US and the UK were two of the largest source markets, while Australia rendered the highest CAGR of 10.31%, followed by Malaysia, during the period.

### Investments in tourism

India is the world's third largest travel and tourism related investment destination. In 2018 alone, US\$45.7 billion was invested in the sector, constituting 5.9% of national investment. Between 2000 and 2018, total foreign direct investment garnered by the sector was US\$12 billion.

### Government policies and programmes to boost travel and tourism

The Government of India, through the Ministry of Tourism, has launched several branding and marketing initiatives apart from programme implementations to boost travel and tourism in India. Some of them include:

- E-Visa facility extended to 166 countries with relaxed application window, duration and number of entry norms
- The Incredible India campaign 2.0 was unveiled in 2017 and the Incredible India Mobile App was launched in 2018 to assist tourists
- The 'Adopt a Heritage Project' has mandated the clause of monuments to be maintained by private companies
- M visa (Medical visa) launched to promote medical tourism
- 'Statue of Unity', the Statue of Sardar Vallabhbhai Patel was inaugurated as the World's tallest statue, expected to garner more tourism footfalls
- Under PRASAD (Pilgrimage Rejuvenation and Spiritual Augmentation Drive) scheme, 25 religious sites have been identified for development

- Under HRIDAY (Heritage City Development and Augmentation Yojana) the Central Government is helping bring together urban planning, economic growth and heritage conservation in an inclusive manner, to preserve the character of heritage cities
- Under Swadesh Darshan scheme, the Government has identified 15 circuits on specific themes for development. During 2018-19, a total of 7 projects worth ₹ 3846.7 mn were sanctioned under the scheme
- Launched India's first 'Adventure Tourism Guidelines' covering 29 land, air and water-based activities
- In September 2018, first ever India Tourism Mart, 2018 was organised in partnership with Federation of Associations in Indian Tourism and Hospitality (FAITH)
- Launched 'Swachh Paryatan Mobile App' and 24x7 Tourist Helpline in 12 international languages

Apart from the direct initiatives by the Ministry of Tourism, the Government is enabling tourism with the following initiatives:

- UDAN scheme to ensure low cost flights for boosting regional connectivity, launch of dedicated airline service to North-eastern states
- Tourist trains introduced to promote pilgrimage and heritage circuits through railways
- Action plan instituted for development of cruise tourism and Cruise Tourism Policy
- Seven-phase 'National Highway Development Project' formulated for boosting transport infrastructure of the country
- E-Ticketing platform for ASI ticketed monuments installed
- Project Mausam rolled out to establish cross cultural linkages to revive historic maritime cultural and economic ties with 39 Indian Ocean countries

### Outlook

Travel and tourism continue to be a significant part of India's growth story. Rising international rankings, improved disposable income and strong government support attract more travellers to India. Within the next 10 years, contribution by tourism to India's GDP is expected to be ₹ 35 trillion or 9.6% of GDP. By 2029, 53 million Indians will be engaged by tourism or tourism-related activities.

India still has a considerably small share of FTAs in the world's international tourist arrivals, accounting for nearly 0.76% in 2017. The Government of India has set a target of increasing this share to 1% by 2020 and 2% by 2025.

### Challenges

The travel and tourism industry faces a temporary challenge from the airlines sector, which forms a key part of the former's supply base. The recent suspension of operations of one of India's largest air carriers has raised a red flag which has caused an industry-wide apprehension. Immediate effects of this was seen in costlier air fares, overall decrease in the number of available seats, loss of

jobs and loss to creditors. However, overall confidence of recovery remains in the background, aided by other airline carriers inducting more aircrafts to their lines to meet the rising demand and in turn, rationalise the prices.

At an industry level, India is replete with established tour curators, operators, online travel aggregators and start-ups ready to cater to a large demand. However, the industry is undergoing consolidation and there is a clear advantage for players who can sustain value and innovate with changing consumer needs.

**Forward looking statements**

Statements forming part of the Management Discussion and Analysis covered in this Report may be forward-looking within the meaning of applicable securities laws and regulations. Actual

results may differ materially from those expressed in the statement. Important factors that could influence the Company’s operations include demand and supply conditions, changes in government regulations, exchange rates, tax laws, monsoon, natural hazards, economic developments within the country, and other factors.

**FOR AND ON BEHALF OF THE BOARD**

**Madhavan Menon**

Chairman & Managing  
Director  
DIN: 00008542

**Mahesh Iyer**

Executive Director  
& Chief Executive Officer  
DIN: 07560302

Place: Mumbai  
Dated: May 27, 2019

# Report Of The Directors On Corporate Governance

## 1. COMPANY'S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE

Thomas Cook (India) Limited philosophy ('TCIL/Company') on Corporate Governance is to conduct its business in a manner which is ethical and transparent with all stakeholders of the Company. The Company believes in providing a structure that works for the benefit of everyone concerned, by ensuring that the Company adheres to ethical standards, laws and best practices. The Company's policy on Corporate Governance is to make it a way of life by, *inter alia*, adopting standard Corporate Governance practices through continual improvement of internal systems and satisfaction of customers and shareholders. The Company in its approach to adopt the best possible practices of Corporate Governance and keeping adherence to the latest rules and regulations prescribed by various regulatory authorities, has taken all the necessary steps to stay in line with the continuously progressing governance demands.

TCIL, endeavours to demonstrate the highest standards of corporate governance and ethical behaviour across all levels within the organisation with a zero- tolerance policy towards any deviation from these standards. Our ethical framework focuses on long term shareholder value creation through responsible decision making. As a global organisation, the Corporate Governance practices followed by the Company and its subsidiaries are compatible with international standards and practices.

Our Corporate Governance framework ensures that we make timely disclosures and share relevant information regarding our financial performance, as well as disclosure related to the leadership and governance of the Company. At TCIL, Corporate Governance is more than just adherence to the statutory and regulatory requirements. It is equally about focusing on voluntary practices that underline the highest levels of transparency and propriety.

Over the years, the Board of Directors ("Board") has developed corporate governance guidelines to help fulfill our corporate responsibility towards the Company's stakeholders. These guidelines ensure that the Board will have the necessary authority and processes to review and evaluate the Company's operations when required. Further, these guidelines allow the Board to make decisions that are independent of the Management. The Board may change these guidelines as and when required, to achieve the Company's stated objectives.

## 2. BOARD OF DIRECTORS ('BOARD'):

TCIL, as a Company believes that an active, well informed and independent board is necessary to ensure the highest standards of corporate governance. The Company believes that the Board is at the core of corporate governance.

### Size and Composition of the Board

The Composition of the TCIL Board as on March 31, 2019 included eight (8) members with two (2) Executive Directors and six (6) Non Executive Directors, of which four (4) were Independent Directors including a Woman Director, comprising of experts from various fields/professions. Mr. Harsha Raghavan, Non Executive Director of the Company resigned w.e.f. close of business hours on May 24, 2018. Further, Mr. Mahesh Iyer who was the Chief Executive Officer of the Company was appointed as an Executive Director and Chief Executive Officer w.e.f. May 29, 2018. Also, Mr. Sumit Maheshwari was appointed as Additional Non Executive Director w.e.f. September 27, 2018.

The composition of the Board of Directors of the Company is in accordance with Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and the Companies Act, 2013, read with applicable rules made there under as amended from time to time.

### Key Skills, Expertise and Competencies of the Board

The Board of Directors of TCIL comprises of qualified members who have the skills, expertise and competence to make effective contribution to the growth of the Company as well as on the various business and governance matters discussed in the Board and Committee meetings. The Board members are committed to ensuring that the Company is in compliance with the requisite standards of corporate governance.

The table below summarizes the list of core skills, expertise and competencies in the context of the Company's business which are taken into consideration while appointing Board members.

Sr. No.	Skills, Expertise and Competencies of the Board	Brief particulars
1.	Financial knowledge	The Board member needs to have adequate financial knowledge. He needs to have proficiency in complex financial management, capital allocation and financial reporting processes or experience of working in the financial sector or in a finance related Company.
2.	Global business	As the Company has presence all over the world, the Board member should have experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures and regulatory frameworks and a broad perspective on global market opportunities.
3.	Leadership	The Board member needs to extend leadership experience for an enterprise resulting in a practical understanding of organisation, processes and risk management. He needs to demonstrate strengths in driving change and long term growth.
4.	Business Strategy & Development	Experience in leading growth through acquisitions and other business combinations, with the ability to assess and analyse various corporate restructuring strategies as per the Company's culture and business plans.
5.	Board Service and Governance	Experience of holding the position of director on the Board of a Public Company to develop insights about maintaining board and management accountability, protecting shareholder interests and maintaining standards of Corporate Governance.

### Board Meetings

The Meetings of the Board of Directors are scheduled well in advance and generally held at the Company's Registered Office or Corporate Office in Mumbai and all the necessary information and documents as required under Regulation 17(7) read with Schedule II Part A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to the meetings are made available to the Board of Directors. Senior Executives / Management of the Company are invited to attend Meetings of the Board and Committees, to make presentations and provide clarifications as and when required. The Board meets at least once a quarter to review the quarterly performance and approve the financial results.

With a view to leverage technology and reduce paper consumption since the year 2017, the Company has initiated convening of the Board and Committee meetings through electronic means which includes disseminating of documents such as Notices, Agendas etc. to the Directors through electronic means. Further, the minutes of the meetings are also circulated to the Directors via electronic mode. All the Directors have an access to the documents of the meeting on real time basis. Each Director has been provided with an iPad for the said purpose. This electronic mode of delivery of Agenda papers, minutes and other documents not only ensures high standards of security and confidentiality, required for storage and circulation of Board papers but also increases the active involvement of the Board Members.

The Board met nine (9) times during the financial year ended March 31, 2019. The said meetings were held on April 23, 2018, May 29, 2018, August 7, 2018, September 27, 2018, October 5, 2018, November 1, 2018, December 19, 2018, February 1, 2019, and February 25, 2019, respectively.

### Disclosures, Membership, Attendance & Other Directorships:

The necessary disclosures regarding Directorships, Memberships and Chairmanships in various other Boards and Committees and shareholding in other companies have been made by all the Directors. None of the Directors on the Board is a Member of more than ten (10) Committees and/or acts as a Chairman of more than five (5) Committees across all Public Companies in which they are Directors.

Further, none of the Directors served as an Independent Director in more than seven (7) listed Companies and held Directorship in more than ten (10) public companies. Further, the Managing Director and Executive Director of the Company are not serving as Independent Director on the Board of any other listed entity.



**Details of Membership and Attendance of each Director at the Board of Directors Meetings held during the financial year under review and the last Annual General Meeting and the number of other Directorships including the names of listed entities in which they are a Director and Chairmanship/ Membership of Board Committees as on March 31, 2019 are as follows:**

Sr. No.	Name of the Director	Director Identification No.	Category*	Designation	Board Meetings attended	Attendance at the last AGM	No. of Directorship in other Boards [excluding Thomas Cook (India) Limited] #		No. of Chairmanship / Membership in other Board Committees [including Thomas Cook (India) Limited] ##		Directorship in listed entities	
							Public	Private	Chairmanship	Membership includes chairmanship	Name of Listed entities where director [including Thomas Cook (India) Limited]	Category of Directorship
1.	Mr. Madhavan Menon	00008542	ED	Chairman & Managing Director	9	Yes	7	2	1	5	-Thomas Cook (India) Limited -Quess Corp Limited	Chairman and Managing Director -Non Executive Non Independent Director
2.	Mr. Mahesh Iyer <sup>A</sup>	07560302	ED	Executive Director and Chief Executive Officer	7	Yes	2	0	0	1	-Thomas Cook (India) Limited	-Executive Director and Chief Executive Officer
3.	Mr. Harsha Raghavan <sup>@</sup>	01761512	NED	Director	1	Yes	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
4.	Mr. Sumit Maheshwari <sup>^^</sup>	06920646	NED	Director	4	N.A.	7	4	0	10	-Thomas Cook (India) Limited -Fairchem Speciality Limited	-Non Executive Director -Non Executive Nominee Director
5.	Mr. Chandran Ratnaswami	00109215	NED	Director	3	No	6	3	0	3	-Thomas Cook (India) Limited - IIFL Holdings Limited - Quess Corp Limited	- Non Executive Director -Non Executive Non Independent Director Non Executive Non Independent Director
6.	Mr. Sunil Mathur	00013239	I & NED	Director	7	Yes	8	1	3	9	-Thomas Cook (India) Limited -Hindustan Oil Exploration Company Limited -ITC Limited  -Ultratech Cement Limited -DCM Shriram Industries Limited	-Non Executive Independent Director -Chairman / Non Executive Independent Director -Non Executive Independent Director -Non Executive Independent Director - Chairman / Non Executive Independent Director
7.	Mr. Nilesh Vikamsey	00031213	I & NED	Director	8	Yes	9	0	2	10	-Thomas Cook (India) Limited -Navneet Education Limited -The Federal Bank Limited -PNB Housing Finance Limited -IIFL Holdings Limited  -SBI Life Insurance Company Limited	-Non Executive Independent Director -Non Executive Non Independent Director -Non Executive Independent Director -Non Executive Independent Director -Non Executive Independent Director -Non Executive Independent Director
8.	Mrs. Kishori Udeshi	01344073	I & NED	Director	9	Yes	7	1	2	7	-Thomas Cook (India) Limited -Elantas Beck India Limited -Haldyn Glass Limited  -Shriram Transport Finance Company Limited -ION Exchange (India) Limited	-Non Executive Independent Director -Non Executive Independent Director -Non Executive Independent Director -Non Executive Independent Director -Non Executive Independent Director
9.	Mr. Pravir Kumar Vohra	00082545	I & NED	Director	9	Yes	3	0	2	6	-Thomas Cook (India) Limited -IDFC First Bank Limited -Quess Corp Limited	-Non Executive Independent Director -Non Executive Independent Director -Non Executive Independent Director

\* ED – Executive Director                      NED – Non Executive Director I & NED– Independent and Non Executive Director

# This includes all Indian Companies, excluding Section 8 Companies and Foreign Companies.

## This includes Audit Committee and Stakeholders Relationship Committee of Indian Public Limited Companies.

@ Mr. Harsha Raghavan resigned w.e.f. close of business hours on May 24, 2018.

^ Mr. Mahesh Iyer was appointed as Executive Director and Chief Executive Officer w.e.f. May 29, 2018.

^^ Mr. Sumit Maheshwari was appointed as an Additional Non Executive Director w.e.f. September 27, 2018.

The Board / Committee, on request of the Director(s) / Member(s) has granted Leave of Absence to the Director(s) / Member(s) being unable to attend the respective Board Meeting(s) / Committee Meeting(s). The Company also provides audio video conferencing facility to its Directors to enable their participation so that they can contribute in the discussions at the Meetings.

## Details of Directors to be Appointed or Re-Appointed at the Annual General Meeting

### Re-appointment of Director retiring by rotation at the Annual General Meeting

Pursuant to the provisions of Companies Act, 2013 and the Articles of Association of the Company, two third of the Directors are liable to retire by rotation except Independent Directors and Managing Director who are not liable to retire by rotation. One third of these Directors shall retire every year by rotation and if eligible, shall qualify for re-appointment.

In accordance with Article 116 of the Articles of Association of the Company and the applicable provisions of the Companies Act, 2013, Mr. Mahesh Iyer, Executive Director & Chief Executive Officer retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

### Mr. Mahesh Iyer (DIN:07560302)

#### Brief Profile

Mr. Mahesh Iyer, a Thomas Cook veteran of 24 years, is the Executive Director & Chief Executive Officer of Thomas Cook (India) Ltd. He has held multiple roles in the Company including that of Head of Foreign Exchange and Chief Operating Officer (COO) and Chief Executive Officer (CEO) prior to his appointment as Executive Director & Chief Executive Officer.

Mr. Iyer has direct responsibility for the company's P&L, day to day operations of the company, strategic planning, nurturing and building key relationships, as well as building a sustainable growth oriented organization that maximizes value for all its stakeholders.

He holds a Masters degree in Marketing Management from JBIMS and has successfully completed a Business Management degree from IIM-Calcutta.

Mr. Mahesh Iyer joined the Board of Thomas Cook (India) Limited with effect from May 29, 2018.

#### Disclosures for Re-appointment

Disclosures pursuant to the Secretarial Standards 2 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

DIN	07560302
Age	47 years
Qualifications	Mr. Mahesh Iyer holds a Masters degree in Marketing Management from JBIMS and has successfully completed a Business Management degree from IIM-Calcutta.
Experience	24 years
Brief Profile and Expertise	Brief Profile and Expertise as aforementioned.
Terms and Conditions of appointment	Mr. Mahesh Iyer, director designated as Executive Director and Chief Executive Officer shall be re-appointed to the office, as a Director liable to retire by rotation.
Current Remuneration	As stated in Item No. 8 of the Notice.
Remuneration Payable	As stated in Item No. 8 of the Notice.
Date of first appointment on the Board	May 29, 2018
Details of shareholding in the Company	251270 equity shares as on date of the notice
Relation with other Directors, Manager and KMP's	No relation with any Director, Manager and KMP
No. of meetings attended during the financial year	7 out of 7 for Financial Year 2018-19

Mr. Mahesh Iyer detailed Directorships and Committee Memberships of companies [including Thomas Cook (India) Limited] as on March 31, 2019 are as follows:

Name of Body Corporate/ Firm	Position (Whether as Director/ Managing Director/ Chairman)	Name of Committee	Position (Whether as Member/ Chairman)
Thomas Cook (India) Limited	Executive Director and Chief Executive Officer	- Corporate Social Responsibility Committee	Member
		- Stakeholders Relationship Committee	Member
		- Sub Committee	Member
TC Forex Services Limited (Formerly known as Tata Capital Forex Limited)	Director	-	-
TC Travel Services Limited (Formerly known as TC Travel and Services Limited)	Director	-	-
Thomas Cook (Mauritius) Holding Company Limited	Director	-	-
Luxe Asia (Private) Limited	Director	-	-
Thomas Cook Lanka (Private) Limited	Director	-	-
Thomas Cook (Mauritius) Holidays Limited	Director	-	-
Sita World Travel Lanka (Private) Limited	Director	-	-

#### Appointment of Director at the Annual General Meeting

##### • Mr. Sumit Maheshwari (DIN: 06920646)

Mr. Sumit Maheshwari was appointed as an Additional Director by the Board of Directors w.e.f. September 27, 2018 and pursuant to provisions of Section 161 of the Companies Act, 2013 an Additional Director holds office up to the date of the next Annual General Meeting, where the appointment of such director has to be approved by the Shareholders.

Accordingly, Mr. Sumit Maheshwari holds office up to the date of the ensuing Annual General Meeting and the Company has received a notice under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director in the Company.

Accordingly, if approved at the Annual General Meeting, Mr. Maheshwari shall be appointed as a Non Executive Director liable to retire by rotation.

#### Brief Profile

Mr. Maheshwari has been the Managing Director and Chief Executive Officer of Fairbridge since May 2018 and was appointed as a member of the Board on September 27, 2018. Previously, Mr. Maheshwari was Vice President at Fairbridge and has been working at Fairbridge since July 2011.

Prior to joining Fairbridge, Mr. Maheshwari worked with KPMG in India for 5 years in their audit and accounting advisory functions. Mr. Maheshwari specializes in Indian GAAP, U.S. GAAP and IFRS accounting standards. Mr. Maheshwari serves on the board of directors of many of Fairfax Group's portfolio companies in India.

He is a qualified Chartered Accountant, has completed the Post Graduate Programme in Management from the Indian School of Business, Hyderabad, and holds a Bachelors of Commerce degree from the University of Mumbai. Mr. Maheshwari is a resident of Mumbai, Maharashtra, India.

## Disclosures for Appointment

Disclosures pursuant to the Secretarial Standards 2 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements), 2015 are as under:

DIN	06920646
Age	36 years
Qualifications	Mr. Sumit Maheshwari is a qualified Chartered Accountant and has completed the Post Graduate Programme in Management from the Indian School of Business, Hyderabad, and holds a Bachelors of Commerce degree from the University of Mumbai.
Experience	13 years
Brief Profile and Expertise	Brief Profile and Expertise as aforementioned.
Terms and Conditions of appointment	Mr. Sumit Maheshwari shall be appointed as Non Executive Director liable to retire by rotation.
Current Remuneration (Commission and Sitting Fees)	Mr. Sumit Maheshwari, being Non Executive Director, is eligible to be paid Commission and sitting fees depending upon the number of Board and Committees meetings attended but he voluntarily waived his entitlement to his share of commission and sitting fees.
Remuneration Payable	Remuneration payable shall include Commission as devised by the Company, sitting fees depending upon the number of Board and Committees meetings attended and Reimbursement of expenses incurred for attending the meeting.
Date of first appointment on the Board	September 27, 2018
Details of shareholding in the Company	Nil
Relation with other Directors, Manager and KMP's	No relation with any Director, Manager and KMP
No. of meetings attended during the financial year	4 out of 5 for the Financial Year 2018-19

Mr. Sumit Maheshwari detailed Directorships and Committee Memberships of companies [including Thomas Cook (India) Limited] as on March 31, 2019 are as follows:

Name of Body Corporate/ Firm	Position (Whether as Director/ Managing Director/ Chairman)	Name of Committee	Position (Whether as Member/ Chairman)
National Collateral Management Services Limited	Nominee Director	- CSR Committee - Project Review Committee - Audit Committee - Nomination and Remuneration Committee	- Member - Member - Member - Member
Fairchem Speciality Limited	Director	- Management Committee - Audit Committee	- Member - Member
Sterling Holiday Resorts Limited	Additional Director	- Audit Committee	- Member
Bangalore International Airport Limited	Nominee Director	- Management Committee - CSR Committee	- Member - Member
Privi Organics India Limited	Additional Director	- Audit Committee - CSR Committee - Nomination and Remuneration Committee - Capex Committee - Stakeholder's Relationship / Share Transfer Committee	- Member - Member - Member - Member - Member
The Catholic Syrian Bank Limited	Director	- Risk Management Committee - Audit Committee - NPA Management Committee - Committee for monitoring Large Value Frauds (CMF) - Stakeholder's Relationship Committee - CSR Committee - Nomination & Remuneration Committee - Management Committee	- Member - Member - Member - Member - Member - Member - Member - Member
Thomas Cook (India) Limited	Additional Director	- Audit Committee - Stakeholders Relationship Committee - CSR Committee	- Member - Member - Member



Name of Body Corporate/ Firm	Position (Whether as Director/ Managing Director/ Chairman)	Name of Committee	Position (Whether as Member/ Chairman)
Akalya Services Private Limited	Director	-	-
Fairbridge Capital Private Limited	Managing Director	-	-
Saurashtra Freight Private Limited	Director	- Audit Committee - Remuneration Committee - CSR Committee	- Member - Member - Member
Fairfreight Lines Private Limited	Director	-	-
Seven Island Shipping Limited	Nominee Director	-	-
Fairfax India Holdings Corporation	Director	-	-
Nations Trust Bank	Director	-	-

• **Mrs. Kishori Udeshi (DIN: 01344073)**

Mrs. Kishori Udeshi was appointed as Non Executive Independent Director at the Extra Ordinary General Meeting of the Company held on 16th September, 2014 to hold office for a term of five consecutive years up to 15th September, 2019.

Section 149 of the Companies Act, 2013 states that an Independent Director can be appointed for a second term only after obtaining the approval of the members by way of a Special Resolution.

Further, Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 states that Approval of the members by way of a Special Resolution shall be sought in order to appoint or continue with the Directorship of any Non Executive Director who has attained the age of Seventy Five (75) years.

Further, the Company has received a notice under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director in the Company.

Accordingly, the approval of the members is sought for the reappointment of Mrs. Kishori Udeshi for second term.

**Brief Profile**

Mrs. Kishori Udeshi has a M.A. Degree in Economics from Bombay University. She moved on to a professional career in central banking and became the first woman to be appointed as Deputy Governor of the Reserve Bank of India (RBI). She was the first Executive Director of the RBI to be nominated on the Board of State Bank of India. As Deputy Governor, one of her portfolios was the regulation and supervision of the banking and non-banking sector. She represented the RBI on the Core Principles Liaison Group and the Core Principles Working Group on Capital, of the Basel Committee on Banking Supervision, set up by the Bank for International Settlements, Switzerland. As Deputy Governor she was on the Board of SEBI, NABARD, Exim Bank and was the Chairman of Bharatiya Reserve Bank Note Mudran (Pvt.) Ltd., Bangalore as also Chairman of the Deposit Insurance and Credit Guarantee Corporation.

During 2006 to 2011, she was appointed by the Reserve Bank of India as the Chairman of The Banking Codes and Standards Board of India. Mrs. Udeshi was also a member of the Financial Sector Legislative Reforms Commission chaired by Justice Sri Krishna, set up by the Government of India.

Mrs. Udeshi is currently a Director of Haldyn Glass Limited, ION Exchange (India) Limited, Shriram Automall India Limited, Shriram Transport Finance Company Limited, HSBC Asset Management (India) Private Limited, Kalyan Jewellers India Limited, SOTC Travel Limited (formerly known as SOTC Travel Private Limited) and Elantas Beck India Limited.

Mrs. Udeshi joined the Board of Thomas Cook (India) Limited with effect from January 25, 2013 and was appointed as an Independent Director on September 16, 2014 for a period of five (5) consecutive years.

**Disclosures for Appointment**

Disclosures pursuant to the Secretarial Standards 2 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

DIN	01344073
Age	75 years
Qualifications	Mrs. Kishori Udeshi has a M.A. Degree in Economics from Bombay University.
Experience	45 years
Brief Profile and Expertise	Brief Profile and Expertise as aforementioned.

Terms and Conditions of appointment	Mrs. Kishori Udeshi shall be appointed as Non Executive Independent Director for a second term effective from September 16, 2019 to September 15, 2024 or till such earlier date to confirm with Company's policy on Corporate Governance.
Current Remuneration (Commission and Sitting fees)	Rs. 49,46,381/-
Remuneration Payable	Remuneration payable shall include Commission as devised by the Company, sitting fees depending upon the number of Board and Committees meetings attended and Reimbursement of expenses incurred for attending the meeting.
Date of first appointment on the Board	January 25, 2013
Details of shareholding in the Company	Nil
Relation with other Directors, Manager and KMP's	No relation with any Director, Manager and KMP
No. of meetings attended during the financial year	9 out of 9 for Financial Year 2018-19

**Mrs. Kishori Udeshi detailed Directorships and Committee Memberships of companies [including Thomas Cook (India) Limited] as on March 31, 2019 are as follows:**

Name of Body Corporate/ Firm	Position (Whether as Director/ Managing Director/ Chairman)	Name of Committee	Position (Whether as Member/ Chairman)
Thomas Cook (India) Limited	Director	- Audit Committee - Nomination and Remuneration Committee - CSR Committee - Stakeholders Relationship Committee	- Member - Chairperson - Chairperson - Member
ELANTAS Beck India Limited	Director	- CSR Committee	- Member
Shriram Automall India Limited	Director	- Audit Committee - CSR Committee - Nomination and Remuneration Committee	- Chairperson - Member - Chairperson
Shriram Transport Finance Company Limited	Director	- Audit Committee - CSR Committee	- Member - Member
ION Exchange (India) Limited	Director	- CSR Committee - Stakeholders Relationship Committee	- Member - Member
Haldyn Glass Limited	Director	- Audit Committee - Remuneration Committee - CSR Committee	- Member - Member - Member
Kalyan Jewellers India Limited	Director	-	-
SOTC Travel Limited (Formerly known as SOTC Travel Private Limited)	Director	- Audit Committee - CSR Committee - Nomination and Remuneration Committee	- Chairperson - Chairperson - Member
HSBC Asset Management (India) Private Limited	Director	-	-

#### **Payment of Remuneration to the Chairman & Managing Director**

##### **Mr. Madhavan Menon (DIN:00008542)**

The members in the Annual General Meeting dated August 2, 2017 had approved the payment of minimum remuneration to Mr. Madhavan Menon, Chairman & Managing Director for the period commencing from April 1, 2017 to August 31, 2019. As the tenure set for the remuneration concludes on August 31, 2019, the following details are presented for seeking approval of members for payment of minimum remuneration to Mr. Madhavan Menon.

##### **Brief Profile**

Mr. Madhavan Menon, joined Thomas Cook India in 2000 as the Executive Director responsible for the Foreign Exchange business and stepped up to the position of Managing Director in January 2006; Chairman & Managing Director in January 2016.

Madhavan completed his MBA from George Washington University and undergraduate degree from American University of Beirut. Madhavan has a varied background, having commenced his career in Banking at Grindlays Bank, Citibank and Emirates Bank and in Birla Sun Life Asset Management Company.

Madhavan is a Member on the Board of Thomas Cook (India) Ltd. and holds Directorships in the various subsidiaries of the company. He is also the Chairman of the Fairfax India Charitable Foundation that focusses on bringing down the cost of treating kidney related ailments in the country.

During his tenure, Thomas Cook India has made several acquisitions, making it the largest travel and travel related services company in India and has expanded the global foot print of the Group to cover 21 countries across 4 continents, with operations in Australia, China, ASEAN, South Asia, Middle East, Southern Africa, Eastern Africa and North America.

#### Disclosures for payment of remuneration

Disclosures pursuant to the Secretarial Standards 2 are as under:

DIN	00008542
Age	64 years
Qualifications	Mr. Madhavan Menon completed his MBA from George Washington University and undergraduate degree from American University of Beirut.
Experience	37 years
Brief Profile and Expertise	Brief Profile and Expertise as aforementioned.
Terms and Conditions of appointment	N.A
Current Remuneration	As stated in Item No. 7 of the Notice.
Remuneration Payable	As stated in Item No. 7 of the Notice.
Date of first appointment on the Board	May 1, 2000
Details of shareholding in the Company	810054 equity shares as on date of the notice
Relation with other Directors, Manager and KMP's	No relation with any Director, Manager and KMP
No. of meetings attended during the financial year	9 out of 9 for Financial Year 2018-19

**Mr. Madhavan Menon detailed Directorships and Committee Memberships of companies [including Thomas Cook (India) Limited] as on March 31, 2019 are as follows:**

Name of Body Corporate/ Firm	Position (Whether as Director/ Managing Director/ Chairman)	Name of Committee	Position (Whether as Member/ Chairman)
Thomas Cook (India) Limited	Chairman and Managing Director	- Sub Committee	- Chairman
Travel Corporation (India) Limited	Chairman	- Sub Committee - Audit Committee - Nomination and Remuneration Committee - CSR Committee	- Chairman - Member - Member - Member
Quess Corp Limited	Director	- Stakeholders Relationship Committee	- Chairman
Sterling Holiday Resorts Ltd.	Director	- Audit Committee - Nomination and Remuneration Committee	- Member - Member
Cedar Management Consulting Private Limited	Director	-	-
Thomas Cook (Mauritius) Holding Co. Ltd.	Director	-	-
Travel Circle International Limited (Formerly Known as Luxe Asia Travel (China) Limited)	Director	-	-
TCI- GO Vacation India Private Limited	Director	-	-
SOTC Travel Limited (Formerly known as SOTC Travel Private Limited)	Chairman	- Nomination and Remuneration Committee - CSR Committee - Management Sub Committee of the Board - Audit Committee - Banking Committee	- Member - Member - Chairman - Member - Member
TC Travel Services Limited (Formerly known as TC Travel and Services Limited)	Director	-	-
TC Forex Services Limited (Formerly known as Tata Capital Forex Limited Limited)	Director	-	-

Name of Body Corporate/ Firm	Position (Whether as Director/ Managing Director/ Chairman)	Name of Committee	Position (Whether as Member/ Chairman)
Horizon Travel Services LLC	Director	-	-
Private Safaris (E.A.) Ltd.,Kenya	Director	-	-
Kuoni Australia Holding Pty Ltd	Director	-	-
Australian Tours Management Pty Ltd	Director	-	-
Asian Trails Holding Ltd.	Additional Director	-	-
Kuoni Private Safaris (Pty) Ltd	Director	-	-
The Catholic Syrian Bank Ltd	Director	- Management Committee - Risk Management Committee - Audit Committee - Customer Service Committee - Nomination and Remuneration Committee - IT Strategy Committee - IPO Committee	- Chairman - Member - Member - Member - Member - Member - Chairman
Thomas Cook Lanka (Private) Limited	Director	-	-
SITA World Travel Lanka (Private) Limited	Director	-	-
Luxe Asia (Private) Limited	Director	-	-
Thomas Cook (Mauritius) Operations Co. Ltd.	Non-Executive Director	-	-

#### Continuation of Directorship of Director pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018

##### Mr. Sunil Mathur (DIN: 00013239)

Pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which has become effective from April 1, 2019 Listed Companies are required to obtain the approval of its members through special resolution in order to appoint or continue with the directorship of any person as a Non- Executive Director who has attained the age of Seventy Five(75) years along with the justification for appointing such person.

Mr. Sunil Mathur, Non-Executive Independent Director on the Board of Directors of the Company would attain Seventy Five(75) years of age on October 11, 2019. Therefore, the approval of the members by way of a special resolution has been sought for continuation of his tenure as per the original terms of appointment i.e. upto December 22, 2020.

The brief profile of Mr. Sunil Mathur is mentioned below. The remaining details justifying the continuation of term of Mr. Sunil Mathur beyond the age of Seventy Five(75) years are mentioned in the Notice and Explanatory Statement of the 42nd Annual General Meeting of the Company.

##### Brief Profile

Mr. Sunil Mathur is a qualified Chartered Accountant. He was the Chairman of Life Insurance Corporation of India (LIC) the largest life insurance company in India from August 2002 to October 2004. His tenure coincided with the opening up of the insurance sector which saw the entry of twelve companies with strong domestic brand joining up with leading international players. Despite intense competition LIC continued to be a dominant player in the market. This period was also marked by softening of the interest rates which necessitated the withdrawal of some of the popular high yield products and the introduction of new schemes. The equity portfolio was leveraged through secondary market operations and swapping of debt to book profit and give a fair return to the policyholders and also for better asset liability matching.

Post retirement from LIC, the Government of India appointed Mr. Mathur as administrator of the Specified Undertaking of the Unit trust of India (SUUTI) ,successor to the erstwhile Unit Trust of India, in December 2004 to manage the high return and guaranteed assured return schemes for which Government had provided financial support. Taking advantage of the bullish sentiments in the economy and the capital markets without destabilizing the markets the financials of the closed fund improved significantly through restructuring of NPA's, sale of equity of unlisted companies and leveraging of the real estate portfolio. The Fund was managing assets of overRs.42,000 Crores (approximately 11 billion USD) of assets under management (having doubled in three years). Mr. Mathur relinquished charge as administrator in December 2007.



Mr. Mathur's performance both as chairman of LIC and SUUTI administrator was appreciated by experts. Corporate Dossier Economic Times ranked Mr. Mathur at No. 33 in the list of Indian CEO's (second amongst PSU's) and marked a record jump of 41 places by any CEO in a single year (from 74 in the year 2004 to 33 in the year 2005). Mr. Mathur was nominated as a Part-time member of Insurance Regulatory and Development Authority and was Non Executive Chairman of the National Stock Exchange of India Limited. He is on the Board of many leading corporate like ITC Limited, UltraTech Cement Limited, Indian Mortgage Guarantee Corporation Private Limited, DCM Shriram Industries Limited.

Mr. Mathur was appointed as Secretary General of Life Insurance Council on May 9, 2012. He relinquished charge of the Life council on August 31, 2012. He was also a member of Committee appointed by the Government to look into the issue of Misselling and Intermediary commission in the financial sector in 2014 under Chairmanship of Mr. Sumit Bose. Mr. Mathur was sponsored by USAID for a program on Housing Finance at the Wharton Business School, Philadelphia in April-May 1992. He also attended a training programmed on Globalization, technology and Management of Change conducted by IIM Bangalore in collaboration with Sloan Business School, MIT Boston in May 2007.

Mr. Mathur joined the Board of Thomas Cook (India) Limited with effect from December 23, 2015.

#### **INDEPENDENT DIRECTORS:**

The term "Independent Directors" has been defined under Section 149 of the Companies Act, 2013 and rules made thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Based on the disclosures received from the Independent Director, the Board has confirmed that they meet the criteria of Independence as mentioned under Section 149(6) of the Companies Act, 2013, read with Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and are Independent of the management.

The Company has complied with the provisions with respect to appointment and term of Independent Directors which are consistent with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Independent Directors on the Board of the Company are given a formal appointment letter inter alia containing the terms of appointment, role, duties and responsibilities, code of conduct etc. The terms and conditions of appointment are available on the website of the Company at [https://resources.thomascook.in/downloads/Terms\\_and\\_Conditions\\_Appointment\\_of\\_Independent\\_Director.pdf](https://resources.thomascook.in/downloads/Terms_and_Conditions_Appointment_of_Independent_Director.pdf).

#### **Separate Meeting of the Independent Directors**

As per the applicable provisions, two (2) meetings of the Independent Directors of the Company were held during the Financial Year 2018-19 without the presence of the Non Independent Directors. At the meeting held on February 1, 2019, the Independent Directors reviewed the Performance Evaluation parameters as set earlier by the Nomination and Remuneration Committee. Further under the Company's Familiarization Programme the Independent Directors were familiarised with the Company, their roles and responsibilities in the Company, nature of the Industry in which the Company operates, business model etc. At the meeting of the Independent Directors held on March 29, 2019, the Independent Directors carried out the assessment of the Non-Independent Directors, the Chairman and Managing Director and the Board as a whole and also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. Further, all the Independent Directors of the Company were present at the said meetings.

### **3. Board Committees:**

To enable better and more focussed attention on the affairs of the Company, the Board delegates particular matters to Committees set up by the Board for the purpose. These Committees prepare the groundwork for decision making and report to the Board on the delegated matters.

#### **(i) Audit cum Risk Management Committee:**

In requirement with Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company, w.e.f. April 1, 2019 changed the nomenclature and the charter of the Audit Committee to Audit cum Risk Management Committee.

The Audit cum Risk Management Committee's role flows directly from the Board of Director's overview function on Corporate Governance, which holds the management accountable to the Board and the Board accountable to the Stakeholders.

The Committee was originally formulated in August 1995 as Audit Committee and over the years the Committee has been reconstituted and its charter has been amended from time to time to align it with the requirements of the applicable laws, rules and regulations.

The present composition of the Audit cum Risk Management Committee is in accordance with the provisions of the Companies Act, 2013 and the rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It consists of six (6) Non Executive Directors of whom four (4) are Independent as on March 31, 2019. The Chairperson of the Audit cum Risk Management Committee is an Independent Director.

The Audit cum Risk Management Committee also invites at its meetings, senior executives/ management including the person in charge of the Business Process Improvement & Audit function of the Company. The representatives of the Auditors are also invited to the meetings. The Company Secretary & Compliance Officer acts as the Secretary to the Committee. The President & Group Chief Financial Officer, Chief Financial Officer and the Chairman & Managing Director are special invitees to the Committee meetings. The Executive Director and Chief Executive Officer, is a permanent invitee to the Committee meetings.

#### **Terms of reference and role of the Audit cum Risk Management Committee**

During the financial year, the terms of reference of the Audit cum Risk Management Committee were amended w.e.f. April 1, 2019 to align the role of the Committee as per the amendments to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of the Committee in accordance with the provisions of Section 177 of the Companies Act, 2013 read with the applicable rules made there under and Regulation 18 and 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as approved by the Board includes the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the quarterly and the annual financial statements and Limited Review Report/ Auditor's Report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Disclosure of any related party transactions
  - f. Modified opinions and Qualifications, if any in the Draft Audit Report/ Limited Review Report
  - g. Disclosure under Management Discussion and Analysis of Financial Condition and Results of Operations.
  - h. Compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other legal requirements concerning financial statements.
  - i. Disclosure of contingent liabilities
5. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
6. Approval or any subsequent modification of transactions of the company with related parties;
7. Scrutiny of inter-corporate loans and investments;
8. Valuation of undertakings or assets of the company, wherever it is necessary.
9. Evaluation of internal financial controls and risk management systems;
10. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
11. Reviewing the adequacy of internal audit function, if any, including the internal audit charter, the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
12. Discussion with internal auditors of any significant findings and follow up thereon and reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
13. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
14. To look into the reasons for substantial defaults if any in the payment to the debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
15. To review the functioning of the Whistle-Blower mechanism;

16. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
17. To approve and review the Risk Management Policy of the Company;
18. To assess risks associated with the businesses and review key leading indicators;
19. Review of the Risk Management process and practices of the Company;
20. To ensure that the Company is taking appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities;
21. To timely inform the Board about the Risk Management and Minimization procedures;
22. Review of cyber security and safety measures

Carrying out any other function as approved by the Board and included in the terms of reference of the Audit cum Risk Management Committee. The Members of the Committee are financially literate, possess accounting and related financial management expertise and the Chairman of the Committee attends the Annual General Meeting of the Company to answer shareholder's queries, if any.

#### Composition and attendance during the financial year:

The Committee met nine (9) times during the financial year under review. The said meetings were held on April 23, 2018, May 29, 2018, August 7, 2018, September 27, 2018, October 5, 2018, November 1, 2018, December 19, 2018, February 1, 2019 and February 25, 2019, respectively.

Sr. No.	Name of Director & Members	Designation	Category *	No. of meetings attended
1.	Mr. Nilesh Vikamsey	Chairman	I & NED	8
2.	Mr. Sunil Mathur	Member	I & NED	7
3.	Mr. Pravir Kumar Vohra	Member	I & NED	9
4.	Mrs. Kishori Udeshi	Member	I & NED	9
5.	Mr. Chandran Ratnaswami	Member	NED	4
6.	Mr. Sumit Maheshwari\$	Member	NED	4
7.	Mr. Harsha Raghavan^	Member	NED	0

\* NED – Non Executive Director                      I & NED -Independent and Non Executive Director

^ Mr. Harsha Raghavan resigned w.e.f. close of business hours on May 24, 2018.

\$ Mr. Sumit Maheshwari was appointed as a Member w.e.f. September 27, 2018.

#### (ii) Nomination & Remuneration Committee:

The Nomination & Remuneration Committee was originally formulated in August 1995 as Recruitment & Remuneration Committee and has been reconstituted from time to time. Further, the Nomination cum Remuneration Policy has been amended over the years to align it with the requirements of applicable laws, rules and regulations.

The present composition of the Nomination & Remuneration Committee is in accordance with the provisions of the Companies Act, 2013 and the rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It consists of three (3) Non Executive Directors of which two (2) are Independent Directors as on March 31, 2019. The Chairperson of the Nomination and Remuneration Committee is an Independent Director.

The President & Group Head- Human Resources acts as the Rapporteur for the Committee meetings.

#### Terms of Reference:

The Nomination cum Remuneration Policy ("Policy") of the Committee is in compliance of Section 178 of the Companies Act, 2013 read with the applicable rules made there under and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Committee has the mandate to deal with such matters as required to be dealt by it under applicable law, rules and regulations, inter alia, recruitment, selection, remuneration of Directors (Executive & Non Executive) and senior management of the Company, particularly the matters pertaining to employment, remuneration, retirement benefits, performance appraisals, key succession planning and to make recommendations to the Board. The Committee is also authorised for allotment of equity shares under the various ESOP Schemes of the Company.

## **Remuneration Policy & Performance Evaluation Criteria:**

The Board adopted Nomination cum Remuneration Policy in September, 2014 in accordance with Section 178 of the Companies Act, 2013 and the rules made there under. The Policy has been amended from time to time to align it with the requirements of applicable laws, rules and regulations. The salient features of the Nomination cum Remuneration Policy are already mentioned in the Directors Report and forms part of this Annual Report.

The re-appointment or extension of term and the remuneration of Executive Directors and Non Executive Directors is subject to the performance evaluation process undertaken by the Board (excluding the director being evaluated). The details of the process of performance evaluation carried out by the Company including that of the Independent Directors for the financial year 2018-19 forms part of the Directors Report.

### **Remuneration of Directors:**

#### **A. Executive Directors:**

1. The Committee to recommend the remuneration of the Managing Director/ Whole time Director to Board for its approval.
2. Such remuneration shall be subject to approval of the shareholders of the Company, in the next general meeting.
3. The terms of the remuneration of the Managing Director/ Whole time Director shall be as under:
  - (a) The remuneration of the Managing Director/ Whole time Director will consist of the following:
    - (i) Base / Basic Salary subject to such annual increments as the Nomination & Remuneration Committee and/or the Board may determine and approve, from time to time
    - (ii) Other Allowance
    - (iii) Performance Bonus
    - (iv) Perquisites like Housing, Car/ Conveyance Allowance, Telephone, Club Fees, etc. and other retirement benefits as may be recommended by the Nomination & Remuneration Committee and approved by the Board and the shareholders of the Company, as the case may be.
  - (b) The Managing Director/ Whole time Director may be granted stock options

#### **B. Non Executive Directors:**

1. The Committee to recommend the remuneration of the Non Executive Directors including Independent Directors to the Board for its approval, and will be subject to approval of the shareholders of the Company, as the case may be.
2. The terms of the remuneration of the Non Executive Directors shall be as under:
  - a. Sitting fees of such amounts as may be determined from time to time and upto such amount, as may be decided by the Board and the shareholders, if required.
  - b. An incentive payment based on achievement of profitability levels for the year ended, upto such amount, based on the performance evaluation report, as may be decided by the Board and the shareholders, as required from time to time.
  - c. Increment for each year will be determined by the Nomination and Remuneration Committee based on the performance evaluation report and which will be subject to approval of the Board and the shareholders, as the case may be.
3. The Non Executive Directors may be offered stock options as may be permitted by the applicable law.
4. The approval of shareholders by special resolution shall be obtained every year, in which the annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors, giving details of the remuneration thereof.

#### **C. Independent Directors:**

1. The Nomination and Remuneration Committee to recommend the remuneration of the Independent Directors to the Board for its approval, and will be subject to approval of the shareholders of the Company.
2. The terms of the remuneration of the Independent Directors shall be as under:
  - (a) Sitting fees of such amounts as may be determined from time to time and upto such amount, as may be decided by the Board and the shareholders, if required.
  - (b) An incentive payment based on achievement of profitability levels for the year ended, upto such amount, based on the performance evaluation report, as may be decided by the Board and approved by the shareholders of the Company, as required from time to time.
3. The Independent Directors will not be entitled to any stock options.



4. In addition to the above, the Independent Directors shall be entitled to the following:  
Reimbursement of actual expenses incurred, if any, in connection with attending the Board / Committee meeting of the Company.

**D. Senior Management:**

1. The Committee to recommend to the Board the remuneration of the Senior Management in accordance with the Nomination cum Remuneration Policy.

[Explanation : "Senior Management" shall mean officers/personnel of the Company who are members of core management team excluding board of directors and shall comprise of all members of management one level below the chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.]

2. Increment for each year will be determined by the Committee based on the performance evaluation report.  
3. Such increment will be subject to approval of the Board.  
4. The Senior Management may be offered stock options.

**Composition and attendance during the financial year:**

The Committee met five (5) times during the financial year under review. The meetings were held on May 28, 2018, August 7, 2018, September 27, 2018, February 1, 2019 and February 25, 2019, respectively.

Sr. No.	Name of the Director & Members	Designation	Category *	No. of meetings attended
1.	Mrs. Kishori Udeshi	Chairperson	I & NED	5
2.	Mr. Sunil Mathur	Member	I & NED	5
3.	Mr. Chandran Ratnaswami@	Member	NED	2
4.	Mr. Harsha Raghavan^	Member	NED	0

\* NED – Non Executive Director      I & NED – Independent and Non Executive Director

^ Mr. Harsha Raghavan resigned w.e.f. close of business hours on May 24, 2018.

@ Mr. Chandran Ratnaswami was appointed as the member of the Nomination and Remuneration Committee w.e.f. May 29, 2018.

**Details of Remuneration to the Directors for the financial year:**

**Sitting fees:**

The Company's business activities, operations, nature and scope thereof have grown and shall continue to grow at substantial rate. Consequently, the responsibilities on the Board of Directors has also increased. The Directors have always strived to attend the meetings of the Board and Committees and have always provided the Company with their valuable insights on the matters placed before them, thus ensuring better governance. Accordingly, the Board at its meeting held on May 29, 2018 revised the sitting fees to be paid to the Non Executive Directors for attending the meetings of Audit Committee from Rs. 50,000/- per meeting to Rs. 100,000/- per meeting. Further, the sitting fees for attending the meetings of the Committee were revised from Rs. 10,000/- to Rs. 75,000/- per meeting for the Stakeholders Relationship Committee meeting and from Rs. 10,000/- to Rs. 50,000/- per meeting for the Nomination and Remuneration Committee and Corporate Social Responsibility Committee. The Company pays Rs. 100,000/- for attending each Board of Directors Meeting. Further, the Company pays Rs. 100,000/- per meeting to the Independent Directors for attending the separate meeting of Independent Directors.

**Executive Directors**

Name of Director	Basic Salary (Rs.)	**Benefits/ Allowances / Perquisites (Rs.)	Bonus/ Commission (Rs.)	Sitting Fees (Rs.)	*Pension/PF/ Superannuation (Rs.)	Total (Rs.)	Stock Options granted & accepted during the financial year	Number of Stock Options exercised during the financial year
Mr. Madhavan Menon	10,217,148	13,278,640	34,997,600	N.A.	2,608,620	61,102,008	231,965	Not exercised
Mr. Mahesh Iyer	5,015,325	10,095,212	18,900,000	N.A.	1,204,137	35,214,674	131,184	Not exercised
<b>Sub-Total (a)</b>	<b>15,232,473</b>	<b>23,373,852</b>	<b>53,897,600</b>	<b>--</b>	<b>3,812,757</b>	<b>96,316,682</b>	<b>363,149</b>	<b>--</b>

\*Employer contribution to Provident Fund

\*\*including other allowances, Housing and car perk

## Non Executive Directors

Name of Director	Basic Salary (Rs.)	**Benefits/ Allowances / Perquisites (Rs.)	Bonus/ Commission (Rs.) <sup>#</sup>	Sitting Fees (Rs.)	*Pension/PF/ Superannuation (Rs.)	Total (Rs.)	Stock Options granted & accepted during the financial year	Number of Stock Options exercised during the financial year
Mr. Nilesh Vikamsey	-	-	13,61,381	29,50,000	-	43,11,381	Nil	Nil
Mrs. Kishori Udeshi	-	-	13,61,381	35,85,000	-	49,46,381	Nil	Nil
Mr. Pravir Kumar Vohra	-	-	13,61,381	33,75,000	-	47,36,381	Nil	Nil
Mr. Sunil Mathur	-	-	13,61,381	31,10,000	-	44,71,381	Nil	Nil
^Mr. Harsha Raghavan	-	-	-	-	-	-	Nil	Nil
^Mr. Chandran Ratnaswami	-	-	-	-	-	-	Nil	Nil
^Mr. Sumit Maheshwari	-	-	-	-	-	-	Nil	Nil
<b>Sub – Total (b)</b>	-	-	<b>54,45,524</b>	<b>13,02,0000</b>	<b>1,84,65,524</b>	<b>3,69,31,048</b>	<b>Nil</b>	<b>Nil</b>
<b>Total (Rs.) (a+b)</b>	<b>15,232,473</b>	<b>23,373,852</b>	<b>5,93,43,124</b>	<b>1,30,20,000</b>	<b>2,22,78,281</b>	<b>13,32,47,730</b>	<b>363,149</b>	<b>Nil</b>

\*Employer contribution to Provident Fund \*\*including other allowances, Housing and car perk

^ Mr. Harsha Raghavan, Mr. Sumit Maheshwari and Mr. Chandran Ratnaswami waived their entitlement to their share of commission and sitting fees.

- None of the Directors are related to each other in any manner.
- Apart from the above, there are no other pecuniary relationships or transactions of the Non Executive Directors with the Company.

Details of fixed component and performance linked incentives paid for the financial year :

Name of Director	Salary	
	*Fixed (Rs.)	Performance Linked Incentives (Rs.)
Mr. Madhavan Menon	26,104,408	34,997,600
Mr. Mahesh Iyer	16,314,674	18,900,000
<b>Total</b>	<b>42,419,082</b>	<b>53,897,600</b>

\*Excluding ESOP, Superannuation, House, Car Perk, PF

### Details of Service Contracts, Notice Period, etc. of all the Directors for the financial year

Sr. No.	Name of Director	Contract Period (Tenure)	Service Contract	Notice Period	Severance fees, if any
1.	Mr. Madhavan Menon	March 1, 2015 to February 29, 2020	Yes	12 Months	As decided by the management
2.	Mr. Mahesh Iyer	May 29, 2018 to May 28, 2023	Yes	6 months + 3 months Garden Leave	As decided by the management
3.	Non Executive Directors other than Independent Directors	None. The Non Executive Directors other than Independent Directors, liable to retire by rotation, get re-appointed as per the provisions of Articles of Association of the Company and the applicable provisions of Companies Act, 2013	No	None	None

**Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable:**

As on March 31, 2019, Mr. Madhavan Menon held 810054 equity shares, Mr. Mahesh Iyer held 251270 equity shares and Mr. Pravir Kumar Vohra held 10495 equity shares in the Company.

Except as mentioned above, none of the other Directors hold any equity shares in the Company.

**Note:** None of the Non Executive Directors were issued/ granted employee stock options under the Thomas Cook Employee Stock Option Plan 2007 (ESOP Scheme 2007) or Thomas Cook Save As You Earn Scheme 2010 (SAYE Scheme 2010) or Thomas Cook Employees Stock Option Plan 2013 (ESOP 2013) or Thomas Cook Employee Stock Option Scheme 2018 - EXECOM or Thomas Cook Employee Stock Option Scheme 2018 - Management during the financial year:

Name of the Director	Thomas Cook Employee Stock Option Plan 2007 (ESOP Scheme 2007)		SAYE Scheme 2010		Sterling Holiday Resorts (India) Limited ESOS 2012		Thomas Cook Employees Stock Option Plan 2013 (ESOP 2013) Grant on January 23, 2019*		Thomas Cook Employees Stock Option Plan 2018 Management (ESOP 2018 Management)		Thomas Cook Employees Stock Option Plan 2018 Execom (ESOP 2018 Execom) Grant on October 5, 2018*	
	Options accepted	Discount %	Options accepted	Discount %	Options accepted	Discount %	Options accepted	Discount %	Options accepted	Discount %	Options accepted	Discount %
Mr. Madhavan Menon	-	-	-	-	-	-	231965	-	-	-	-	-
Mr. Mahesh Iyer	-	-	-	-	-	-	-	-	-	-	131184	-

\*The options were granted and accepted at face value of Re. 1.

**Period of accrual:** In case of ESOP Scheme 2007, 1/3rd of the options granted, vest every year, over three (3) years; in case of SAYE Scheme, the vesting would occur at the end of thirty-six (36) monthly contributions. In case of SHRIL ESOS 2012, the exact proportion in which and the exact period over which the options would vest would be determined by the Nomination & Remuneration Committee. In case of ESOP 2013, options would vest not earlier than 4 years and not later than 7 years from the date of grant of options. In case of ESOP 2018 Execom, unless Nomination And Remuneration Committee decides otherwise, the options shall vest on the completion of 3 years from the date of grant. In case of ESOP 2018 Management, options would vest only at the end of 5 years from the date of grant of such options. The exact proportion in which and the exact period over which the options would vest would be determined by the Nomination & Remuneration Committee.

**Exercise Period:** In case of ESOP Scheme 2007, all the vested options are exercisable over a period of ten (10) years from the respective grant dates; in case of SAYE Scheme 2010, the exercise period is one (1) month from vesting; In case of SHRIL ESOS 2012, all the vested options are exercisable over a period of five (5) years from the respective grant dates; in case of ESOP 2013, the Exercise period would commence from the date of vesting and will expire on completion of twenty years from the date of vesting of options. In case of ESOP 2018 Execom, the Exercise period would commence from the date of vesting and will expire on completion of twenty years from the date of vesting of options. In case of ESOP 2018 Management, the Exercise period would commence from the date of vesting and will expire on completion of ten years from the date of vesting of options.

### (iii) Stakeholders Relationship Committee:

The Stakeholders Relationship Committee was originally formulated in 1996 as Share Transfer Committee .Over the years the Committee has been reconstituted and its terms of reference have been amended to align it with the requirements of applicable laws, rules and regulations. It consists of six (6) members of whom five (5) are Non-Executive Directors and out of which four(4) are Independent Directors and one (1) Executive Director as on March 31, 2019. The Chairperson of Stakeholders Relationship Committee is an Independent Director and attends the Annual General Meeting to answer the queries raised by the Shareholders/ Security holders.

#### Terms of Reference

During the financial year, the terms of reference of the Stakeholders Relationship Committee were amended w.e.f. April 1, 2019 to align the role of the Committee as per the amendments to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of the Stakeholders Relationship Committee as approved by the Board of the Directors, includes the following:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent ('RTA') of the Company.
4. Review of various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company.
5. The Committee shall perform all such other functions as may be prescribed under The Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and/or any other law for the time being in force, including any statutory amendments, modifications made there under.

### Composition and attendance during the financial year:

The Committee met nineteen (19) times during the financial year under review i.e. on May 29, 2018, June 12, 2018, June 29, 2018, July 16, 2018, August 1, 2018, August 7, 2018, August 21, 2018, September 14, 2018, September 27, 2018, October 15, 2018, November 1, 2018, November 15, 2018, November 29, 2018, December 19, 2018, January 18, 2019, February 1, 2019, February 25, 2019, March 18, 2019 and March 29, 2019, respectively to approve / to take note of matters related to securities, etc.

Sr. No.	Name of the Director & Members	Designation	Category *	No. of meetings attended
1.	Mr. Pravir Kumar Vohra	Chairman	I & NED	19
2.	Mr. Nilesh Vikamsey	Member	I & NED	16
3.	Mrs. Kishori Udeshi	Member	I & NED	17
4.	Mr. Sunil Mathur	Member	I & NED	18
5.	Mr. Mahesh Iyer^	Member	ED	09
6.	Mr. Sumit Maheshwari\$	Member	NED	09
7.	Mr. Madhavan Menon^^	Member	ED	08

\* NED – Non Executive Director I & NED – Independent and Non Executive Director ED – Executive Director

\$ Mr. Sumit Maheshwari was appointed as a member w.e.f. September 27, 2018.

^Mr. Mahesh Iyer was appointed as a member of the Committee w.e.f. October 5, 2018.

^^ Mr. Madhavan Menon resigned as a member of the Committee w.e.f. October 5, 2018.

**Name and Designation of Compliance Officer:** Mr. Amit J. Parekh, Company Secretary & Compliance Officer.

**Number of Shareholders Complaints/ Correspondence received so far/ Number not solved to the satisfaction of shareholders/ Number of pending share transfers as at March 31, 2019:**

#### a. Correspondence Construed as Complaints

Sr. No.	Nature of Complaint/Query	Total Received	Total Replied	Pending Queries (Days)			
				1-7	8-15	16-22	> 22
1.	Inquiry pertaining to non-receipt of shares sent for transfer	0	0	0	0	0	0
2.	Letters received from SEBI and other Statutory Bodies	13	11	0	0	0	2
3.	Reply sent giving warrant details (Reconciliation in process)	0	0	0	0	0	0

#### b. Other Correspondence

Sr. No.	Nature of Complaint/ Query	Total Recd.	Total Replied	Pending Queries (Days)			
				1-7	8-15	16-22	> 22
(1)	Non Receipt / Requests of Interest/ Dividend warrants						
	(A) Warrant already paid	1	1	0	0	0	0
	(B) Requests pertaining to outdated, duplicate warrants and changes on live warrants	111	105	6	0	0	0
	(C) Misc. queries in connection with payments	135	129	3	3	0	0
(2)	Transfer/Dematerialisation of securities	21	21	0	0	0	0
(3)	Name correction	18	15	2	1	0	0
(4)	Change of address requests	134	133	1	0	0	0
(5)	ECS/ Mandate requests	102	92	10	0	0	0
(6)	Loss of securities	209	204	4	1	0	0
(7)	Split/ Consolidation/Renewal/ Duplicate issue of securities	13	13	0	0	0	0
(8)	Nomination requests	5	5	0	0	0	0



Sr. No.	Nature of Complaint/ Query	Total Recd.	Total Replied	Pending Queries (Days)			
				1-7	8-15	16-22	> 22
(9)	Tax / exemption form / pan related	2	2	0	0	0	0
(10)	Transmission of Securities	82	79	3	0	0	0
(11)	Exchange/ Sub-division of old shares	38	36	1	1	0	0
(12)	Dividend/ interest queries	0	0	0	0	0	0
(13)	Document registration	33	33	0	0	0	0
(14)	Bonus issue	0	0	0	0	0	0
(15)	Redemption	0	0	0	0	0	0
(16)	Others (Miscellaneous)	240	231	5	4	0	0
<b>Total (a+b)</b>		<b>1157</b>	<b>1110</b>	<b>35*</b>	<b>10*</b>	<b>0</b>	<b>2*</b>

\* Pending as on March 31, 2019. These were subsequently resolved/ replied to/ attended to.

**(iv) Corporate Social Responsibility Committee:**

The Corporate Social Responsibility ('CSR') Committee was formulated in 2014 as per the applicable provisions of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, including amendments thereof and was reconstituted from time to time. As on March 31, 2019, the Committee consisted of three (3) members of whom two (2) are Non-Executive Directors including one Independent Director and one (1) Executive Director. The President & Group Head - Human Resources acts as the Rapporteur to the Committee. The Chairperson of CSR Committee is an Independent Director.

**Terms of Reference**

The CSR Committee deals with matters required to be dealt with by it under applicable law, rules, inter-alia, to formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013 to monitor the CSR Policy of the Company from time to time, to prepare a transparent monitoring mechanism for ensuring implementation of the projects/ programmes/ activities proposed to be undertaken by the Company under the CSR policy of the Company. The CSR policy is available on the website of the Company.

**Composition and attendance during the financial year:**

The Committee met three (3) times during the financial year under review on August 7, 2018, November 1, 2018 and February 1, 2019, respectively:

Sr. No.	Name of the Director & Members	Designation	Category *	No. of meetings attended
1.	Mrs. Kishori Udeshi	Chairperson	I & NED	3
2.	Mr. Madhavan Menon^^	Member	ED	1
3.	Mr. Mahesh Iyer^	Member	ED	3
4.	Mr. Sumit Maheshwari#	Member	NED	1
5.	Mr. Harsha Raghavan@	Member	NED	0

\* NED – Non Executive Director I & NED – Independent and Non Executive Director ED – Executive Director

@ Mr. Harsha Raghavan resigned w.e.f. close of business hours on May 24, 2018

^ Mr. Mahesh Iyer was appointed as member w.e.f. May 29, 2018

# Mr. Sumit Maheshwari was appointed as member w.e.f. September 27, 2018

^^ Mr. Madhavan Menon ceased to be a member w.e.f. October 5, 2018

**(v) Sub-Committee of the Board:**

**Terms of reference**

The Sub-Committee was originally formulated in 2001 to handle day-to-day matters other than those specifically required to be decided by the Board of Directors. Over the years the Committee has been reconstituted and its terms of reference have been amended to align it with the requirements of the Company. As on March 31, 2019 the Committee comprised of two (2) Executive Directors.

## Composition and Attendance

The Sub-Committee met sixteen (16) times during the financial year 2018-19 to review the operations of the Company. The meetings of the Sub-Committee were held on April 19, 2018, June 4, 2018, June 13, 2018, June 28, 2018, July 27, 2018, August 21, 2018, October 5, 2018, October 22, 2018, November 1, 2018, November 15, 2018, December 5, 2018, December 12, 2018, January 11, 2019, February 12, 2019, March 11, 2019 and March 18, 2019, respectively.

Sr. No.	Name of the Director & Members	Designation	Category *	No. of meetings attended
1.	Mr. Madhavan Menon	Chairman	ED	16
2.	Mr. Harsha Raghavan@	Member	NED	1
3.	Mr. Mahesh Iyer^	Member	ED	15

\* ED – Executive Director

NED – Non Executive Director

@ Mr. Harsha Raghavan resigned w.e.f. close of business hours on May 24, 2018.

^ Mr. Mahesh Iyer was appointed w.e.f. May 29, 2018.

## 4. Management Committees:

### (i) Executive Committee (EXECOM):

There had been a "Senior Management Group (SMG)" in formal existence since the inception of the Company that was renamed as "EXECOM" since the year 2001. It is a formal Committee of all the Heads of various business activities and support functions. It meets once a week to discuss all the policy issues relating to the day-to-day affairs of the businesses and functions.

### (ii) Risk Committee:

The Chairman & Managing Director chairs the meetings of the Risk Committee and the Head - Business Process Improvement and Audit acts as Rapporteur for this Committee. The EXECOM members are the other members of the Committee. It meets monthly to address the Internal Financial Control and risk issues relating to various businesses and support areas and monitor the critical factors in order to effectively address them. Areas covered by this Committee are Control Policies, Business Continuity Plans, Foreign exchange coverage operations, Debtors control, Advances control, Blank Travellers' Cheques stocks exposure, Compliance Audit (FEMA & Others), Information Systems Security, Physical Security, Remittance operations etc. It reports to the Audit cum Risk Management Committee of the Company.

### (iii) Banking Committee:

The Banking Committee was originally formulated on October 29, 2012 and over the years the Committee has been re-constituted, the committee currently consists of Chairman & Managing Director, Executive Director and Chief Executive Officer, President & Group Chief Financial Officer and Chief Financial Officer as members to cater to the daily banking requirements of the Company viz. Opening/closing of bank accounts, addition and deletion of signatories in the bank accounts, etc. The Committee meets as and when required.

### (iv) Debenture Committee:

The Debenture Committee was constituted on November 30, 2012 for allotment of the Non Convertible Debentures, which were allotted on April 15, 2013 and August 31, 2015.

### (v) Related Party Transaction Committee:

The Related Party Transaction Committee presently consisting of Executive Director and Chief Executive Officer, President & Group Head - Legal, Secretarial & Administration, President & Group Chief Financial Officer was formed on February 14, 2017 to approve each Related Party Transaction(s) upto the limit sanctioned by the Audit cum Risk Management Committee and monitor the cumulative approvals so that they are within the sanctioned omnibus limit and also prepare/submit the quarterly report of Related Party Transactions entered under omnibus approval to the Audit cum Risk Management Committee for its review.

## 5. Other Qualitative Information:

### (i) Internal Policies adopted:

The Company has devised various internal policies and codes for administering and controlling the information being dispersed through the organisational hierarchy. These include the Information Systems Security Policy, Code of Conduct for Prevention of Insider Trading, Corporate Governance Guidelines, Anti Money Laundering Policy and Prevention of Sexual Harassment Policy. Moreover, the Company has formulated a Policy on Ethics and Integrity, which is binding on all the employees of the Company. Some of the policies adopted by the Company are as follows:

- (a) The Code of Conduct for Prevention of Insider Trading was initially formulated on the basis of SEBI (Prevention of Insider Trading) Regulations, 1992, as amended, for all the Designated Persons of the Company. The Code of Conduct for Prevention of Insider Trading and Principles of Fair Disclosure was duly amended in May, 2015, keeping in line with SEBI (Prohibition of Insider Trading) Regulations, 2015. The Company had adopted the aforementioned code with an intention to define and translate the norms and parameters to all the employees of the Company in easily understood terms and in order to avoid any purposeful or innocent breach of company ethics.

Further, in accordance with the amendments as per the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company has taken the following steps w.e.f. April 1, 2019 inter alia to keep in line with the existing SEBI regulations.

- Amendment of the Company's Code of Conduct for Prevention of Insider Trading.
- Mention of detailed information about sharing of Unpublished Price Sensitive Information for legitimate purposes.
- Amendment of the Code of Conduct for Prevention of Insider Trading to include details about measures which shall be taken in case of leak of Unpublished Price Sensitive Information.
- Amendment of Company's Whistle Blower Policy to enable reporting in case of leak of Unpublished Price Sensitive Information.

The policy is also available on the Company's website at [https://resources.thomascook.in/downloads/Code\\_of\\_Conduct\\_for\\_Prevention\\_of\\_Insider\\_Trading\\_01-04-2019-Version\\_5.5\\_final.pdf](https://resources.thomascook.in/downloads/Code_of_Conduct_for_Prevention_of_Insider_Trading_01-04-2019-Version_5.5_final.pdf)

- (b) The Whistle-Blower Policy has been laid down with an objective to create an environment where an employee has easy access to raising a concern and his/her identity is also protected and it is also available on the Company's website at [https://resources.thomascook.in/downloads/Whistle\\_Blower\\_Policy\\_01\\_04\\_2019\\_final.pdf](https://resources.thomascook.in/downloads/Whistle_Blower_Policy_01_04_2019_final.pdf)

Further, pursuant to the amendment in law, the Company has amended the Whistle Blower Policy w.e.f. April 1, 2019 to enable reporting in case of leak of Unpublished Price Sensitive Information.

- (c) The Fraud and Theft Policy and the Fraud and Theft response plan, has been laid down with an objective to address the instances of frauds and thefts occurring in the Company and to create awareness in this regard.
- (d) The Information Systems Security Policy lays down framework and guidelines governing the usage of Information Technology in the organisation. Significant changes taking place in the Information Systems and/or Technology that would affect the security and control perspective favourably/ adversely and on any significant breaches of the security/ security policy are monitored under this Policy. A Committee (Information Systems Security Committee) has overall responsibility for all areas concerning IT security.
- (e) The Anti Money Laundering Policy lays down internal control procedures to ensure that the compliances of all rules and regulations including business processes are met. The Company has also adopted the system of Concurrent Audit for its branches in the foreign exchange business with effect from October 2003 as per the requirements of Reserve Bank of India.
- (f) Company has a Policy on Prevention of Sexual Harassment at Workplace as per the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- (g) Company has a Policy on Corporate Social Responsibility as per the requirements of Companies Act, 2013 and is available on the Company's website at [https://resources.thomascook.in/downloads/TCIL\\_CORPORATE\\_SOCIAL\\_RESPONSIBILITY\\_POLICY\\_2.0.pdf](https://resources.thomascook.in/downloads/TCIL_CORPORATE_SOCIAL_RESPONSIBILITY_POLICY_2.0.pdf)
- (h) The Company has adopted a Policy on Material Subsidiaries and it is also available on the Company's website at [https://resources.thomascook.in/downloads/Policy\\_on\\_Material\\_Subsiadiaries.pdf](https://resources.thomascook.in/downloads/Policy_on_Material_Subsiadiaries.pdf)

Further, pursuant to the amendment in law, the Company has amended the Policy on Material Subsidiaries w.e.f. April 1, 2019.

- (i) The Company also has a Policy on Related Party Transactions and Materiality of Related Party Transactions and it is also available on the Company's website at [https://resources.thomascook.in/downloads/Related\\_Party\\_and\\_Materiality\\_Policy.pdf](https://resources.thomascook.in/downloads/Related_Party_and_Materiality_Policy.pdf)

Further, pursuant to the amendment in law, the Company has amended the Policy on Related Party Transactions and Materiality of Related Party Transactions w.e.f. April 1, 2019.

- (j) The Policy on Business Ethics & Integrity (Values that work....at work) was implemented in February 1998 and amended in January 2015, it puts down in detail the ethical values for each and every employee of the organisation.
- (k) The Archival Policy of the Company was implemented with the objective to maintain complete, accurate and high quality records as required under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. It is also available on the Company's website at <https://resources.thomascook.in/downloads/Archival%20Policy.pdf>

- (l) Policy on Acquisition / Takeover / Merger by Subsidiaries of Thomas Cook (India) Limited lays down the framework for the internal procedure for Merger and Acquisition (M&A) activities of Thomas Cook (India) Limited i.e. transactions where TCIL is either a contracting party or a counter party, to the transaction. This policy was framed with a view to clearly articulate the corporate requirements for M&A activities by TCIL's subsidiaries, and remove any ambiguity in that behalf.
- (m) Policy for Preservation of Documents was implemented to derive a framework for retaining records in such a manner that it is retrievable at a later date so that the business dealings can be accurately reviewed as required.
- (n) Policy on Criteria for determining Materiality of events/ information was adopted by the Board of Directors of Thomas Cook (India) Limited under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to lay down the criteria for determination of materiality of events and information that need to be disclosed to the Stock Exchanges as and when they take place in the Company.
- (o) Dividend Distribution Policy was adopted by the Board of Directors of Thomas Cook (India) Limited under Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Dividends, are to be declared at the Annual General Meetings of shareholders, based on the recommendation of the Board of Directors. Generally, the factors that may be considered by the Board of Directors before making any recommendations for dividend include, without limitation, the Company's future expansion plans and capital requirements, profits earned during the fiscal year, cost of raising funds from alternate sources, liquidity position, applicable taxes including tax on dividend, as well as exemptions under tax laws available to various categories of investors from time to time and general market conditions. The Board of Directors may also from time to time pay interim dividend(s) to the shareholders of the Company.
- (p) Guidelines on Corporate Governance which would act as a formal code / written guideline(s) in addition to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act 2013 and other applicable laws / requirements in respect of the Corporate Governance practices of the Company.

**(ii) Internal Codes adopted:**

Code of Conduct which was formulated, has been amended as per the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Board of Directors and Senior Management Personnel of the Company to enhance the standards of ethical conduct and uphold these standards in day-to-day activities, to further achieve good corporate governance and to implement highest degree of transparency, integrity, accountability and corporate social responsibility in all its dealings. The Code is also put up on the Company's website at <https://resources.thomascCook.in/downloads/Code%20of%20Conduct%20for%20the%20Board%20of%20Directors%20and%20Senior%20Management.pdf>

An affirmation of the Chairman & Managing Director regarding compliance with the Code of Conduct by all the Directors and Senior Management Personnel of the Company is annexed to this report as an Annexure.

## 6. Subsidiary Companies:

The Company holds 100% of the share capital of SOTC Travel Limited (Formerly known as SOTC Travel Private Limited) ('SOTC') as on March 31, 2019. Pursuant to Regulation 16(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SOTC Travel Limited is a material unlisted Subsidiary company of Thomas Cook (India) Limited as on March 31, 2019.

Further, pursuant to Regulation 24(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company has to appoint atleast one independent director of the Company on the board of unlisted material subsidiary, whether incorporated in India or not if the income or net worth of such material unlisted subsidiary exceeds twenty percent of the consolidated income or net worth of the Company in the immediately preceding accounting year.

Even though the aforementioned criteria, is not fulfilled in case of SOTC, the Company has appointed Mr. Nilesh Vikamsey and Mrs. Kishori Udeshi as Independent Directors on the Board of SOTC.

The Company monitors the performance of all its subsidiaries, *inter alia*, by the following means:

- The financial statements, in particular, the investments made by the unlisted Indian subsidiary companies are reviewed by the Audit Committee of the Company as and when required.
- The minutes of the Board Meetings of the subsidiaries are noted at the Board Meetings of the Company.
- A statement containing all significant transactions and arrangements entered into by unlisted subsidiary companies is placed before the Company's Board.



The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

**1. Details of investments are given in Note 5 of Standalone Financial Statements.**

**2. Details of loans given by the Company are as follows:**

(Rs. in Mn)			
Name of Company	Relationship	As at March 31, 2019	As at March 31, 2018
Travel Corporation (India) Limited	Subsidiary	684.0	790.0
TC Forex Services Limited	Subsidiary	256.4	343.4
TC Travel Services Limited (formerly TC Travel and Services Limited)	Subsidiary	115.0	-

**3. Details of guarantees given by the Company in accordance with Section 186 of the Companies Act, 2013 read with rules issued thereunder are as follows:**

(Rs. in Mn)			
Name of Company	Relationship	As at March 31, 2019	As at March 31, 2018
Asian Trails Limited	Subsidiary	115.5	110.5
Desert Adventures Tourism LLC	Subsidiary	414.9	912.5
Horizon Travel Services LLC	Subsidiary	774.5	194.6
SOTC Travel Ltd	Subsidiary	2,135.0	1,976.6
TC Tours Limited	Subsidiary	1,080.0	530.0
TC Travel Services Limited (formerly TC Travel and Services Limited)	Subsidiary	200.0	160.0
Travel Circle International (Mauritius) Ltd	Subsidiary	1,521.4	-
Travel Circle International Ltd	Subsidiary	848.4	1414.8
Travel Corporation (India) Limited	Subsidiary	300.0	233.3
SITA World Travel Lanka (Private) Limited	Subsidiary	-	0.9
<b>Total</b>		<b>7,389.8</b>	<b>5,533.1</b>

**7. Annual General Meetings:**

**a. Location and time where last three Annual General Meetings were held:**

Location	Date	Time	Special resolutions passed at last three Annual General Meetings (AGM)
Pama Thadani Auditorium, Jai Hind College, 'A' road, Churchgate, Mumbai 400 020	September 27, 2018	3.30 p.m.	1) Approval for confirmation of appointment of Mrs. Kishori Udeshi (DIN:01344073) pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Amendment Regulations, 2018  2) Authority to the Board to offer, invite subscriptions for secured or unsecured, Redeemable Non-Convertible Debentures, in one or more tranches, on private placement basis.  3) Approval for appointment of Mr. Mahesh Iyer (DIN: 07560302) as the Executive Director and Chief Executive Officer of the Company
Pama Thadani Auditorium, Jai Hind College, 'A' road, Churchgate, Mumbai 400 020	August 2, 2017	3.30 p.m.	1) Approval for payment of commission to the Non-Executive Directors of the Company as prescribed under the Companies Act, 2013, for the financial year ended March 31, 2017.  2) To approve for and ratify remuneration paid to Mr. Madhavan Menon, Chairman and Managing Director (DIN:00008542) for the period from September 12, 2016 to March 31, 2017.  3) To approve payment of minimum remuneration to Mr. Madhavan Menon, Chairman and Managing Director (DIN:00008542) in case of inadequacy of profits for the period commencing from April 1, 2017 to August 31, 2019.
Pama Thadani Auditorium, Jai Hind College, 'A' road, Churchgate, Mumbai 400 020	September 2, 2016	3.30 p.m.	1) Alteration of Objects clause of Memorandum of Association of the Company.

**b. Resolutions passed through Postal Ballot process**

**1. Postal Ballot Notice dated March 1, 2018, in respect of the following matters:**

Mr. P. N. Parikh [FCS: 327] of Parikh & Associates, Company Secretaries in whole- time practice, Scrutinizer appointed by the Board had submitted his report containing the following result of the postal ballot (physical as well as e-voting) which was declared on April 12, 2018.

Particulars of Resolution	Type of Resolution	No. of votes polled	No. of Votes - in favour	% of Votes in favour on votes polled	No. of Votes - against	% of Votes against on votes polled	No. of Invalid Votes
Approval of Thomas Cook Employees Stock Option Scheme 2018 - EXECOM (ESOP 2018 - EXECOM) and issue of Employee Stock Options under the ESOP 2018 – EXECOM to the employees of the Company.	Special Resolution	289993677	278201031	95.93	11791491	4.07	1155
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.	Special Resolution	289993677	278232061	95.94	11760441	4.06	1175
Approval of Thomas Cook Employees Stock Option Scheme 2018 - Management (ESOP 2018 - Management) and issue of Employee Stock Options under the ESOP 2018 – Management to the employees of the Company.	Special Resolution	289993027	278200261	95.93	11791441	4.07	1325
Approval for extending benefits of Thomas Cook Employees Stock Option Scheme 2018- Management (ESOP 2018 - Management) to the employees of present and future Subsidiary Companies.	Special Resolution	284454216	279384613	95.94	11760496	4.06	1325

Currently, no special resolution is proposed to be conducted through Postal Ballot. Further, Postal Ballot whenever conducted by the Company will be carried out as per the provisions of the Companies Act, 2013 read with rules made there under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

**c. Procedure for Postal ballot**

In compliance with Section 108, 110 and other applicable provisions of the Companies Act, 2013, read with the related rules, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company provided electronic voting (e-voting) facility to its members. The Company engaged the services of National Securities Depository Limited (NSDL) for providing e-voting facility to its members. The members had the option to vote either by physical ballot or through e-voting.

The Company dispatched the postal ballot notices and forms along with postage prepaid business reply envelope to its members whose names appeared on the register of members/ list of beneficiaries as on the cut-off date decided by the Board. The postal ballot notice was sent to members in electronic form to the e-mail addresses registered with the depository participants (in case of electronic shareholding)/ the Company's Registrar and Share Transfer Agent (in case of physical shareholding). For members whose email ids are not registered, physical copies of the postal ballot notice alongwith forms and prepaid self addressed business reply envelope were sent by permitted mode (i.e through registered post or through courier). The Company had also published a notice in the newspapers declaring the details of completion of dispatch and such other requirements as mandated under the Act and applicable rules.

Voting rights were reckoned on the paid- up value of the equity shares registered in the names of the members as on the cut-off date. Members desiring to exercise their votes by physical postal ballot forms were requested to return the forms, duly completed and signed, to the scrutinizer on or before the close of the voting period. Members desiring to exercise their votes by electronic mode were requested to vote before the close of the business hours on the last date of the e-voting.

The scrutinizer submitted his report to the Chairman, after the completion of the scrutiny, and the consolidated results of the postal ballot, were then announced by the Chairman. The results were displayed on the Company website [www.thomascook.in](http://www.thomascook.in) and were also put on the notice board of the Company besides being communicated to the Stock Exchanges, Depository and Registrar

and Share Transfer Agent. The last date for the receipt of duly completed Postal Ballot forms and e-voting was the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.

Currently, no special resolution is proposed to be conducted through Postal Ballot. Further, Postal Ballot whenever conducted by the Company will be carried out as per the provisions of the Companies Act, 2013 read with rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and applicable laws, rules and regulations, as amended from time to time.

## 8. DISCLOSURES:

- i. With regards to the Corporate Governance, the Company is in compliance with the requirements under regulation 17 to 27 read with Schedule V and clause (b) to (i) of sub-regulation (2) of Regulation 46 of Securities & Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- ii. The Company does not have any material related party transactions that may have any potential conflict with the interest of the Company at large. The Policy on dealing with Related Party Transactions is put up on website of the Company on the link [https://resources.thomascook.in/downloads/Related\\_Party\\_and\\_Materiality\\_Policy.pdf](https://resources.thomascook.in/downloads/Related_Party_and_Materiality_Policy.pdf)
- iii. The Competition Commission of India (CCI), vide its Order dated May 21, 2014 imposed a penalty of Rs. 10 Mn on the parties to the Composite Scheme of Arrangement and Amalgamation between Sterling Holidays Resorts (India) Limited (since amalgamated), Thomas Cook Insurance Services (India) Limited (since renamed as Sterling Holiday Resorts Limited) and the Company. The parties filed an appeal with the Competition Appellate Tribunal (COMPAT) against the said Order. COMPAT by its Order admitted the appeal and set aside the impugned Order. CCI subsequently filed an Appeal against COMPAT's impugned Order before the Hon'ble Supreme Court of India and the Hon'ble Supreme Court of India by its Order dated April 17, 2018 allowed the appeal of the CCI, set aside the Order passed by COMPAT and restored the Order passed by CCI imposing penalty of Rs. 10 Mn with no further costs.

The Company has complied with all the requirements of the Stock Exchanges, SEBI or any other statutory authority(ies) on any matter related to capital markets during the last three years and no penalties, strictures have been imposed against it in relation to the capital markets by such authorities during such period.

- iv. The Company's accounting policies are in line with generally accepted practices in India and these policies have been consistently adopted & applied and there is no change in these policies during the period.
- v. The senior management of the Company make timely disclosures to the Board of Directors relating to all material, financial and commercial transactions, where they have personal interest in any transaction or matter that may have a potential conflict with the interest of the Company.
- vi. As per the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the Company has established a Whistle blower Policy for employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct policy. The policy is also put up on the Company's website at [https://resources.thomascook.in/downloads/Whistle\\_Blower\\_Policy\\_01\\_04\\_2019\\_final.pdf](https://resources.thomascook.in/downloads/Whistle_Blower_Policy_01_04_2019_final.pdf).

This policy also provides for adequate safeguards against victimization of employees who avail of the mechanism and provides for direct access to the Ombudsperson/Audit cum Risk Management Committee Chairman under the Code. No personnel has been denied access to the Audit cum Risk Management Committee.

Further, pursuant to the amendment in law, the Company has amended the Whistle Blower Policy w.e.f. April 1, 2019.

- vii. The Company has fully complied with all the mandatory requirements as stipulated under Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges and has also adopted the following Non Mandatory Discretionary requirement as prescribed in Part E of the Schedule II to the Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time:
  - The Internal Auditor directly reports to the Audit cum Risk Management Committee
  - For the Financial Year 2018-19, the Auditors have expressed an unmodified opinion on the Financial Statements of the Company. The Company continues to adopt best practices to ensure a regime of unmodified Financial Statements.
- viii. Pursuant to Schedule VI, Regulation 39 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and erstwhile Clause 5A of SEBI Listing Agreements, the Company had already sent three (3) reminder letters to those shareholders whose shares are remaining unclaimed and lying with the Company/ Registrars and Share Transfer Agents. Thereafter, equity shares lying unclaimed/ undelivered were transferred to "Thomas Cook - Unclaimed Suspense Account" as required under the Listing Agreements and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has received request from 1 shareholder for claiming 2500 shares during the financial year.

Particulars	Number of Shareholders	Number of equity shares
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2018	8	25000
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	1	2500
Number of shareholders to whom shares were transferred from the suspense account during the year and the number of shares transferred	1	2500
Number of shareholders and shares which were transferred to IEPF Account during the financial year	0	0
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2019	7	22500

The voting rights on the shares outstanding in the suspense account as on March 31, 2019 shall remain frozen till the rightful owner of such shares claims the shares.

- ix. Pursuant to the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016 as amended from time to time, the Company has transferred 19475 Equity shares of 116 shareholders to Investor Education and Protection Fund Authority during the financial year.
- x. Familiarisation programme for Independent Directors  
The Company has devised a systematic framework for familiarising the Independent Directors to the Company. The Company takes due steps for familiarising Independent Directors by providing them necessary documents, reports and internal policies to enable them to get familiarised with the Company's procedures and practices. Further presentations pertaining to business performance updates, global business environments etc. are made by various Department heads and Senior management personnel in the Board and Committee Meetings. The familiarisation programme is also available on the Company's website at [https://resources.thomascook.in/downloads/2017-2018\\_Familiarization\\_programme%20.pdf](https://resources.thomascook.in/downloads/2017-2018_Familiarization_programme%20.pdf)
- xi. Certificate as required under Clause 10(i) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, received from Mr. Keyul M. Dedhia (CP No. 8618) of Keyul M. Dedhia & Associates, Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India or any such statutory authority.
- xii. There were no instances during the financial year 2018-19 wherein the Board had not accepted recommendations made by any committee of the Board.
- xiii. Total fees of Rs. 3,34,53,039/- for financial year 2018-19, for all services, was paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity which the statutory auditor is a part.
- xiv. Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
  - a. Number of complaints filed during the financial year : 3
  - b. Number of complaints disposed of during the financial year : 3
  - c. Number of complaints pending as on the end of the financial year : Nil
- xv. The Company has not raised funds through preferential allotment or qualified institutional placement.
- xvi. The Company had already in place Directors and Officers Liability Insurance (D&O) which is renewed annually. Further, as per the applicable provisions of the Companies Act, 2013 and in compliance with Regulation 25(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company continues to take D & O insurance policy on behalf of all Directors including Independent Directors, and Officers of the Company for indemnifying any of them against any liability that may arise in course of fulfilling their duties towards the Company.

## 9. MEANS OF COMMUNICATION:

- The Unaudited Quarterly Financial Results of the Company to be published in the proforma prescribed by the BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) are approved and taken on record by the Board of Directors of the Company within the statutory timelines. The approved results are forthwith sent to Stock Exchanges in the manner as prescribed in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the results in the prescribed proforma alongwith the detailed press release, if any are published within 48 hours in the media ensuring wider publicity. The audited annual financial results are published within the stipulated period as required by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with the Stock Exchanges.



- The quarterly, half yearly and annual financial results of the Company are uploaded on the electronic portals of BSE Limited and The National Stock Exchange of India Limited and the same are also published in English and Marathi Language Newspapers, namely Free Press Journal & Navshakti, respectively.
- The quarterly, half yearly and annual financial results are also available on the Company's website [www.thomascook.in](http://www.thomascook.in).
- All the official news releases and presentations on significant developments in the Company are hosted on Company's website and provided to the Stock Exchanges and the press simultaneously.
- The Company ensures necessary updation of details pertaining to calls or presentations to institutional investors or analysts to the Stock Exchanges and also uploads the same on the website of the Company.

## 10. THE MANAGEMENT DISCUSSION AND ANALYSIS REPORT FORMS PART OF THE DIRECTORS' REPORT

### 11. GENERAL SHAREHOLDER INFORMATION:

<b>Annual General Meeting</b>	:	42nd Annual General Meeting
<b>Date</b>	:	Friday, August 9, 2019
<b>Time</b>	:	3.30 p.m.
<b>Venue</b>	:	Y. B. Chavan Auditorium, Rangaswar Hall, Chavan Centre, General Jagannath Bhosle Marg, Nariman Point, Mumbai, Maharashtra 400021
<b>Financial Year</b>	:	April 1, 2018 to March 31, 2019
<b>Book Closure</b>	:	Friday, August 2, 2019 to Friday, August 9, 2019 (both days inclusive)
<b>Dividend payment date</b>	:	Tuesday, August 27, 2019
<b>Listing on Stock Exchanges</b>		
<b>A. Equity Shares of Re. 1/- each</b>	:	BSE Limited  1st Floor, New Trading Ring, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Tel.: 022-2272 1233/34 Fax: 022-2272 1919/3027  The National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 Tel.: 022-2659 8100 - 14 Fax: 022-2659 8237/38
<b>Stock Code</b>	:	BSE Limited Securities in - Physical Form No. 413 Scrip Code – 500413 Scrip Name – THOMAS CK IN Scrip Id – THOMASCOOK The National Stock Exchange of India Limited Symbol – THOMASCOOK Series – EQ Scrip Name – THOMAS COOK
<b>ISIN</b>	:	INE332A01027
<b>B. *10.52% Unsecured Redeemable Non Convertible Debentures ('NCDs') of Rs. 10 lakh each</b>	:	BSE Limited  1st Floor, New Trading Ring, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Tel.: 022-2272 1233/34 Fax: 022-2272 1919/3027  The National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 Tel.: 022-2659 8100 - 14 Fax: 022-2659 8237/38

<b>Stock Code</b>	:	BSE Limited Scrip Id – 1052TCIL18 Scrip Code – 949099  The National Stock Exchange of India Limited Symbol – THOMAS COOK 10.52%2018 Stock Name - DBTHC18
<b>ISIN</b>	:	INE332A08014
<b>C. *9.37 % Unsecured Redeemable Non Convertible Debentures ('NCDs') of Rs.10 lakh each</b>	:	BSE Limited 1st Floor, New Trading Ring, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Tel.: 022-2272 1233/34 Fax: 022-2272 1919/3027  The National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 Tel.: 022-2659 8100 - 14 Fax: 022-2659 8237/38
<b>Stock Code</b>	:	BSE Limited Scrip Id – 937TCIL18I, 937TCIL19II, 937TCIL20III Scrip Code – 952673, 952674, 952675 The National Stock Exchange of India Limited  Symbol – Thomas Cook 9.37% 2018 SERIES I, Thomas Cook 9.37% 2019 SERIES II, Thomas Cook 9.37% 2020 SERIES III Stock name – DBTHC18, DBTHC19, DBTHC20
<b>ISIN</b>	:	INE332A08022, INE332A08030, INE332A08048

\*During the financial year, the Company has successfully redeemed 10.52% Unsecured Redeemable Non Convertible Debentures as well as the Series I, Series II and Series III of the 9.37% Unsecured Redeemable Non-Convertible Debentures that were issued and allotted on a private placement basis .

**Corporate Identification Number (CIN)** : L63040MH1978PLC020717

The listing fees for the financial year under review has been paid to the Stock Exchanges where the shares and debentures of the Company are listed in respect of all classes of shares and debentures.

### Credit Ratings

The list of all credit ratings obtained by the Company along with the revisions therto for all debt instruments, during the financial year 2018-19 are as follows:

Name of Credit Rating Agency	Date of Rating	Instrument	Rating
ICRA	April 30, 2018	Non-convertible Debenture Programme	[ICRA]AA; placed on rating watch with developing implications
CRISIL	May 3, 2018	Rs.100 Crore Short Term Debt (Including Commercial Paper)	CRISIL A1+ (Reaffirmed)
CRISIL	May 3, 2018	Rs.100 Crore Non Convertible Debentures	CRISIL AA-/Stable (Withdrawn)
CRISIL	May 3, 2018	Total Bank Loan Facilities- Long Term Rating	CRISIL AA- (Placed on 'Rating Watch with Developing Implications')
CRISIL	May 3, 2018	Total Bank Loan Facilities- Short Term Rating	CRISIL A1+ (Reaffirmed)
CRISIL	July 27, 2018	Rs.100 Crore Short Term Debt (Including Commercial Paper)	CRISIL A1+ (Reaffirmed)
CRISIL	July 27, 2018	Total Bank Loan Facilities- Long Term Rating	CRISIL AA- (Continues on 'Rating Watch with Developing Implications')

Name of Credit Rating Agency	Date of Rating	Instrument	Rating
CRISIL	July 27, 2018	Total Bank Loan Facilities- Short Term Rating	CRISIL A1+ (Reaffirmed)
ICRA	September 28, 2018	Non-convertible Debenture Programme	[ICRA]AA&; Withdrawn
CRISIL	January 21, 2019	Rs.100 Crore Short Term Debt (Including Commercial Paper)	CRISIL A1+ (Reaffirmed)
CRISIL	January 21, 2019	Total Bank Loan Facilities- Long Term Rating	CRISIL AA-/Stable (Removed from 'Rating Watch with Developing Implications'; Rating reaffirmed)
CRISIL	January 21, 2019	Total Bank Loan Facilities- Short Term Rating	CRISIL A1+ (Reaffirmed)
CRISIL	March 6, 2019	Rs.100 Crore Short Term Debt (Including Commercial Paper)	CRISIL A1+ (Reaffirmed)
CRISIL	March 6, 2019	Total Bank Loan Facilities- Long Term Rating	CRISIL AA-/Stable (Reaffirmed)
CRISIL	March 6, 2019	Total Bank Loan Facilities- Short Term Rating	CRISIL A1+ (Reaffirmed)

#### Commodity price risk or foreign exchange risk and hedging activities

The Company has an Enterprise Risk Management Policy in place. There are various financial instruments available to mitigate the risks of hedging like Spot Deals, Forward Cover, Options and Derivative etc. The Company hedges the Forex exposures by doing Spot deals or Forward Cover as measure for mitigating the Forex Volatility.

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

#### CEO and CFO certification

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO and CFO certification forms part of the Annual Report.

#### Certificate on Corporate Governance

As required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Certificate on Corporate Governance forms part of the Annual Report.

**Market Price Data (Equity):** High, Low and Volume (in equity shares) during each month of the financial year

#### BSE Limited (BSE):

Sr. No.	Month	High (Rs. )	Low (Rs.)	Volume (Equity Shares)
1.	April 2018	302.90	266.05	5833199
2.	May 2018	290.00	269.70	2066674
3.	June 2018	287.50	254.00	4194489
4.	July 2018	281.95	258.50	452808
5.	August 2018	271.00	238.00	1608989
6.	September 2018	256.20	217.20	344316
7.	October 2018	230.95	193.10	1162070
8.	November 2018	233.90	206.60	210717
9.	December 2018	242.50	211.95	239366
10.	January 2019	240.15	210.15	1036947
11.	February 2019	225.00	200.65	490523
12.	March 2019	259.00	210.10	538178

**The National Stock Exchange of India Limited (NSE):**

Sr. No.	Month	High (Rs. )	Low (Rs.)	Volume ( Equity Shares)
1.	April 2018	303.00	266.00	15682858
2.	May 2018	290.35	269.05	9284328
3.	June 2018	287.80	254.25	12743977
4.	July 2018	281.30	258.20	4833855
5.	August 2018	271.90	239.20	11078062
6.	September 2018	256.80	217.05	7371004
7.	October 2018	232.00	193.30	9109359
8.	November 2018	234.40	206.00	3791063
9.	December 2018	242.85	211.60	3832029
10.	January 2019	239.95	211.00	2565742
11.	February 2019	224.90	206.10	2309508
12.	March 2019	261.00	210.00	6641584

**Share Capital Structure**

Share Capital structure as of May 27, 2019

Authorised Capital:	Rs.
Equity Shares:	
1335000000 Equity Shares of Re. 1/- each	1,335,000,000
Issued, Subscribed and Paid-up Capital:	
Equity Shares:	
370781499 Equity Shares of Re. 1/- each	370,781,499

Equity share capital history of the Company since inception:

Particulars of Issue of Capital	Date of allotment/ resolution	No. of shares	Face Value (in Rs.)	Total Value (in Rs.)	Cumulative Paid-up Equity Capital (in Rs.)
Subscription to Memorandum & Articles of Association	November 20, 1978	2	10	20	20
Allotment	March 1, 1979	5	10	50	70
Initial Public Offering	February 18, 1983	699993	10	6,999,930	7,000,000
Bonus Issue (1:2)	February 1, 1988	350000	10	3,500,000	10,500,000
Bonus Issue (1:2)	March 27, 1991	525000	10	5,250,000	15,750,000
Bonus Issue (1:1)	December 28, 1993	1575000	10	15,750,000	31,500,000
Bonus Issue (2:3)	October 11, 1995	2100000	10	21,000,000	52,500,000
Bonus Issue (2:3)	September 12, 1997	3500000	10	35,000,000	87,500,000
Bonus Issue (2:3)	July 27, 2000	5833333	10	58,333,330	145,833,330
Pursuant to the scheme of amalgamation of LKP Forex Limited	February 7, 2007	1494900	10	14,949,000	160,782,330
Sub-division of shares from Rs. 10/- each to Rs. 1/- each	May 14, 2007	-	1	160,782,330	160,782,330
Allotment pursuant to ESOP Scheme 2007	August 26, 2008	13540	1	13,540	160,795,870
Rights Issue (35:100)	January 21, 2009	50650699	1	50,650,699	211,446,569



Particulars of Issue of Capital	Date of allotment/ resolution	No. of shares	Face Value (in Rs.)	Total Value (in Rs.)	Cumulative Paid-up Equity Capital (in Rs.)
Allotments pursuant to ESOP Scheme 2007	January 18, 2010	100000	1	1,00,000	211,546,569
	April 16, 2010	95159	1	95,159	211,641,728
	June 16, 2010	35832	1	35,832	211,677,560
	July 30, 2010	59646	1	59,646	211,737,206
	September 28, 2010	29996	1	29,996	211,767,202
	October 22, 2010	37497	1	37,497	211,804,699
	December 14, 2010	3000	1	3,000	211,807,699
	February 6, 2011	2500	1	2,500	211,810,199
	February 17, 2011	6600	1	6,600	211,816,799
	April 26, 2011	60834	1	60,834	211,877,633
	June 29, 2011	42830	1	42,830	211,920,463
	July 22, 2011	10000	1	10,000	211,930,463
	September 9, 2011	2500	1	2,500	211,932,963
	September 30, 2011	12500	1	12,500	211,945,463
	October 21, 2011	6465	1	6,465	211,951,928
	November 18, 2011	55434	1	55,434	212,007,362
	April 5, 2012	98540	1	98,540	212,105,902
	April 27, 2012	715318	1	715,318	212,821,220
	May 29, 2012	17260	1	17,260	212,838,480
	July 5, 2012	320214	1	320,214	213,158,694
Allotment pursuant to IPP under Chapter VIII-A of SEBI (ICDR) Regulations, 2009	May 7, 2013	34379606	1	34,379,606	247,538,300
Allotments pursuant to ESOP Scheme 2007	July 24, 2013	50000	1	50,000	247,588,300
	October 8, 2013	57597	1	57,597	247,645,897
	October 24, 2013	35000	1	35,000	247,680,897
Allotment pursuant to conversion of 319,765 Class 'B' 0.001% Cumulative Convertible / Redeemable Preference Shares of Rs. 10/- each and 271,800 Class 'C' 0.001% Cumulative Convertible / Redeemable Preference Shares of Rs. 10/- each into 5,140,000 equity shares of Rs.1/- each	April 25, 2014	5140000	1	5,140,000	252,820,897
Allotments pursuant to ESOP Scheme 2007	April 17, 2014	11665	1	11,665	252,832,562
	May 21, 2014	413690	1	413,690	253,246,252
Allotments pursuant to Thomas Cook SAYE Scheme 2010	May 21, 2014	414954	1	414,954	253,661,206
	June 20, 2014	19763	1	19,763	253,680,969
Allotments pursuant to ESOP Scheme 2007	July 4, 2014	436416	1	436,416	254,117,385
	September 29, 2014	79120	1	79,120	254,196,505
Allotments pursuant to ESOP Scheme 2007	October 29, 2014	151200	1	151,200	254,347,705
	November 18, 2014	55620	1	55,620	254,403,325
	December 15, 2014	48262	1	48,262	254,451,587
	February 19, 2014	9240	1	9,240	254,460,827
Allotment of 18,270,000 equity shares of Re.1/- each on 9th March, 2015 to Fairbridge Capital (Mauritius) Limited (FMCL), Promoter of the Company on conversion of 1,827,000 Compulsorily Convertible Preference shares of Rs.10/- each.	March 9, 2015	18270000	1	18,270,000	272,730,827
Allotments pursuant to ESOP Scheme 2007	April 10, 2015	35000	1	35,000	272,765,827
Allotments pursuant to ESOP Scheme 2007	April 10, 2015	41663	1	41,663	272,807,490
Allotments pursuant to ESOP Scheme 2007	April 10, 2015	15840	1	15,840	272,823,330

Particulars of Issue of Capital	Date of allotment/ resolution	No. of shares	Face Value (in Rs.)	Total Value (in Rs.)	Cumulative Paid-up Equity Capital (in Rs.)
Equity Shares allotted to the shareholders of Sterling Holiday Resorts (India) Limited pursuant to the Composite Scheme of Arrangement and Amalgamation between Sterling Holiday Resorts (India) Limited (SHRIL) and Thomas Cook Insurance Services (India) Limited (TCISIL) and Thomas Cook (India) Limited (TCIL) and their respective shareholders and creditors sanctioned by the Hon'ble High Court, Bombay, by its Order dated 2nd July, 2015 (Composite Scheme)	September 3, 2015	48657929	1	48,657,929	321,481,259
Shares Allotted pursuant to conversion on of CCPS	September 8, 2015	44230000	1	44,230,000	365,711,259
Allotment Pursuant to ESOP Scheme 2007	October 28, 2015	77550	1	77,550	365,788,809
Allotment Pursuant to ESOP Scheme 2007	December 1, 2015	26120	1	26,120	365,814,929
Allotment Pursuant to ESOP Scheme 2007	December 23, 2015	18500	1	18,500	365,833,429
Allotment Pursuant to ESOP Scheme 2007	February 1, 2016	37560	1	37,560	365,870,989
Allotment Pursuant to ESOP Scheme 2007	March 8, 2016	9240	1	9,240	365,880,229
Allotments pursuant to SHRIL ESOS 2012	April 7, 2016	63520	1	63520	365943749
Allotments pursuant to ESOP Scheme 2007	May 4, 2016	11880	1	11880	365955629
Allotments pursuant to ESOP Scheme 2007	May 17, 2016	17350	1	17350	365972979
Allotment Pursuant to SHRIL ESOS 2012	June 6, 2016	30186	1	30186	366003165
Allotment Pursuant to ESOP Scheme 2007	June 6, 2016	455500	1	455500	366458665
Allotments pursuant to ESOP Scheme 2007	July 15, 2016	25870	1	25870	366484535
Allotments pursuant to SHRIL ESOS 2012	August 17, 2016	6612	1	6612	366491147
Allotments pursuant to ESOP Scheme 2007	September 19, 2016	28876	1	28876	366520023
Allotment Pursuant to ESOP Scheme 2007	October 20, 2016	124828	1	124828	366644851
Allotment Pursuant to SHRIL ESOS 2012	October 20, 2016	16480	1	16480	366661331
Allotments pursuant to ESOP Scheme 2007	November 21, 2016	12120	1	12120	366673451
Allotments pursuant to SHRIL ESOS 2012	November 21, 2016	3150	1	3150	366676601
Allotments pursuant to ESOP Scheme 2007	January 23, 2017	44442	1	44442	366721043
Allotments pursuant to SHRIL ESOS 2012	January 23, 2017	648	1	648	366721691
Allotments pursuant to ESOP Scheme 2007	March 1, 2017	36178	1	36178	366757869
Allotments pursuant to SHRIL ESOS 2012	1st March, 2017	1728	1	1728	366759597
Allotments pursuant to ESOP Scheme 2007	April 18, 2017	15800	1	15800	366775397
Allotments pursuant to ESOP Scheme 2007	April 18, 2017	1000	1	1000	366776397
Allotments pursuant to SHRIL ESOS 2012	April 18, 2017	1620	1	1620	366778017
Allotments pursuant to SHRIL ESOS 2012	April 18, 2017	1350	1	1350	366779367
Allotments pursuant to ESOP Scheme 2007	19th May, 2017	13960	1	13960	366793327
Allotments pursuant to ESOP Scheme 2007	19th May, 2017	18848	1	18848	366812175
Allotments pursuant to SHRIL ESOS 2012	19th May, 2017	4986	1	4986	366817161
Allotments pursuant to SHRIL ESOS 2012	19th May, 2017	1650	1	1650	366818811
Allotments pursuant to ESOP Scheme 2007	June 23, 2017	9680	1	9680	366828491
Allotments pursuant to ESOP Scheme 2007	June 23, 2017	400	1	400	366828891
Allotments pursuant to ESOP Scheme 2007	August 14, 2017	2220	1	2220	366831111
Allotments pursuant to ESOP Scheme 2007	August 14, 2017	6550	1	6550	366837661
Allotments pursuant to ESOP Scheme 2007	September 19, 2017	3500	1	3500	366841161
Allotments pursuant to ESOP Scheme 2007	September 19, 2017	72160	1	72160	366913321
Allotments pursuant to SHRIL ESOS 2012	19th September, 2017	5400	1	5400	366918721
Allotments pursuant to SHRIL ESOS 2012	October 12, 2017	5500	1	5500	366924221
Allotments pursuant to SHRIL ESOS 2012	October 12, 2017	486	1	486	366924707
Allotments pursuant to ESOP Scheme 2007	November 13, 2017	8533	1	8533	366933240
Allotments pursuant to SHRIL ESOS 2012	November 13, 2017	6190	1	6190	366939430
Allotments pursuant to ESOP Scheme 2007	December 18, 2017	46927	1	46927	366986357
Allotments pursuant to ESOP Scheme 2007	December 18, 2017	20000	1	20000	367006357
Allotments pursuant to ESOP Scheme 2007	December 18, 2017	11665	1	11665	367018022
Allotments pursuant to SHRIL ESOS 2012	December 18, 2017	4500	1	4500	367022522

Particulars of Issue of Capital	Date of allotment/ resolution	No. of shares	Face Value (in Rs.)	Total Value (in Rs.)	Cumulative Paid-up Equity Capital (in Rs.)
Allotments pursuant to SHRIL ESOS 2012	December 18, 2017	17280	1	17280	367039802
Allotments pursuant to ESOP Scheme 2007	January 22, 2018	14965	1	14965	367054767
Allotments pursuant to SHRIL ESOS 2012	January 22, 2018	9700	1	9700	367064467
Allotments pursuant to ESOP Scheme 2013	February 23, 2018	2929489	1	2929489	369993956
Allotments pursuant to ESOP Scheme 2007	February 23, 2018	18150	1	18150	370012106
Allotments pursuant to ESOP Scheme 2007	February 23, 2018	3899	1	3899	370016005
Allotments pursuant to ESOP Scheme 2013	March 8, 2018	162000	1	162000	370178005
Allotments pursuant to ESOP Scheme 2007	March 8, 2018	6300	1	6300	370184305
Allotments pursuant to ESOP Scheme 2007	March 8, 2018	16999	1	16999	370201304
Allotments pursuant to SHRIL ESOS 2012	March 8, 2018	4320	1	4320	370205624
Allotments pursuant to SHRIL ESOS 2012	March 8, 2018	1750	1	1750	370207374
Allotments pursuant to ESOP Scheme 2007	April 17, 2018	64132	1	64132	370271506
Allotments pursuant to SHRIL ESOS 2012	April 17, 2018	7560	1	7560	370279066
Allotments pursuant to ESOP Scheme 2007	May 28, 2018	65268	1	65268	370344334
Allotments pursuant to SHRIL ESOS 2012	May 28, 2018	7700	1	7700	370352034
Allotment pursuant to ESOP Scheme 2007	June 21, 2018	54343	1	54343	370406377
Allotment pursuant to SHRIL ESOS 2012	June 21, 2018	4450	1	4450	370410827
Allotment pursuant to ESOP Scheme 2007	July 20, 2018	11732	1	11732	370422559
Allotment pursuant to SHRIL ESOS 2012	August 7, 2018	950	1	950	370423509
Allotment pursuant to ESOP Scheme 2007	September 18, 2018	80519	1	80519	370504028
Allotment pursuant to SHRIL ESOS 2012	September 18, 2018	950	1	950	370504978
Allotment pursuant to ESOP Scheme 2007	October 26, 2018	25836	1	25836	370530814
Allotment pursuant to SHRIL ESOS 2012	October 26, 2018	3250	1	3250	370534064
Allotment pursuant to ESOP Scheme 2013	November 13, 2018	129906	1	129906	370663970
Allotment pursuant to ESOP Scheme 2007	November 13, 2018	3843	1	3843	370667813
Allotment pursuant to SHRIL ESOS 2012	November 13, 2018	1620	1	1620	370669433
Allotment pursuant to ESOP Scheme 2007	January 10, 2019	17961	1	17961	370687394
Allotment pursuant to SHRIL ESOS 2012	January 10, 2019	1750	1	1750	370689144
Allotment pursuant to ESOP Scheme 2007	February 1, 2019	16480	1	16480	370705624
Allotment pursuant to SHRIL ESOS 2012	February 1, 2019	2700	1	2700	370708324
Allotment pursuant to ESOP Scheme 2007	March 18, 2019	18334	1	18334	370726658
Allotment pursuant to SHRIL ESOS 2012	March 18, 2019	1650	1	1650	370728308
Allotment pursuant to ESOP Scheme 2007	April 25, 2019	49541	1	49541	370777849
Allotment pursuant to SHRIL ESOS 2012	April 25, 2019	1650	1	1650	370779499
Allotment pursuant to ESOP Scheme 2007	May 20, 2019	2000	1	2000	370781499

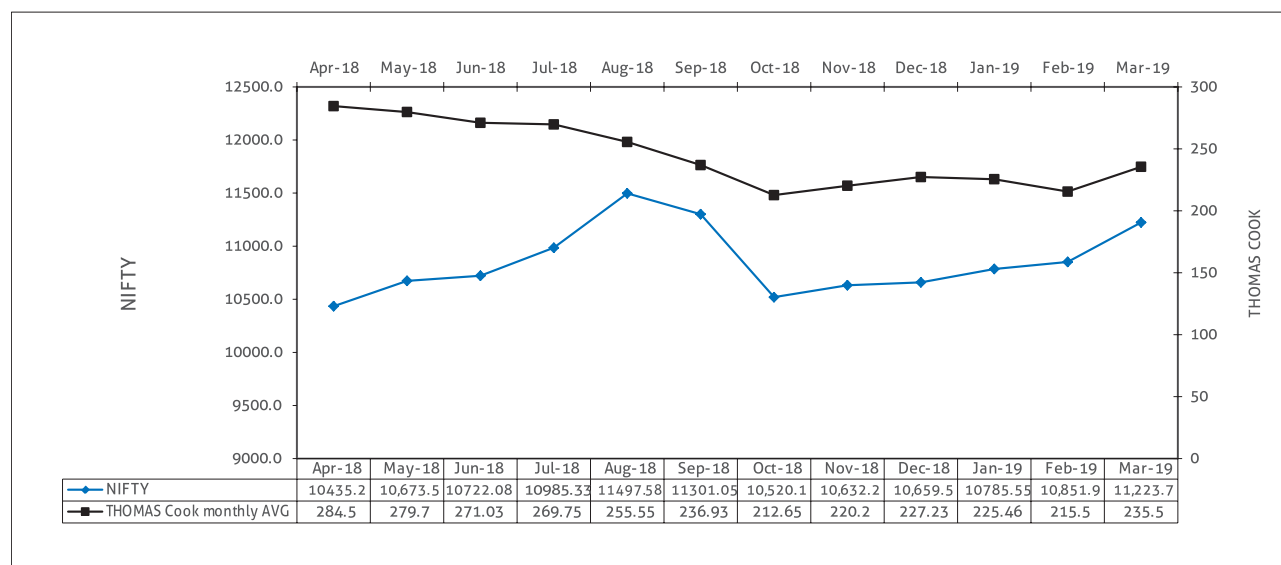
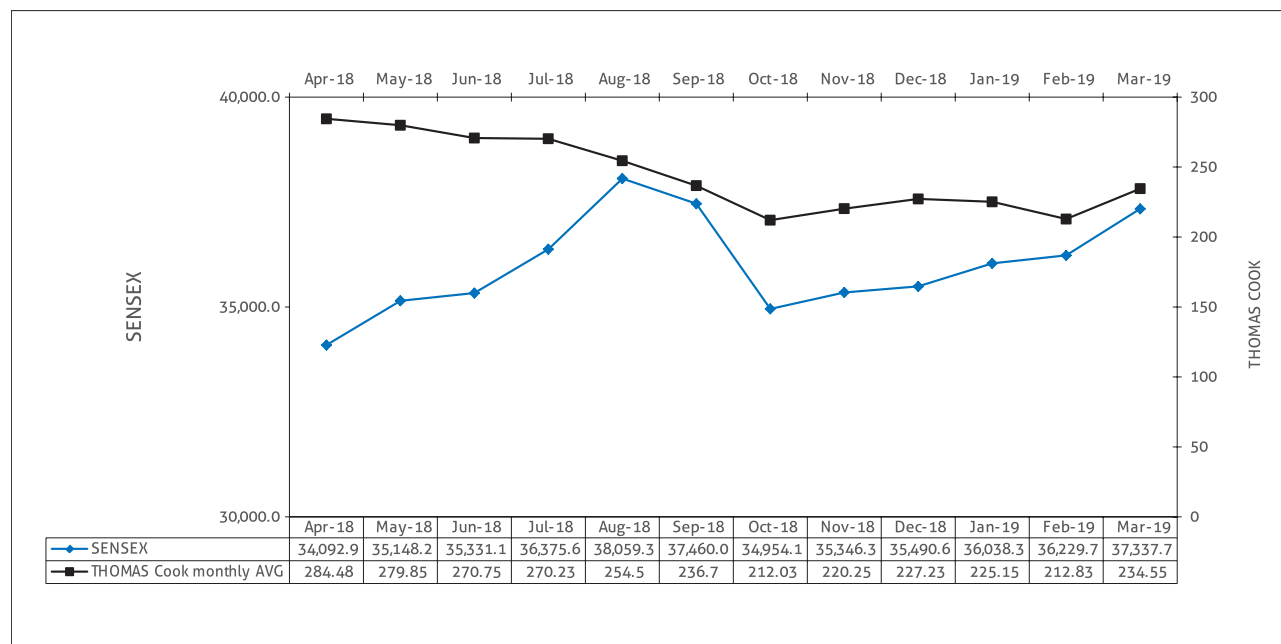
**Preference share capital history of the Company since inception:**

Class of preference shares	Date of Allotment	No. of preference shares allotted	Face Value (in Rs.)	Date of Redemption/ Conversion
Class 'A' 4.65% Cumulative Non Convertible Redeemable Preference Shares of Rs. 10/- each*	February 7, 2007	103284000	10	January 30, 2008
Class 'B' 0.001% Cumulative Convertible / Redeemable Preference Shares of Rs. 10/- each**	February 7, 2007	319765	10	April 25, 2014
Class 'C' 0.001% Cumulative Convertible / Redeemable Preference Shares of Rs. 10/- each**	February 7, 2007	271800	10	April 25, 2014
1% Cumulative Non Convertible Redeemable Preference Shares of Rs. 10/- each***	January 29, 2008	105000000	10	January 29, 2009
Compulsorily Convertible Preference shares of Rs. 10/- each (CCPS)#	March 13, 2014	6250000	10	September 8, 2015
Non Convertible Cumulative Redeemable Preference Shares@	December 1, 2015	125000000	10	December 28, 2017

\* As per the Scheme of Amalgamation, 103284000 Class 'A' 4.65% Cumulative Non Convertible Redeemable Preference Shares of Rs. 10/- each amounting to Rs. 1,032,840,000/- were allotted on February 7, 2007 and were redeemed on January 30, 2008 out of the proceeds of 1% Cumulative Non Convertible Redeemable Preference Shares of Rs. 10/- each allotted on January 29, 2008.

- \*\* 319765 Class 'B' 0.001% Cumulative Convertible / Redeemable Preference Shares of Rs. 10/- each and 271800 Class 'C' 0.001% Cumulative Convertible / Redeemable Preference Shares of Rs. 10/- each were converted on April 25, 2014 into 5140000 equity shares of Re. 1/- each.
- \*\*\* 105000000 1% Cumulative Non Convertible Redeemable Preference Shares of Rs. 10/- each amounting to Rs. 1,050,000,000/- were allotted on January 29, 2008 and were redeemed on January 29, 2009 out of the proceeds of the Rights Issue of Equity Shares of Re. 1/- each allotted on January 21, 2009.
- # 6250000 Compulsorily Convertible Preference Shares of Rs. 10/- each (CCPS) were allotted on March 13, 2014 out of which 1827000 CCPS of Rs. 10/- each were converted into 18270000 equity shares of Re. 1/- each on March 9, 2015 and allotted to Fairbridge Capital (Mauritius) Limited (FMCL), Promoter of the Company. The remaining 4423000 CCPS of Rs. 10/- each were converted into 44230000 equity shares of Re. 1/- each on September 8, 2015 and allotted to Fairbridge Capital (Mauritius) Limited (FMCL), Promoter of the Company.
- @ 125000000 Non Convertible Cumulative Redeemable Preference Shares of Rs. 10/- each amounting to Rs. 1,250,000,000/- which were issued and allotted on private placement basis on December 1, 2015 were redeemed at par on December 28, 2017 as per the applicable provisions of the Companies Act, 2013, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013, and other applicable laws, rules and regulations.

#### Performance in comparison to broad-based indices such as BSE SENSEX (SENSEX), NSE CNX Nifty





**Registrars & Share Transfer Agents:**

TSR Darashaw Limited,  
6-10, Haji Moosa Patrawala Indl. Estate 20,  
Dr. E Moses Road, Mahalakshmi,  
Mumbai 400 011 Tel: +91 22 6656 8484  
Fax: +91 22 6656 8494  
Email Id: [csg-unit@tsrdarashaw.com](mailto:csg-unit@tsrdarashaw.com)  
Website: [www.tsrdarashaw.com](http://www.tsrdarashaw.com)

**Transfer to Investor Education and Protection Fund (IEPF)**

In terms of Section 124 and 125 of Companies Act, 2013 (corresponding Section 205C of the Companies Act, 1956) and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended an amount of Rs. 3,84,794 /- being unclaimed dividend and due for payment for the financial year ended December 31, 2010 and declared on May 5, 2011 was transferred during the year to the IEPF established by the Central Government.

**Share Transfer System:**

The Share Transfer is normally effected within a maximum period of 15 days from the date of receipt, if all the required documentation is submitted. The Company Secretary & Compliance Officer has been given the authority by the Board of Directors to approve the share transfers. The Stakeholders Relationship Committee notes the approval of the same in the subsequent meeting(s). The Committee approves the issuance of duplicate share certificate, split, consolidation, etc. as per the request received.

**I. (a) Distribution of Equity shareholding as on March 31, 2019:**

Range of Holding	No. of Shares	Amount (Rs.)	% to Capital	No. of Shareholders	% to Shareholders
1 to 5000	20229623	20,229,623	5.46	62,943	97.73
5001 to 10000	5378934	5,378,934	1.45	757	1.17
10001 to 20000	5438344	5,438,344	1.47	423	0.66
20001 to 30000	2118899	2,118,899	0.57	85	0.13
30001 to 40000	1240419	1,240,419	0.33	36	0.06
40001 to 50000	1182696	1,182,696	0.32	26	0.04
50001 to 100000	3585077	3,585,077	0.97	50	0.08
Greater than 100000	331554316	331,554,316	89.43	84	0.13
<b>Total</b>	<b>370728308</b>	<b>370,728,308</b>	<b>100.00</b>	<b>64,404</b>	<b>100.00</b>

**(b) Categories of Equity Shareholders as on March 31, 2019:**

Sr. No.	Shares held by	No. of shares held	% of Shareholding
1	Foreign Holdings		
	a. Foreign Bodies Corporate	248,153,725	66.94
	b. Foreign Institutional Investors	14,079,262	3.80
	c. Overseas Corporate Bodies	0	0.00
	d. Other NRI's	2,357,052	0.64
	<b>Total (a+b+c+d)</b>	<b>264,590,039</b>	<b>71.38</b>
2	Govt. /Govt. Sponsored Financial Institutions / Nationalised Banks	9,730	0.00
3	Foreign Banks	1,620	0.00
4	Other Banks	97,849	0.03
5	Mutual funds	48,796,033	13.16
6	Insurance Companies	9,480,433	2.56
7	Bodies Corporate	4,988,408	1.34
8	Alternate Investment Funds	3,584,167	0.97
9	Body Corporate-NBFC	107,165	0.03
10	Other Directors & their Relatives	1,071,819	0.29
11	Trusts	18,476	0.00
12	IEPF Suspense A/C	326,829	0.09
13	Other Resident Individuals	37,655,740	10.15
	<b>Total (2+3+4+5+6+7+8+9+10+11+12+13)</b>	<b>106,138,269</b>	<b>28.62</b>
	<b>Grand Total (1+ 2+3+4+5+6+7+8+9+10+11+12+13)</b>	<b>370,728,308</b>	<b>100.00</b>

(c) Dematerialisation of Equity shares and liquidity Status of dematerialisation as on March 31, 2019:

Particulars	No. of shares	% to Capital	No. of Accounts
National Securities Depository Limited	356,520,469	96.17	40,028
Central Depository Services (India) Limited	11,679,936	3.15	16,383
Total Dematted (A)	368,200,405	99.32	56,411
Physical (B)	2,527,903	0.68	7,993
<b>Total (A + B)</b>	<b>370,728,308</b>	<b>100.00</b>	<b>64,404</b>

(d) Top 10 Equity Shareholders as on March 31, 2019:

(Other than Promoters, Directors, their relatives and Associates)

Name(s) of Shareholders	Category (as per Depository)	Shares	% to Capital
Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life International Equity Fund-Plan B	Mutual Funds	28,138,762	7.59
ICICI Prudential Mutual Funds & Groups	Mutual Funds	10,580,969	2.85
ICICI Prudential Life Insurance Company Limited	Insurance Companies	7,417,277	2.00
Reliance Capital Trustee Company Limited A/C Reliance Growth Fund	Mutual Funds	4,341,813	1.17
Tata Large And Mid Cap Fund	Mutual Funds	3,880,700	1.05
India Whizdom Fund	Alternate Investment Fund	3,101,350	0.84
Ramesh Ramanathan	Resident Individual	2,373,852	0.64
Tata Aia Life Insurance Co Ltd-Whole Life Mid Cap Equity Fund-Ulif	Insurance Companies	2,053,501	0.55
Government Pension Fund Global	Foreign Portfolio Investors (Corporate)	1,683,559	0.45
Kotak Mahindra (International) Limited	Foreign Portfolio Investors (Corporate)	1,331,270	0.36
<b>Total</b>		<b>64,903,053</b>	<b>17.50</b>

Outstanding Debt/ GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity:

I. Compulsory Convertible Preference Shares:

No convertible preference shares were outstanding as on March 31, 2019.

II. Non Convertible Debentures:

a. 10.52% Unsecured Redeemable Non Convertible Debentures

The Company had issued and allotted 10.52% 1000 Unsecured Redeemable Non Convertible Debentures ('NCDs') of Rs. 10 lakh each, aggregating to Rs. 100 Crores on private placement basis during the financial year 2013. Out of total 1000 Non Convertible Debentures amounting to Rs. 100 Crores, 333 Non Convertible Debentures were redeemed on April 15, 2016 (under Tranche I), 333 Non Convertible Debentures were redeemed on April 15, 2017 (under Tranche II) and 334 Non Convertible Debentures which were outstanding as on March 31, 2018 were subsequently, redeemed on April 16, 2018 (under Tranche III) as per the terms of issue in prescribed manner.

b. 9.37% Unsecured Redeemable Non Convertible Debentures

The Company had issued & allotted following 9.37% 1000 Unsecured Redeemable Non Convertible Debentures ('NCDs') of Rs. 10 lakh each, aggregating to Rs. 100 Crores on Private placement basis during the financial year 2015-16.

Particulars	Series I	Series II	Series III
Issue price	Rs.10 lakhs each	Rs.10 lakhs each	Rs.10 lakhs each
No of debentures	330	330	340
Issue size	Rs. 33 Crores	Rs. 33 Crores	Rs. 34 Crores
Rate of Interest	9.37% p.a.	9.37% p.a.	9.37% p.a.

Period (Tenure)	36 Months	48 Months	60 Months
Date of Redemption as per terms of Issue	August 31, 2018	August 30, 2019	August 31, 2020
Date of Pre-Redemption	N.A	September 24, 2018	September 24, 2018
Trustees	IDBI Trusteeship Services Limited having its registered office at Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400 001. Tel: +91-22-4080 7008 Fax: +91-22-6631 1776 Website: <a href="http://www.idbitrustee.com">http://www.idbitrustee.com</a>	IDBI Trusteeship Services Limited having its registered office at Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400 001. Tel: +91-22-4080 7008 Fax: +91-22-6631 1776 Website: <a href="http://www.idbitrustee.com">http://www.idbitrustee.com</a>	IDBI Trusteeship Services Limited having its registered office at Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400 001. Tel: +91-22-4080 7008 Fax: +91-22-6631 1776 Website: <a href="http://www.idbitrustee.com">http://www.idbitrustee.com</a>

The aforesaid NCD's were redeemed during the financial year.

**Plant Locations:**

The Company does not carry on any manufacturing activities. The Company offers its existing range of services of Foreign Exchange, Corporate Travel, Leisure Travel (Inbound & Outbound), MICE, Insurance, Visa & Passport Services and Call Centre through its wide network across India and through its subsidiaries in Mauritius, Sri Lanka and Hong Kong.

**Address for correspondence:**

**Registered Office:**

Thomas Cook (India) Limited,  
Thomas Cook Building, Dr. D. N. Road,  
Fort, Mumbai – 400 001  
Tele: +91 22 4242 7000  
Fax: +91 22 2302 2864

For grievance redressal / for registering complaints by investors/ shareholders, please contact:

E-mail: [sharedept@in.thomascook.com](mailto:sharedept@in.thomascook.com)

**For and on behalf of the Board**

**Madhavan Menon**

Chairman & Managing  
Director  
DIN: 00008542

Place: Mumbai

Dated: May 27, 2019

**Mahesh Iyer**

Executive Director  
& Chief Executive Officer  
DIN: 07560302

# Certificate On Corporate Governance

**To the Members of**

**Thomas Cook (India) Limited**

Corporate Identity Number: L63040MH1978PLC020717

Thomas Cook Building, Dr. D. N. Road, Fort, Mumbai- 400 001.

We have examined the compliance with conditions of Corporate Governance by Thomas Cook (India) Limited ('the Company'), for the financial year ended on March 31, 2019, as per Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance with conditions of Corporate Governance is the responsibility of the management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of the Listing Regulations during the financial year ended March 31, 2019.

We further report that the Hon'ble Supreme Court of India by its Order dt April 17, 2018 set aside the Order passed by Competition Appellate Tribunal (COMPAT) and restored the Order passed by Competition Commission of India (CCI) imposing penalty of Rs. 1 crore with no costs.

We further state that this Certificate is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and shall not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

**For Keyul M. Dedhia & Associates**

**Company Secretaries**

**Keyul M. Dedhia**

**Proprietor**

FCS No: 7756 COP No: 8618

**Mumbai, May 27, 2019**



# CEO/ CFO Certification

Pursuant to Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,  
The Board of Directors  
Thomas Cook (India) Limited  
Thomas Cook Building  
Dr. D. N. Road, Fort,  
Mumbai – 400 001

This is to certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2019 and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control system of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit cum Risk Management Committee, deficiencies in design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- (d) We have indicated, wherever applicable, to the Auditors and Audit cum Risk Management Committee:
  - (i) significant changes, if any, in internal control over financial reporting during the year;
  - (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For Thomas Cook (India) Limited**

**Mahesh Iyer**  
Executive Director and Chief Executive Officer

Mumbai, May 27, 2019

**For Thomas Cook (India) Limited**

**Brijesh Modi**  
Chief Financial Officer

Mumbai, May 27, 2019

## Declaration regarding compliance by Board Members and Senior Management Personnel with the Company's code of conduct

This is to confirm that all the Members of the Board and Senior Management personnel have affirmed compliance with the Company's Code of Conduct for the year ended March 31, 2019.

**For Thomas Cook (India) Limited**

**MADHAVAN MENON**  
Chairman and Managing Director  
DIN: 00008542

Mumbai, May 27, 2019

# Business Responsibility Report

## Section A: General Information about the Company

Sr. No.	Particulars	Company Information																			
1.	Corporate Identification Number ("CIN") of the Company	L63040MH1978PLC020717																			
2.	Name of the Company	Thomas Cook (India) Limited																			
3.	Registered Office & Corporate Office	Registered office: Thomas Cook Building, Dr. D. N. Road, Fort, Mumbai - 400 001 Corporate office: A Wing, Marathon FutureX, N.M. Joshi Marg, Lower Parel, Mumbai - 400 013																			
4.	Website	<a href="http://www.thomascook.in">www.thomascook.in</a>																			
5.	E-mail ID	<a href="mailto:sharedept@in.thomascook.com">sharedept@in.thomascook.com</a>																			
6.	Financial year reported	April 1, 2018 – March 31, 2019																			
7.	Sector(s) that the Company is engaged in (industrial activity code-wise) as per the National Industrial Classification codes of 2008	<table><tr><th rowspan="2">Description</th><th colspan="3">Industrial Activity Code</th></tr><tr><th>Group</th><th>Class</th><th>Sub-class</th></tr><tr><td>Travel and Related Services</td><td>791</td><td>7911 &amp; 7912</td><td>79110 &amp; 79120</td></tr><tr><td>Financial Services</td><td>649</td><td>6499</td><td>64990</td></tr><tr><td>Human Resource Services</td><td>-</td><td>-</td><td>-</td></tr></table>	Description	Industrial Activity Code			Group	Class	Sub-class	Travel and Related Services	791	7911 & 7912	79110 & 79120	Financial Services	649	6499	64990	Human Resource Services	-	-	-
Description	Industrial Activity Code																				
	Group	Class	Sub-class																		
Travel and Related Services	791	7911 & 7912	79110 & 79120																		
Financial Services	649	6499	64990																		
Human Resource Services	-	-	-																		
8.	List three key products / services that the Company manufactures / provides (as in balance sheet)	(a) Financial Services (b) Travel and Related Services (c) Human Resource Services																			
9.	(a) Total number of locations where business activity is undertaken by the Company (b) Number of International Locations (Provide details of major 5)  (c) Number of National Locations	Thomas Cook (India) Limited along with its subsidiaries carries out business activities from various locations including Mauritius, Sri Lanka, Cambodia, China, Indonesia, Laos, Malaysia, Macau SAR, Maldives, Myanmar, Singapore, Thailand, Vietnam, Kenya, South Africa, Namibia, UAE, Oman, Egypt, Qatar, Bahrain, Jordan, USA, Nepal and Hong Kong and is supported by a strong partner network of 295 Franchise Partners and 145 General and Preferred Sales Agents ('PSA') in 272 cities across India, UAE, Oman, U.K., Canada, Kenya, Saudi Arabia, Tanzania, Kuwait, Bahrain & Qatar.  The Company (exclusive of its subsidiaries) has a presence in over 336 locations including (22) Airport counters in 9 locations and extension counters in malls in India and 104 Gold Circle Partners. The company inclusive of its subsidiaries has a presence across 583 locations in 169 cities, over 150 PSAs and 199 Franchise Partner outlets to have a wider spread and network across the country.																			
10.	Markets served by the Company	Thomas Cook (India) Limited serves customers in national and international locations.																			

## Section B: Financial Details of the Company

Sr. No.	Particulars	Company Information (Rs. In Million)
1.	Paid-up Equity Share Capital as on March 31, 2019	Rs. 370.7
2.	Total Turnover	Rs. 22,528.1
3.	Profit/ (Loss) after Tax	Rs. 264.7
4.	Total amount spent on Corporate Social Responsibility ("CSR")	
	(a) in Rupees	(a) Rs . 1.5
	(b) As a percentage of profit after tax (%)	(b) 0.55%
5.	List the activities, in which expenditure in 4 above, has been incurred	Please refer Report on Corporate Social Responsibility which is Annexure 2 of the Directors' Report.

### Section C: Other Details

1. Does the Company have any Subsidiary Company/ Companies?
  - Yes, the details of the list of subsidiaries can be found in Annexure 3 of the Directors' Report of the Company and forms part of the Annual Report.
2. Do the Subsidiary Company/Companies participate in the Business Responsibility ("BR") Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(ies)
  - Yes, three subsidiary companies participate in the BR initiatives of Thomas Cook (India) Limited.
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]
  - No

### Section D: Business Responsibility (BR) Information

#### 1. Details of Director/Directors responsible for BR

(a) Details of the Director/Directors responsible for implementation of the BR policy/policies

Sr. No	Particulars	Company Information
1.	DIN Number	00008542
2.	Name	Madhavan Menon
3.	Designation	Chairman and Managing Director

(b) Details of BR head

Sr. No	Particulars	Company Information
1.	DIN Number (if applicable)	07560302
2.	Name	Mahesh Iyer
3.	Designation	Executive Director and Chief Executive Officer
4.	Telephone Number	+91-22-4242 7000
5.	E-mail ID	sharedept@in.thomascook.com

#### 2 (a) Principle-wise (as per National Voluntary Guidelines (NVGs)) Business Responsibility Policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

- P1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- P2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- P3 Businesses should promote the well-being of all employees.
- P4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
- P5 Businesses should respect and promote human rights.
- P6 Businesses should respect, protect and make efforts to restore the environment.
- P7 Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- P8 Businesses should support inclusive growth and equitable development.

P9 Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Sr. No.	Questions	Business Ethics	Product Responsibility	Well-being of employees	Stakeholders	Human Rights	Environment	Public Policy	CSR	Customer relations
1.	Do you have policy/policies for ....	Y	N	Y	Y	Y	Y	N	Y	N
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	N	Y	Y	Y	Y	N	Y	N
3.	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	Y	N	Y	Y	Y	Y	N	Y	N
Policies are prepared ensuring adherence to applicable rules, regulations and laws of national/ international standards.										
4.	Has the policy been approved by the Board?  If yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Y	N	Y	Y	Y	Y	N	Y	N
5.	Does the Company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Y	N	Y	Y	Y	Y	N	Y	N
6.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	N	Y	Y	Y	Y	N	Y	N
Internal policies have been communicated to all stakeholders and the same is available on the Company's website.  Mandatory policies are available on the Company's website at the following weblink: <a href="https://www.thomascook.in/speeches-presentation">https://www.thomascook.in/speeches-presentation</a>										
7.	Does the Company have in-house structure to implement the policy/policies?	Y	N	Y	Y	Y	Y	N	Y	N
8.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	N	Y	Y	Y	Y	N	Y	N
The whistle-blower mechanism provides employees to report any concerns and grievances pertaining to any potential or actual violation of the Company's Code of Conduct, which covers majority of the aspects of the Business Responsibility Report.  Each of the policies formulated by the Company has an in-built grievance redressal mechanism.										
9.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	N	Y	Y	Y	Y	N	Y	N
The implementation of the Company's Code of Conduct and other policies are reviewed through internal audit function.										



2 (b) If answer to No. 1, against any principle is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	Business Ethics	Product Responsibility	Well-being of employees	Stakeholders	Human Rights	Environment	Public Policy	CSR	Customer relations
1	The Company has not understood the Principles	-		-	-	-	-		-	
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principle	-		-	-	-	-		-	
3	The Company does not have financial or manpower resources available for the task	-	Note	-	-	-	-	Note	-	Note
4	It is planned to be done within next 6 months	-		-	-	-	-		-	
5	It is planned to be done within the next 1 year	-		-	-	-	-		-	
6	Any other reason (please specify)	-		-	-	-	-		-	

**Note-** The aspects outlined for Principle 2, Principle 7 and Principle 9 are not relevant to the Company given the nature of business and industry in which it operates. Being in the Service Industry and undertaking Travel and Travel related services, the impact of the Company's operations on the environment is negligible. The Company does make necessary suggestions as and when required for envisaging and supporting environmental causes and social welfare. Further, the Company always strives to have a cordial relationship with its customers and other stakeholders.

(d) Governance related to Business Responsibility (BR):

Information with reference to BR framework:

Sr. No.	Particulars	Company Information
1	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO meet to assess the BR performance of the Company	Half Yearly
2	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	Yes, the Company publishes its Business Responsibility Report annually. The Company's Business Responsibility Report for the financial year 2018-19 is available on <a href="https://www.thomascook.in/annual-report">https://www.thomascook.in/annual-report</a> .

**Section E: Principle-wise Performance**

**Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability**

Information with reference to BR framework:

Sr. No.	Questions	Information
1.1	Name of the policy/policies governing the principle	Values that Work...at Work Policy.
1.2	Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/ Joint Ventures / Suppliers / Contractors / NGOs / Others?	Thomas Cook (India) Limited Business Ethics and Integrity policies which form part of Values that Work...at Work Policy apply to all employees of the Company including those of its subsidiaries in India and Abroad. It also extends to the consultants, agents, distributors, independent contractors and such other stake holders associated with the Company.
1.3	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	In relation to the policies governing the principal of ethics, transparency and accountability, there was 1 complaint received from stake holder(s) during the financial year 2018-19, which was satisfactorily resolved as on March 31, 2019.

## Principle 2: Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

Information with reference to BR framework:

Sr. No.	Questions	Information
2.1	Name of the policy/policies governing the principle	The Company, given its nature of business and industry in which it operates, does not have a specific policy governing the principle.
2.2	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities.	<p>Following are the three products/services provided by the Company that results in social good :</p> <ol style="list-style-type: none"> <li> <b>Holiday Savings Account</b> <p>The Company had launched this path-breaking product in 2015 which allowed customers to break the cost of the holiday into 12 instalments and save for it every month via Recurring Deposit Account with a bank that the Company is associated with. The product was very well received. The Company on receiving an encouraging response had also launched another variation of Holiday Savings Account in November 2016 where a customer can open a Recurring Deposit Account and save for a holiday. This feature allows the customer to select from a bigger bouquet of packages. In the Financial year 2018-19, the Company had added 1,384 Recurring Deposits, with over 2,906 customers who have booked a holiday to travel next year. This product has helped customers from every segment of the society to get benefits of the various holiday packages offered by the Company by saving a small portion of their earnings on a regular basis.</p> <p>The Company is now associated with 7 banking partners for the said purpose which includes Indus Ind Bank, ICICI Bank, State Bank of India, Kotak Mahindra Bank, Andhra Bank, Bank of Baroda and IDFC First Bank being the latest addition.</p> </li> <li> <b>Centre of Learning</b> <p>The primary objective of Centre of Learning is to proactively facilitate talent management and to grow, harness and nurture the skill sets required for the Tourism and Travel Industry. Centre of Learning serves as a guide and mentor to the travel industry via several forums, industry meets and associated education programmes like: Certificate Course in World Tour Management, Advance Diploma in Travel &amp; Tourism Management, International Air Transport Association – Foundation/ Consultant Course, Travel Professional Programme – A Post Graduate Diploma in Travel and Tourism Management. 400 students enrolled for various programmes &amp; 280 students were certified by Centre of Learning for various programmes during Financial Year 2018-19</p> </li> <li> <b>Travel Quest Quiz platform</b> <p>Travel Quest, one of the fastest growing business of the Company, caters to study tours across a range of educational institutions – from schools and colleges, to management and technical institutes. The Travel Quest itineraries are co-curated by the Company's experts together with faculty and customised basis the specific requirements of the institution. Innovative itineraries curated by the Travel Quest Team incorporate unique experiential/ hands-on learning opportunities, coupled with fun elements. A dedicated team has been introduced to service all round operations. Travel is indeed the best teacher and such study tours offer students a two pronged benefit: a practical facet to their theoretical knowledge along with valuable global exposure. School students enjoy a fun way of learning with inclusions like behind-the-scene tours at theme parks, chocolate/cheese making lessons, interactions with rocket-scientists at a space centre in USA/Europe, etc. Over Financial Year 2018-19, in addition to schools of K-12, the Travel Quest business has forayed into institutes that focus on specialisation in Architecture, Management, Food &amp; Beverage, Engineering, Automobiles and Languages.</p> </li> </ol>

Sr. No.	Questions	Information
		Travel Quest has signed agreements with the Euro Space Centre, Singapore Science Centre that offer direct access and contracting. Key customers of the Travel Quest business for the year ended March 31, 2019 have been Campion School, Hiranandani School, Delhi Public School(s), Sri Chaitanya School, Johnson Grammar School, Bishop Cotton School, Modern High School, D.Y. Patil Institute of Management, Xavier's College, Indian Institute of Technology, National Institute of Industrial Engineering, Rajkumar College & St. Joseph College of Commerce. This year, the Travel Quest business has also made an entry into the NRI - Study Tours market having signed up with Stenden University Qatar & The Indian High School Dubai for International tours. Having successfully expanded its reach to Tier II cities as well, the Travel Quest business has successfully undertaken group bookings from Vijaywada, Rajkot, Shimla, Madurai, Mangalore and Guntur. Additionally, the Travel Quest business has achieved its highest bookings yet for USA in the last two years with over 400 students confirmed to travel.
2.3	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional): (a) Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain? (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?	For providing the above mentioned products/services namely Holiday Savings Account, Centre of Learning and Travel Quest Quiz Platform the Company does not directly use any resources i.e. energy, water, raw material etc. Hence this is not applicable to the Company.
2.4	Does the Company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	Given the nature of Industry, impact of the Company's operations on the environment is negligible. In the process of selecting business plans/ services required, vendors are first evaluated through a set of prequalification criteria. Qualification criteria includes the responsibility of business towards the society and environment.
2.5	Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, then what steps have been taken to improve the capacity and capability of local and small vendors?	The Company through its subsidiaries, associates and branches has global presence. The management believes in inclusive growth and encourages procuring goods and services from local vendors. Further, being in the business of Travel and Tourism, the Company relies on the local suppliers/ vendors and business partners across India for its inbound domestic business. Service selection is driven by open, transparent and non-discriminatory procurement principle. Further, the Company procures its IT requirements through local vendors.
2.6	Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5%-10%, >10%) ? Also, provide details thereof, in about 50 words or so.	The Company operates in Travel and Tourism industry and hence the products and services provided by the Company do not generate any waste which requires recycling. The Company however ensures that the waste generated across its offices around the globe are disposed off as per the required and applicable waste disposal norms.

### Principle 3: Business should promote the wellbeing of all employees.

Information with reference to BR framework:

Sr. No.	Questions	Information
3.1	Name of the policy/policies governing the principle	Values that Work...at Work Policy and Policy for Respect At Work
3.2	Please indicate the Total number of employees of the Company	2,518
3.3	Please indicate the Total number of employees hired on temporary / contractual / casual basis.	253
3.4	Please indicate the Number of permanent women employees.	681
3.5	Please indicate the Number of permanent employees with disabilities.	4

Sr. No.	Questions	Information
3.6	Do you have an employee association that is recognised by management?	Yes, the Company has two Unions.
3.7	What percentage of your permanent employees are members of this recognised employee association?	0.64%
3.8	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	During the financial year under review, the Company has received 3 complaints under the Prevention of Sexual Harassment Policy which forms part of Policy for Respect At Work and in relation to child labour, forced labour, involuntary labour and/or discriminatory employment there were no complaints. All complaints received have been closed as per the appropriate policy guidelines.
3.9	What percentage of your under mentioned employees were given safety & skill upgradation training in the last year? (a) Permanent Employees (b) Permanent Women Employees (c) Causal/ Temporary/ Contractual Employees (d) Employees with Disabilities	The Company organises several training programmes for all its employees through various functional modules from time to time.

**Principle 4: Business should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.**

Information with reference to BR framework:

Sr. No.	Questions	Information
4.1	Name of the policy/policies governing the principle	Corporate Social Responsibility ("CSR") Policy
4.2	Has the Company mapped its internal and external stakeholders? Yes/No	Yes. The Company has mapped its internal and external stakeholders in a structured way and carries out engagements with investors, employees, customers, suppliers, the government, regulatory authorities, trade unions and local community. The Company follows a system of timely feedback and response through formal and informal channels of communication to ensure that the stakeholders information remains current and updated.
4.3	Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders?	Yes, the Company has identified disadvantaged, vulnerable & marginalised stakeholders by assessing their financial capabilities and standard of living conditions.  Based on this identification, the Company has mapped its target beneficiary groups for its CSR initiatives. These include the rural and less privileged people who cannot afford dialysis at hospitals.
4.4	Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.	The Company has set high ethical standards for all its dealings and believes in inspiring trust and confidence. With a strong belief that the Company exists not only for doing good business, but equally for the betterment of society, the Company has implemented its CSR policy/charter to focus on the following areas:  <ol style="list-style-type: none"> <li>1. Education and Employability through its vocational education arm viz., Thomas Cook Centre of Learning (COL);</li> <li>2. Health and Sanitation;</li> <li>3. Rural / Tribal Area Development;</li> <li>4. Contribution to Emergency Relief Funds.</li> </ol> <p>During the financial year the Company undertook the following activities:</p> <ol style="list-style-type: none"> <li>1. Project Dialysis – the Company's flagship CSR initiative, funded and installed 96 dialysis machines during the year and cumulatively 131 dialysis machines at 58 dialysis centres located in remote areas of Assam, Arunachal Pradesh, Meghalaya, Nagaland, Odisha, Jammu &amp; Kashmir, Himachal Pradesh, Uttar Pradesh, Uttarakhand, Chhattishgarh, Andhra Pradesh and Tamil Nadu where there were no or limited dialysis infrastructure offering free /affordable dialysis access.</li> <li>2. The Company maintained the pre-installed prefabricated toilet units at Kandhal Road, Ooty (in line with Swachh Bharat Abhiyan).</li> </ol>



### Principle 5: Business should respect and promote human rights.

Information with reference to BR framework:

Sr. No.	Questions	Information
5.1	Name of the policy/policies governing the principle	Values that Work...at Work Policy
5.2	Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures / Suppliers / Contractors / NGOs / Others?	<p>The Company makes efforts to ensure that employees and other stakeholders are always treated with humanity, dignity and respect. Thomas Cook (India) Limited has a global presence and it is the philosophy of the Company that the organisation gets stronger through diversity of the employees.</p> <p>Thomas Cook's Code of Conduct covers the guidelines on human rights and forbids discrimination or harassment based on an individual's race, colour, religion, gender, age, national origin etc. It is applicable all across the Group Companies. Employees and stakeholders have been provided many avenues to speak up fearlessly and to report any violations of the Code, or to share their concerns confidentially through various modes as per the Code.</p>
5.3	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	No complaint was received in relation to violation of human rights during the Financial Year 2018-19.

### Principle 6: Business should respect, protect and make efforts to restore the environment.

Information with reference to BR framework:

Sr. No.	Questions	Information
6.1	Name of the policy/policies governing the principle	Values that Work...at Work Policy and Corporate Social Responsibility Policy
6.2	Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs/others.	The Company's Values that Work...at Work Policy extends to all the employees of the organisation including the subsidiaries.
6.3	Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.	<p>The Company is committed to conduct its business in a sustainable manner. However, being into Travel &amp; Tourism industry, the Company through its operation has minimal impact on the environment.</p> <p>With a view to positively contribute to the environment the Company supports the Go Green initiative of the Ministry of Corporate Affairs', whereby the Company makes provision for electronic communication of the Annual Reports and other documents to the shareholders. The Company also maintains most of the records in digital mode/ electronic mode with the motive of saving paper.</p> <p>The Company has started using LED light fixtures for all new branches. Also, in all cases where there was a need of replacement, LED Lightings were used.</p> <p>The Company also uses VRV / VRF AC units which runs on R410 Refrigerant (environmental friendly) at its Registered Office, Corporate Office and new regional offices setup during the financial year.</p> <p>IT Asset disposal of the Company is done as per e-Waste guideline by CPCB authorised vendor.</p>

Sr. No.	Questions	Information
6.4	Does the Company identify and assess potential environmental risks? Y/N	The Company being into Travel & Travel Related services and Financial services, it doesn't directly impact the environment in any way.
6.5	Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	Still, IT Asset disposal of the Company is done as per e-Waste guideline by CPCB authorised vendor.
6.6	Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc ? Y/N. If yes, please give hyperlink for web page etc.	
6.7	Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?	
6.8	Number of show cause/ legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on the end of Financial Year.	

#### Principle 7: Business when engaged in influencing public and regulatory policy, should do so in a responsible manner.

Information with reference to BR framework:

Sr. No.	Questions	Information
7.1	Name of the policy/policies governing the principle	The Company given its nature of business and industry in which it operates does not have a specific policy governing the principle.
7.2	Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with.	Yes. The Company is a member of certain key Indian and Global Industry Associations. Some of these are mentioned below: <ul style="list-style-type: none"> <li>Bombay Chamber of Commerce</li> <li>International Air Transport Association</li> <li>Travel Agents Federation of India</li> <li>Outbound Tour Operators Association of India</li> </ul>
7.3	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	The Company understands the improvement and advancements of the industry in interest of public good. Our endeavour is to co-operate with all Government bodies and policy makers in this regard.

#### Principle 8: Business should support inclusive growth and equitable development.

Information with reference to BR framework:

Sr. No.	Questions	Information
8.1	Name of the policy/policies governing the principle	Corporate Social Responsibility Policy
8.2	Does the Company have specified programs/initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.	<p>Pursuant to the introduction of Corporate Social Responsibility (CSR) requirement as set out in Section 135 of the Companies Act, 2013 read with the rules and amendments thereat, the Company formulated a CSR policy covering different social needs such as Promoting Health Care including Preventive Health Care and Sanitation.</p> <p>The Company during the Financial Year 2018-19 has worked extensively for CSR initiatives in the field of Promoting Health Care including Preventive Health Care and Sanitation. The Company is working directly and through Fairfax India Charitable Foundation Trust established for undertaking the Project Dialysis and supporting Swachh Bharat Abhiyan.</p> <p>The detailed explanation of the CSR initiatives undertaken by the Company during the Financial Year 2018-19 can be seen in the Corporate Social Responsibility Report which is given as Annexure 2 to the Directors Report.</p>

Sr. No.	Questions	Information
8.3	Are the programs / projects undertaken through in-house team / own foundation/ external NGO / government structures / any other organisation?	Thomas Cook (India) Limited along with other group companies have set up Fairfax India Charitable Foundation Trust which undertakes projects under CSR initiative of the Company.
8.4	Have you done any impact assessment of your initiative?	<p>Yes, the Company on timely basis undertakes necessary assessment of the CSR projects and initiatives implemented.</p> <p>Following are some of the results of the impact assessment conducted by the Company for the financial year 2018-19:</p> <ol style="list-style-type: none"> <li><b>Project Dialysis</b> <p>Based on an extensive research undertaken, the Company identified most critical areas requiring dialysis centres. Accordingly, during the financial year the Company through Project Dialysis, has funded and installed 96 dialysis machines and cumulatively 131 dialysis machines at 58 dialysis centres located in remote areas of Assam, Nagaland, Meghalaya, Arunachal Pradesh, Odisha, Himachal Pradesh, Jammu &amp; Kashmir, Chhattisgarh, Andhra Pradesh, Uttar Pradesh, Uttarakhand and Tamil Nadu where there were no or limited dialysis infrastructure offering free /affordable dialysis access. The Company through the Project Dialysis has supported 30964 free/affordable dialysis sessions in these areas.</p> </li> <li><b>Swachh Bharat Abhiyan</b> <p>In line with the Government of India's Swachh Bharat Abhiyan, the Company has maintained the prefabricated toilet units installed at Kandhal Road, Ooty. The facility is helpful in promoting and maintaining hygiene at the tourist spot. Around 3,50,000 tourists per year get access to clean sanitation facility.</p> </li> </ol>
8.5	What is your Company's direct contribution to community development projects (Amount in Rs. and the details of the projects undertaken)?	During the financial year, the Company has spent Rs. 14,50,616/- on Corporate Social Responsibility related activities.
8.6	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	<p>Further the detailed explanation on the amount spent by the Company on Corporate Social Responsibility initiatives undertaken during the year is given in Annexure 2 of the Directors Report which forms part of the Annual Report of the Company.</p> <p>The steps taken by the Company to ensure that the various CSR initiatives implemented by the Company are successfully adopted by the Community are as follows:</p> <ol style="list-style-type: none"> <li><b>Health Care including Preventive Health Care</b> <p>The Company through Project Dialysis supports the worthy cause of creating a sustainable and free/affordable dialysis access at the remotest of areas of India having limited dialysis infrastructure supporting the marginalised communities.</p> <p>The dialysis machines installed at various hospitals/ centres have resulted in creating awareness of availability of dialysis treatment in rural areas and have helped people in getting treatment at affordable costs in their local areas, avoiding the need for extensive travelling.</p> <p>On a cumulative basis, the Company through Project Dialysis has supported 30,964 free/affordable dialysis sessions in the remote areas.</p> </li> <li><b>Hygiene and Sanitation</b> <p>The Company has emphasised on the importance of hygiene amongst the people and has also educated them on the health hazards associated with unhygienic surroundings. In line with the Government of India's Swachh Bharat Abhiyan, the Company has maintained the prefabricated toilet units installed at Kandhal Road, Ooty in order to promote and facilitate hygiene and sanitation amongst the community. The facility is helpful in maintaining cleanliness at the tourist spot.</p> </li> </ol>

## Principle 9: Business should engage with and provide value to their customers and consumers in a responsible manner.

Information with reference to BR framework:

Sr. No.	Questions	Information
9.1	Name of the policy/policies governing the principle	The Company given its nature of business and industry in which it operates does not have a specific policy governing the principle.
9.2	What percentage of customer complaints/ consumer cases are pending as on the end of financial year.	Out of the total customer complaints received during the period from April 1, 2018 to March 31, 2019, no complaints were pending as on March 31, 2019. Further, out of the total consumer cases, 74% of the cases are pending as on March 31, 2019.
9.3	Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. /Remarks (additional information)	The Company provides manuals and brochures in relation to the various packages and services offered by the Company. There are no legal mandatory requirements to imprint the product information for the Company's products.
9.4	Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	The Company being in Travel and Tourism Industry is mainly service oriented. In the ordinary course of tourism business, several customers and vendors may have service related issues which could result in them filing a suit or a consumer complaint alleging deficiency of services. The Company always strives to have a cordial relationship with its customers and other stakeholders and attempts to have an amicable settlement of the dispute or best possible solution of services issues.
9.5	Did your Company carry out any consumer survey/ consumer satisfaction trends?	Yes, the Company has carried out the below mentioned consumer surveys:  <b>Net Promoter Score (NPS) :</b>  Pre / On / Post-Tour Survey: The Company with an intention to measure its service level, sends a survey form to the clients two days prior / two days on / seven days post their travel with a set of questions which they have to respond and rate. Any feedback below 6 is highlighted to the Business & Service Quality Department for further action.

For and on Behalf of the Board

**Madhavan Menon**  
Chairman and Managing Director  
DIN: 00008542

**Mahesh Iyer**  
Executive Director and Chief Executive Officer  
DIN: 07560302

Place: Mumbai  
Dated: May 27, 2019

# Independent Auditors' Report

To the Members of Thomas Cook (India) Limited

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the standalone financial statements of Thomas Cook (India) Limited ("the Company"), which comprise the standalone balance sheet as at March 31, 2019, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No	Key Audit Matters	Auditors Response
1	<p><b>Revenue recognition:</b></p> <p>Revenue is measured based on transaction price, which is the consideration paid for services. As disclosed in note to the standalone financial statements, revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services.</p> <p>The Company has revenue from Foreign Exchange (Includes wholesale and retail purchase and sale of foreign currencies) and Travel and Related Services (Includes tour operations, travel management, visa services and travel insurance and related services). Revenue from Foreign Exchange, Travel and Related Services has inherent risk of fraud due to significant amount cash and cash equivalent and reliance on multiple front office IT systems and their integration to back office system, thus it has been considered as significant matter for our audit.</p>	<p>Our audit procedures included following:</p> <ul style="list-style-type: none"><li>• Assessing the appropriateness of the policies in respect of revenue recognition by comparing with applicable accounting standards</li><li>• Evaluating the design, testing the implementation and operating effectiveness of the Company's internal controls including general IT controls and key IT application controls over recognition of revenue</li><li>• Checking of completeness and accuracy of the data used by the management, testing the automated and manual controls in operation for foreign exchange, travel and travel related services;</li><li>• Performing cash count procedures including surprise cash count as an anti-fraud procedure;</li><li>• Selecting samples of revenue transactions and testing the sample for existence and accuracy</li><li>• Testing the accruals of revenue based on agreements, if any;</li><li>• Performing substantive analytical procedures over revenue from foreign exchange, travel and travel related services</li><li>• Assessing journals posted to revenue to identify unusual items not already covered by us;</li></ul>



# Independent Auditors' Report *(Continued)*

Sr. No	Key Audit Matters	Auditors Response
2	<p><b>Investment in Subsidiaries</b> The carrying amount of the investments in subsidiaries held at cost less impairment represents 41% of the Company's total assets.</p> <p><b>Recoverability of investments in subsidiaries undertaking</b> We do not consider the valuation of these investments to be at a high risk of significant misstatement, or to be subject to a significant level of judgment, except for the investment valuations based on projected cash flows which involve significant estimates and judgment, due to the inherent uncertainty involved in forecasting future cash flows and reviewing the valuation report based on market value approach. Further due to their materiality in the context of total assets of the Company, this is considered to be significant to our overall audit strategy and planning.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Comparing the carrying amount of investments with the relevant subsidiary balance sheet to identify whether their net assets, being an approximation of their minimum recoverable amount, were in excess of their carrying amount and assessing whether those subsidiaries have historically been profit-making;</li> <li>• For the investments where the carrying amount exceeded the net asset value, comparing the carrying amount of the investment with the expected value of the business based on a suitable multiple of the subsidiaries earnings or discounted cash flow analysis and also reviewing the valuation report of the assets based on market value approach;</li> <li>• Testing the assumptions and understanding the cash flows based on our knowledge of the Company and the markets in which the subsidiaries operate; and</li> <li>• Considering the adequacy of disclosures in the standalone financial statements relating to the valuation of investments in subsidiaries.</li> </ul>

## Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

# Independent Auditors' Report *(Continued)*

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- A. As required by Section 143(3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act;
  - e) on the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act;
  - f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. the Company has disclosed the impact of pending litigations as at March 31, 2019 on its financial position in its standalone financial statements - Refer Note 26 to the standalone financial statements;

# Independent Auditors' Report *(Continued)*

- ii. the Company did not have any long term-term contracts including derivative contracts for which there are any material foreseeable losses.
  - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and
  - iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made in these financial statements since they do not pertain to the financial year ended March 31, 2019.
- C. With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to its director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **BSR & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W - 100022

Mumbai  
May 27, 2019

**Bhavesh Dhupelia**

*Partner*

Membership No. 042070

# Annexure A to the Independent Auditors' report

on the standalone financial statements of Thomas Cook (India) Limited for the year ended March 31, 2019

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended March 31, 2019, we report the following:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) The Company has a programme of verification of plant, property and equipment to cover all the items, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its fixed assets. Pursuant to the program, certain plant, property and equipment were physically verified by the Management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The Company is in the business of rendering services and consequently does not hold any inventory. Accordingly, paragraph 3 (ii) of the Order is not applicable to the Company.
- (iii) The Company has granted unsecured loans to three companies covered in the register maintained under Section 189 of the Act. There are no firms/Limited Liability Partnership/other parties covered in the register maintained under Section 189 of the Act
  - (a) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.
  - (b) In respect of loan to a company, the schedule of repayment of principal and payment of interest has been stipulated, and the party is repaying the principal amounts, as stipulated and is also regular in payment of interest as applicable. In respect of loan to other two companies, which are repayable on demand, we are informed that the amount of interest and principal demanded by the Company has been paid during the year and thus, there has been no default on the part of the parties to whom the money has been lent.
  - (c) There are no amount overdue for more than ninety days at the balance sheet date.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans given, investments made and guarantees given. Further, there is no security given in respect of which provisions of section 185 and 186 of the Act are applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) As informed to us by the management, the Central Government has not prescribed the maintenance of cost records under section 148 of the Act for any of the goods sold and services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employee's State Insurance, Income tax, Goods and Services Tax and any other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Goods and Service Tax, and other material statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

Refer note 26 to the standalone financial statement.

- (b) According to the information and explanations given to us, there are no dues of Income tax or Sales tax or Service tax or duty of customs or duty of excise or Value added tax which have not been deposited by the Company on account of disputes, except for the following:

Nature of Statute	Nature of Dues	Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	492.56	AY 2007-08	ITAT
Income Tax Act, 1961	Income Tax	0.86	AY 2008-09	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	236.12	AY 2012-13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	14.17	AY 2014-15	Commissioner of Income Tax (Appeals)
Service Tax Rules, 1994	Service Tax	251.14	Financial Year 2003 to 2011	Various Levels from Assistant Commissioner to CESTAT

# Annexure A to the Independent Auditors' report *(Continued)*

on the standalone financial statements of Thomas Cook (India) Limited for the year ended March 31, 2019

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institution, bank or dues to debenture holders. The Company does not have any loans or borrowings from the government during the year.
- (ix) In our opinion and according to the information and explanations give to us, the Company has not raised any money by way of initial public offer (including debt instrument) and term loans. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, transactions with the related parties are in compliance with the provisions of Sections 177 and 188 of the Act where applicable and the details of such related party transactions have been disclosed in the Ind AS financial statements as required by the applicable Ind AS.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **BSR & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W - 100022

Mumbai

May 27, 2019

**Bhavesdh Dhupelia**

*Partner*

Membership No. 042070



# Annexure B to the Independent Auditors' report

on the standalone financial statements of Thomas Cook (India) Limited for the year ended March 31, 2019

## Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### Opinion

We have audited the internal financial controls with reference to financial statements of Thomas Cook (India) Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

### Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

### Meaning of Internal Financial controls with Reference to Standalone Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Mumbai  
May 27, 2019

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No: 101248W/W - 100022

**Bhavesh Dhupelia**  
Partner  
Membership No. 042070

# Balance Sheet

as at 31st March, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2019	As at March 31, 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	17,453.6	17,257.0
Capital work-in-progress	3	119.1	9.0
Goodwill	4	446.3	446.3
Other intangible Assets	4	570.4	777.6
Intangible assets under development		7.1	80.3
Financial assets			
- Non-current investments	5	1,18,017.5	1,15,288.3
- Loans	6(e)	3,909.0	3,058.6
- Other financial assets	6(f)	1,963.1	359.8
Non current tax assets	9	3,733.1	1,706.8
Deferred tax assets (net)	16	11,335.1	11,737.4
Other non-current assets	7	710.4	127.5
<b>Total non-current assets</b>		<b>1,58,264.7</b>	<b>1,50,848.6</b>
<b>Current assets</b>			
Financial assets			
- Investments	6(a)	-	7,509.2
- Trade receivables	6(b)	27,869.9	36,741.1
- Cash and cash equivalents	6(c)	36,855.8	53,075.8
- Bank balances other than cash and cash equivalents above	6(d)	27,657.9	15,787.1
- Loans	6(e)	8,625.7	12,280.3
- Other financial assets	6(f)	8,233.6	4,356.1
Other current assets	8	18,379.9	14,553.3
<b>Total current assets</b>		<b>1,27,622.8</b>	<b>1,44,302.9</b>
<b>TOTAL ASSETS</b>		<b>2,85,887.5</b>	<b>2,95,151.5</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	10(a)	3,707.3	3,702.1
Other equity	10(b)	1,68,043.8	1,65,342.4
<b>Total Equity</b>		<b>1,71,751.1</b>	<b>1,69,044.5</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
- Borrowings	11(a)	47.1	6,702.3
- Other financial liabilities	11(c)	67.7	98.0
Provisions	14	109.7	99.7
Employee benefit obligations	15	676.4	522.3
Other non-current liabilities	12	374.2	91.6
<b>Total non-current liabilities</b>		<b>1,275.1</b>	<b>7,513.9</b>
<b>Current liabilities</b>			
Financial liabilities			
- Borrowings	11(b)	790.2	1,311.0
- Trade payables			
i. Dues of micro enterprises and small enterprises	11(d)	35.8	-
ii. Dues of creditors other than micro enterprises and small enterprises	11(d)	79,103.7	74,785.0
- Other financial liabilities	11(c)	2,073.1	9,498.1
- Employee benefit obligations	15	1,307.4	1,124.0
Current tax liabilities	9	1,053.3	-
Other current liabilities	13	28,497.8	31,875.0
<b>Total current liabilities</b>		<b>1,12,861.3</b>	<b>1,18,593.1</b>
<b>Total liabilities</b>		<b>1,14,136.4</b>	<b>1,26,107.0</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,85,887.5</b>	<b>2,95,151.5</b>
Basis of preparation, measurement and significant accounting policies	2		
Contingent liabilities and commitments	26 - 27		

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

**Bhavesh Dhupelia**

Partner

Membership No.: 042070

**Madhavan Menon**

Chairman and Managing Director

DIN : 00008542

**Brijesh Modi**

Chief Financial Officer

Mumbai, May 27, 2019

Mumbai, May 27, 2019

For and on behalf of the Board of Directors

**Thomas Cook (India) Limited**

CIN: L63040MH1978PLC020717

**Mahesh Iyer**

Executive Director and Chief Executive Officer

DIN : 07560302

**Amit Parekh**

Company Secretary & Compliance Officer

Membership No.: ACS-13648

# Statement of Profit and Loss

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Income</b>			
Revenue from operations	17	2,25,281.0	1,90,322.5
Other income	18	5,798.5	3,974.0
<b>Total income</b>		<b>2,31,079.5</b>	<b>1,94,296.5</b>
<b>Expenses</b>			
Cost of services		1,74,346.9	1,43,979.5
Employee benefits expense	19	22,184.7	19,944.9
Finance cost	22	3,751.7	4,632.7
Advertisement expenses		5,128.1	4,427.9
Depreciation and amortisation expense	20	1,749.3	1,836.5
Other expenses	21	19,964.3	19,069.5
<b>Total expenses</b>		<b>2,27,125.0</b>	<b>1,93,891.0</b>
<b>Profit before exceptional item</b>		<b>3,954.5</b>	<b>405.5</b>
Add: Exceptional items:		-	53,436.0
<b>Profit before tax</b>		<b>3,954.5</b>	<b>53,841.5</b>
Less: Tax expense:			
Current tax	23	881.3	12,075.1
Deferred tax	23	426.3	(11,376.4)
<b>Total tax expenses</b>		<b>1,307.6</b>	<b>698.7</b>
<b>Profit for the year (A)</b>		<b>2,646.9</b>	<b>53,142.8</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurements of post-employment benefit obligations		(68.4)	(78.5)
Income tax relating to items that will not be reclassified to profit or loss		23.9	28.2
<i>Items that will be reclassified to profit or loss</i>		-	-
<b>Total other comprehensive income for the year, net of taxes (B)</b>		<b>(44.5)</b>	<b>(50.3)</b>
<b>Total comprehensive income for the year (A+B)</b>		<b>2,602.4</b>	<b>53,092.5</b>
<b>Earnings per equity share (face value of Rs. 1 each)</b>	34		
- Basic earnings per share		0.71	14.47
- Diluted earnings per share		0.71	14.43

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

**Bhavesh Dhupelia**

Partner

Membership No.: 042070

**Madhavan Menon**

Chairman and Managing Director

DIN : 00008542

**Brijesh Modi**

Chief Financial Officer

For and on behalf of the Board of Directors

Thomas Cook (India) Limited

CIN: L63040MH1978PLC020717

**Maresh Iyer**

Executive Director and Chief Executive Officer

DIN : 07560302

**Amit Parekh**

Company Secretary & Compliance Officer

Membership No.: ACS-13648

Mumbai, May 27, 2019

Mumbai, May 27, 2019

# Statement of Cash Flows

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>A) Cash flow from operating activities</b>		
Profit before income tax	3,954.5	53,841.5
Adjustments for		
Interest income	(1,968.5)	(872.1)
Income from mutual funds	(327.9)	(900.7)
Exceptional item - gain on sale of investment	-	(53,536.0)
Dividend income from investments	-	(117.4)
Expenses on employees stock options schemes (net)	521.6	612.2
Depreciation and amortisation	1,749.3	1,836.5
Loss/(Profit) on sale of fixed assets (net)	30.2	69.1
Finance costs	3,751.7	4,632.7
Provision for doubtful debts and advances (net off bad debts written off)	755.4	1,138.7
<b>Operating profit before working capital changes</b>	<b>8,466.3</b>	<b>6,704.5</b>
<b>Change in operating assets and liabilities</b>		
Increase/(Decrease) in trade payables	4,354.4	30,377.2
Increase/(Decrease) in provisions	10.0	22.2
Increase/(Decrease) in financial and other liabilities	(2,718.2)	5,461.4
(Increase)/ Decrease in trade receivables	8,057.1	(17,093.6)
(Increase)/Decrease in financial and other assets	(7,783.9)	(4,848.2)
(Increase)/Decrease in loans	2,024.1	137.2
<b>Cash generated from operations</b>	<b>12,409.8</b>	<b>20,760.7</b>
Income taxes paid (Net of refunds received)	(1,854.3)	(11,797.5)
<b>Net cash generated from/(used in) operating activities</b>	<b>10,555.5</b>	<b>8,963.2</b>
<b>B) Cash flow from investing activities:</b>		
Proceeds from sale of fixed assets	38.4	154.4
Purchase of fixed assets	(1,972.1)	(2,195.2)
Interest received	1,632.6	808.5
Dividend received on subsidiary company	-	30.8
Dividend received from mutual funds	-	86.6
Loan given to subsidiary company	(3,851.0)	(12,409.4)
Loan repayment by subsidiary company	4,631.2	1,075.0
Investment in subsidiary (refer notes 36, 37 & 38)	(1,999.5)	(1,300.9)
Proceeds from sale of investment in subsidiary	-	62,836.5
(Investment in)/Proceeds from sale of current investments (net)	(5,667.3)	(11,189.1)
<b>Net cash generated from/(used in) investing activities</b>	<b>(7,187.7)</b>	<b>37,897.2</b>

# Statement of Cash Flows *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>C) Cash flow from financing activities</b>		
Proceeds from issue of equity shares under employees stock options schemes including share application money	527.8	487.3
Repayment of 8.5% non-convertible redeemable preference shares ("NCRPS") of Rs. 10 each	-	(12,500.0)
Repayment of non convertible debentures	(13,334.0)	(3,333.0)
(Repayment)/Proceeds from finance lease liability (net)	19.4	(366.2)
Increase/(Decrease) in borrowings	0.1	-
Dividend paid during the year (including taxes)	(1,389.4)	(1,375.6)
Tax on dividend paid during the year	(285.6)	(280.1)
Interest paid	(4,605.3)	(5,346.9)
<b>Net cash generated from/(used in) financing activities</b>	<b>(19,067.0)</b>	<b>(22,714.5)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(15,699.2)</b>	<b>24,145.9</b>
Add: Cash and cash equivalents at the beginning of the financial year	51,764.8	27,618.9
<b>Cash and cash equivalents at the end of the year</b>	<b>36,065.6</b>	<b>51,764.8</b>
<b>Reconciliation of Cash Flow statements as per the cash flow statement</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>
<b>Cash Flow statement as per above comprises of the following</b>		
Cash and cash equivalents	36,855.8	53,075.8
Bank overdrafts	(790.2)	(1,311.0)
<b>Balances as per statement of cash flows</b>	<b>36,065.6</b>	<b>51,764.8</b>

## Notes:-

- The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind AS-7) on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.
- Additions to property, plant and equipment and other intangible assets include movement of capital work-in-progress, payables for fixed assets and capital advances during the year.
- The disclosures pursuant to para 44A to 44E of Ind AS 7 statement of cash flow have been given in note no. 11(a).

Particulars	Balance as on April 1, 2018	Cash inflow	Cash outflow	Non-Cash	Balance as on March 31, 2019
Preference Shares	-	-	-	-	-
Redeemable Non-Convertible Debentures	13,303.6	-	(13,334.0)	30.4	-
Finance Lease	39.5	-	19.4	-	58.9
Interest	884.1	3,751.7	(4,605.3)	(30.4)	0.2

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

**Bhavesh Dhupelia**

Partner

Membership No.: 042070

**Madhavan Menon**

Chairman and Managing Director

DIN : 00008542

**Brijesh Modi**

Chief Financial Officer

For and on behalf of the Board of Directors

**Thomas Cook (India) Limited**

CIN: L63040MH1978PLC020717

**Mahesh Iyer**

Executive Director and Chief Executive Officer

DIN : 07560302

**Amit Parekh**

Company Secretary & Compliance Officer

Membership No.: ACS-13648

Mumbai, May 27, 2019

Mumbai, May 27, 2019



# Statement of Changes in Equity

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (A) Share capital

Particulars	Equity share Amount
<b>Balance as at March 31, 2017</b>	<b>3,667.6</b>
Changes in share capital during the year	34.5
<b>Balance as at March 31, 2018</b>	<b>3,702.1</b>
Changes in share capital during the year	5.2
<b>Balance as at March 31, 2019</b>	<b>3,707.3</b>

## (B) Other equity

Particulars	Share application money pending allotment	Reserves and Surplus							Total other equity
		Capital Reserve	Capital Redemption Reserve (CRR)	Debenture Redemption Reserve (DRR)	Share option Outstanding Account	Securities Premium	General Reserve	Retained Earnings	
<b>Balance as at March 31, 2017</b>	<b>15.6</b>	<b>7.8</b>	<b>2,381.0</b>	<b>2,533.6</b>	<b>3,452.3</b>	<b>86,578.6</b>	<b>4,369.7</b>	<b>12,981.7</b>	<b>1,12,320.3</b>
Profit for the year	-	-	-	-	-	-	-	53,142.8	53,142.8
Other comprehensive income, net of tax	-	-	-	-	-	-	-	(50.3)	(50.3)
Share application money received pending allotment, net of issue of equity shares	30.9	-	-	-	-	-	-	-	30.9
Transfer from retained earnings	-	-	10,119.0	819.5	-	-	-	-	10,938.5
Transfer to CRR	-	-	-	-	-	-	-	(10,119.0)	(10,119.0)
Transfer to DRR	-	-	-	-	-	-	-	(819.4)	(819.4)
Employee stock option expense/push down	-	-	-	-	1,132.4	-	-	-	1,132.4
Transfer to securities premium account	-	-	-	-	(2,647.0)	2,647.0	-	-	-
Share issue expenses	-	-	-	-	-	-	-	-	-
Addition on account of ESOP issues	-	-	-	-	-	421.9	-	-	421.9
Transfer to general reserve	-	-	-	(833.3)	(135.7)	-	135.7	-	(833.3)
Transfer from DRR	-	-	-	-	-	-	833.3	-	833.3
Dividend for the previous period paid during the year	-	-	-	-	-	-	-	(1,375.6)	(1,375.6)
Corporate dividend tax for the previous year paid during the year	-	-	-	-	-	-	-	(280.1)	(280.1)
<b>Balance as at March 31, 2018</b>	<b>46.5</b>	<b>7.8</b>	<b>12,500.0</b>	<b>2,519.8</b>	<b>1,802.0</b>	<b>89,647.5</b>	<b>5,338.7</b>	<b>53,480.1</b>	<b>1,65,342.4</b>

Particulars	Share application money pending allotment	Reserves and Surplus							Total other equity
		Capital Reserve	Capital Redemption Reserve (CRR)	Debenture Redemption Reserve (DRR)	Share option Outstanding Account	Securities Premium	General Reserve	Retained Earnings	
<b>Balance as at March 31, 2018</b>	<b>46.5</b>	<b>7.8</b>	<b>12,500.0</b>	<b>2,519.8</b>	<b>1,802.0</b>	<b>89,647.5</b>	<b>5,338.7</b>	<b>53,480.1</b>	<b>1,65,342.4</b>
Profit for the year	-	-	-	-	-	-	-	2,646.9	2,646.9
Other comprehensive income, net of tax	-	-	-	-	-	-	-	(44.5)	(44.5)
Share application money received pending allotment, net of issue of equity shares	(30.4)	-	-	-	-	-	-	-	(30.4)
Transfer from retained earnings	-	-	-	813.6	-	-	-	-	813.6
Transfer to CRR	-	-	-	-	-	-	-	-	-

# Statement of Changes in Equity (Continued)

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Share application money pending allotment	Reserves and Surplus							Total other equity
		Capital Reserve	Capital Redemption Reserve (CRR)	Debenture Redemption Reserve (DRR)	Share option Outstanding Account	Securities Premium	General Reserve	Retained Earnings	
Transfer to DRR	-	-	-	-	-	-	-	(813.6)	(813.6)
Employee stock option expense/push down	-	-	-	-	1,251.3	-	-	-	1,251.3
Transfer to securities premium account	-	-	-	-	(530.4)	530.4	-	-	-
Share issue expenses	-	-	-	-	-	-	-	-	-
Addition on account of ESOP issues	-	-	-	-	-	553.0	-	-	553.0
Transfer to general reserve	-	-	-	(3,333.4)	(71.7)	-	71.7	-	(3,333.4)
Transfer from debenture redemption reserve	-	-	-	-	-	-	3,333.4	-	3,333.4
Dividend for the previous period paid during the year	-	-	-	-	-	-	-	(1,389.4)	(1,389.4)
Corporate dividend tax for the previous year paid during the year	-	-	-	-	-	-	-	(285.6)	(285.6)
<b>Balance as at March 31, 2019</b>	<b>16.1</b>	<b>7.8</b>	<b>12,500.0</b>	<b>-</b>	<b>2,451.2</b>	<b>90,731.0</b>	<b>8,743.8</b>	<b>53,593.9</b>	<b>1,68,043.8</b>

The accompanying notes are an integral part of the standalone financial statements.

## Nature and purpose of reserves

### Capital Redemption Reserve

The Company has issued Non convertible redeemable preference shares during FY15-16. In order to comply with the requirements of Section 69 of the Companies Act, 2013, the Company has transferred amounts to Capital Redemption Reserve.

### Debenture Redemption Reserve

The Company has issued Non Convertible Debentures. In order to comply with the requirements of Section 71 of the Companies Act, 2013, the Company has transferred amounts to Debenture Redemption Reserve.

### Share option outstanding amount

The share option outstanding account is used to recognised the grant date fair value of options issued to employees under the Company's Employee stock option plan. This includes options issued to the employees of the subsidiaries.

### Securities premium

Securities premium reserve is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Act.

### General reserves

General reserve is used to record transfer from debenture redemption reserve and also used for Share option Outstanding Account. The reserves is utilised in accordance with the provisions of the Act.

### Retained earnings

Retained earnings are the profits of the Company earned till date net of appropriations.

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

**Bhavesh Dhupelia**

Partner

Membership No.: 042070

**Madhavan Menon**

Chairman and Managing Director

DIN : 00008542

**Brijesh Modi**

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**Maresh Iyer**

Executive Director and Chief Executive Officer

DIN : 07560302

**Amit Parekh**

Company Secretary & Compliance Officer

Membership No.: ACS-13648

Mumbai, May 27, 2019

Mumbai, May 27, 2019

# Notes to the Standalone Financial Statements

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## General Information

Thomas Cook (India) Limited (the "Company") is a Public Limited Company listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Company is engaged in diversified businesses of travel and travel related businesses, working as travel agent and tour operator. The Company is also engaged as an authorised foreign exchange dealer.

The standalone financial statements for the year ended March 31, 2019 were approved by the board of directors and authorised for issue on May 27, 2019.

## 1 Significant Accounting Policies

### 1.1 Basis of preparation

#### (a) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 and other relevant provisions of the Act as amended from time to time that are notified and effective as at March 31, 2019.

#### (b) Historical cost convention

Standalone financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities - measured at fair value,
- defined benefit plans - defined benefit obligations less plan assets measured at fair value, and
- share based payment - measured at fair value

The standalone financial statements are presented in Indian Rupees "(INR)" or "(Rs.)" which is also the Company's functional currency and all values are rounded off to nearest lakhs ('00,000) except where otherwise indicated. Wherever the amount is represented as '0' ('zero') it construes a value less than fifty thousand.

### 1.2 Foreign currency translation and transactions

#### (a) Functional and presentation currency

A Company's functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash.

#### (b) Transactions and balances

##### (i) Initial recognition

On initial recognition, foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction.

##### (ii) Subsequent recognition

As at the reporting date, non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognised in profit or loss. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss in the statement of profit and loss.

All monetary items denominated in foreign currency are restated at Foreign Exchange Dealers Association of India (FEDAI) rates and the exchange variations arising out of settlement/conversion at the FEDAI rates are recognised in the statement of profit and loss.

Profit or loss on purchase and sale of foreign exchange by the Company in its capacity as Authorised Foreign Exchange Dealer are accounted as a part of the revenue.

### 1.3 Revenue recognition

Revenue is measured based on transaction price, which is the consideration paid for services. Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services. Revenue from rendering of services is net of Indirect taxes and discounts.

Effective April 1, 2018 the Company has applied Ind AS 115 which replaces Ind AS 18 revenue recognition. Refer Note 1.4 – Significant accounting policies – Revenue recognition in the Annual report of the Company for the year ended March 31, 2018, for the revenue recognition policy as per Ind AS 18.

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (a) Income from operations

The Company earns revenue from travel and related services, financial services and human resource services.

### (i) Financial services

It comprise of income arising from the buying and selling of foreign currencies on the net margins earned, commissions on sale of foreign currency denominated prepaid cards and agency commissions from Moneygram and Xpressmoney on currency remittances. Revenue from financial services are recognised by reference to the time of services rendered.

### (ii) Travel and related services

It comprises of leisure tours packages within India and outside India along with travel related services viz. travel insurance and visa services. Revenue on leisure tours / holiday's packages are recognized on the completion of the performance obligation which is on the date of departure of the tour.

It also includes income from the sale of airline tickets is recognized as an agent on the basis of net commission earned, at the time of issuance of tickets, as the Company does not assume any performance obligation post the confirmation of the issuance of an airline ticket to the customer. Performance linked bonuses from airlines are recognized as and when the performance obligations under the schemes are achieved.

### (iii) Human resource services

It comprises of training fees. These trainings are generally of short-term in nature. Revenue is recognized in the period in which services are being rendered.

## (b) Contract balances (effective from April 1, 2018)

### (i) Contract assets

A contract asset is the right to consideration in exchange for services rendered to the customer. If the Company performs by rendering services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

### (ii) Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company renders services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

## 1.4 Taxes on income

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Income tax for the period comprises of current tax and deferred tax. Income tax is recognised in the statement of profit and loss except to the extent that it relates to items recognised in 'Other comprehensive income or directly in equity, in which case the tax is recognised in 'Other comprehensive income' or directly in equity, respectively.

### (a) Current tax:

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the Balance Sheet date, and any adjustments to tax payable in respect of previous years. Interest income/ expenses and penalties, if any related to income tax are included in current tax expense.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. The Company offsets the current tax assets as against the liability for provision for tax.

### (b) Deferred tax:

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred taxes on items classified under Other Comprehensive Income ('OCI') has been recognised in OCI.

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

## 1.5 Leases

### (a) Determining whether an arrangement contains a lease:

At the inception of an arrangement, it is determined the arrangement is or contains a lease.

At inception or on reassessment of the arrangement that contains a lease, the payments and other considerations required by such an arrangement are separated into those for the lease and those for elements on basis of the relative fair values.

### (b) Operating Lease

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease payments under leases are charged or credited to the statement of profit and loss on a straight-line basis over the term of the lease unless the lease payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, in which case the same are recognised as an expense in line with the contractual term.

### Finance Lease

Lease arrangements of property, plant and equipments where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased asset and the present value of the minimum lease payments. If it is concluded for a finance lease that is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Each lease payment is apportioned between the finance charge and the reduction of the outstanding liability. The outstanding liability pertaining to non-current portion is included in other long-term borrowings and the current portion is included in other financial liabilities. The finance charge is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

## 1.6 Impairment of assets

### (a) Financial assets

A financial asset not carried at fair value is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not otherwise consider, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security. The entity considers evidence of impairment for receivables for each specific asset. All individually significant receivables are assessed for specific impairment.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in statement of profit and loss and are reflected as an allowance account against receivables. Interest on the impaired asset continues to be recognized as income through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through statement of profit and loss.

The company assess at each date of Balance sheet whether a financial assets or group of financial assets is impaired. In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure:

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.



# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Impairment losses on investment carried at fair value through other comprehensive income are recognized by transferring the cumulative loss that has been recognized in other comprehensive income and presented in the fair value reserve in equity, to statement of profit and loss.

The cumulative loss that is removed from other comprehensive income and recognized in profit or loss is the difference between the acquisition costs, net of any principal repayment and amortization, and the current fair value, less any impairment loss previously recognized in statement of profit and loss. Changes in impairment provisions attributable to time value are reflected as a component of interest income in the statement of profit and loss.

## **(b) Non-financial assets**

Goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Total impairment loss of a Cash Generating Unit (CGU) is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognized in the statement of profit and loss and is not reversed in the subsequent period.

## **1.7 Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, cheques/drafts on hand, remittances in transit, balances with bank held in current account, demand deposits with original maturities of three months or less, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are repayable on demand and form an integral part of an entity's cash management, and are included as a component of cash and cash equivalents. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

## **1.8 Financial instruments**

### **(a) Financial assets**

#### **(i) Initial recognition and measurement**

Financial assets are recognised when the entity becomes a party to the contractual provisions of the instruments. Transaction costs are expensed in the statement of profit and loss, except for financial instruments carried at amortized cost, where transaction costs are adjusted in the amortized cost of the asset.

#### **(ii) Subsequent measurement**

Financial assets, other than equity instruments, are subsequently measured at amortised cost, Fair Value Through Other Comprehensive Income ('FVOCI') or Fair Value Through Profit or Loss ('FVTPL') on the basis of:

- (i) the entity's business model for managing the financial assets and
- (ii) the contractual cash flow characteristics of the financial asset.

**(a) Measured at amortized cost:** Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model with the objective of holding the assets to collect contractual cash flows, are subsequently measured at amortized cost using the Effective Interest Rate ('EIR') method, less impairment, if any. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in interest income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. On derecognition, gain or loss, if any, is recognised in the statement of profit and loss.

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

- (b) **Measured at fair value through other comprehensive income** : Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, is measured at fair value through other comprehensive income. It is subsequently measured at fair value with unrealised gains or losses recognised in the Other Comprehensive Income ('OCI'), except for interest income which is recognised as 'other income' in the Statement of Profit and Loss using the EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.
- (c) **Measured at fair value through profit or loss**: A financial asset not measured at either amortised cost or FVOCI, is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

All investments in equity instruments classified under financial assets are subsequently measured at fair value (except for investment in subsidiaries). Equity instruments which are held for trading are measured at FVTPL. For all other equity instruments, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised as 'other income' in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss when the company's right to receive payments is established.

(iii) **Investments in subsidiaries**

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The accounting policy on impairment of non-financial assets is disclosed in Note 1.6. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

(iv) **Derecognition**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset. On transfer of the financial asset, the Company evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a fair value basis that reflects the rights and obligations that the Company has retained.

(b) **Financial liabilities**

(i) **Initial recognition and measurement:**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value plus transaction costs for all financial liabilities not carried at FVTPL. Financial liabilities carried at FVTPL are initially recognised at fair value, and transaction costs are expensed in the statement of profit and loss.

(ii) **Subsequent measurement:**

Financial liabilities are subsequently measured at amortized cost using EIR method. Financial liabilities carried at FVTPL are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(iii) **Derecognition:**

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (c) Guarantee

Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of amount determined in accordance with Ind AS 37 and the amount initially recognized less cumulative amortization, where appropriate.

The fair value of financial guarantees is determined as the present value of the differences of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

## (d) Derivative financial instruments

The Company uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in statement of profit and loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

### 1.9 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

### 1.10 Property, plant and equipment

Property, plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit and loss during the period in which they are incurred. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. Losses arising from the retirement of, and gains or losses arising from disposal of assets which are carried at cost is recognised in the statement of profit and loss.

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is provided on a straight-line method over the estimated useful lives of the assets. The depreciation rates are prescribed in Schedule II to the Companies Act, 2013. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter or longer than that envisaged in the aforesaid Schedule, depreciation is provided at a higher or lower rate respectively, based on the management's estimate of the useful life/remaining life.

#### Depreciation methods, estimated useful lives and residual value:

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, as follows:

Assets Useful Life

Computers 3 years

Computer servers and networks 6 years

Furniture and fixtures 10 years

Office equipment 5 years

Office building 60 years

Vehicles under finance lease 4 years

Other vehicles 8 years

Plant and machinery 15 years

Leasehold improvements are amortised over the period of the lease or useful life of the asset, whichever is lower.

The property, plant and equipment acquired under finance leases is depreciated over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress".

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate. The residual values are not more than 5% of the original cost of the asset.

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss.

## 1.11 Intangible assets

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight-line basis over their estimated useful lives. The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the statement of profit and loss.

### (i) Goodwill

Goodwill on business combination is included in intangible assets. Goodwill is not amortized but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or company's of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or company's of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

### (ii) Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs those are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

### (iii) Computer software

Amortisation methods and periods

Asset Useful Life

Software (including software - internally generated / developed) 4 years

Amortization is calculated using the straight-line method to allocate their cost over their estimated useful lives.

## 1.12 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in statement of profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortized over the period of the facility to which it relates. Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in statement of profit and loss as finance costs.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

statement of profit and loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

## 1.13 Provisions and contingent liabilities

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Provisions are not recognised for future operating losses. A provision is recognized if the likelihood of an outflow with respect to any one item included in the same class of obligations is more probable than not. Provisions are measured at the present value of management's best estimate of the expenditure require to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

## 1.14 Other income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognized when the right to receive dividend is established.

## 1.15 Employees share-based payments

Share-based compensation benefits are provided to employees via the following plans:

- a) Thomas Cook Employees Stock Option Plan -2007
- b) Thomas Cook Save As You Earn (SAYE) -2010
- c) Thomas Cook Employees Stock Option Plan -2013
- d) Sterling Holiday Resorts (India) Limited Employee Stock Options Scheme 2012 - ("SHRIL ESOS 2012")
- e) Thomas Cook Employees Stock Scheme 2018 - Management (ESOP 2018 – Management)
- f) Thomas Cook Employees Stock Scheme 2018 - Execom

The fair value of options granted under each plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.

In respect of options granted to the employees of the subsidiary companies, the amount equal to the expense for the grant date fair value of the award is recognized as a debit to investment in subsidiary as a capital contribution and a credit to equity.

Replacement awards are treated as a modification of share based payment arrangement, and the fair value of the new equity instruments (measured at the date of the modification) are included in the measurement of the amount recognised for services received and recognized over the remaining vesting period of the options.

## 1.16 Employee benefits

### (a) Post employment benefits:

#### (i) Defined contribution plans

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.



# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (ii) Defined benefit plans

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

Contribution to Gratuity is based on the premium contribution called for by the Life Insurance Corporation of India (LIC) with whom the Company has entered into an arrangement. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged or credited in the statement of profit and loss. Any differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the statement of profit and loss.

In respect of certain employees, the Company has Defined Benefit Plan for Other Long-term Employee Benefit in the form of Provident Fund. Provident Fund contributions are made to a Trust administered by the Company. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year.

## (b) Short-term employee benefit

As per the leave Policy of the Company, employees are entitled to avail 30 days of leave during a calendar year. Any carry forward or encashment of the same is not allowed and all unutilised leaves necessarily lapse at the end of the calendar year. At reporting date liability pertaining to compensated absences is calculate based on the total leave balances of each employee.

### 1.17 Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### 1.18 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

### 1.19 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

## 2 Critical Accounting Estimates and Judgements:

The preparation of Financial Statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

The areas involving critical estimates and judgements are:

Recognition of deferred tax assets for carried forward unabsorbed depreciation - note 16

Estimated goodwill impairment - note 4 (ii)

Estimation of Defined Benefit Obligation - note 15

Impairment of trade receivables - note 30

Estimation of inputs for fair value of Share based payment instrument - note 33

Fair value of financial instruments - note 29

Useful life of property, plant & equipment - note 3

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Recognition and measurement of provision and contingencies - note 26

Impairment of investment - note 5

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

## 2 (a) Current / Non-Current Classification

All assets and liabilities are classified into current and non-current:

### Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within 12 months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within 12 months after the reporting date; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

### Operating cycle:

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the above definition and the nature of services provided, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

## 2 (b) Recent accounting pronouncement

The MCA wide notification dated October 11, 2018 has amended Schedule III to the Companies Act, 2013 in respect of certain disclosures.

### IND AS 116 - Leases

The new standard on leases sets out the principles for the recognition, measurement, presentation and disclosure of the leases. The core objective of this standard is to ensure that lessees and lessors provide relevant information in a manner that faithfully represent those transactions.

The Company is required to adopt Ind AS 116, Leases from April 1, 2019. Ind AS 116 introduces a single, onbalancesheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, Leases.

The Company has completed an initial assessment of the potential impact on its standalone financial statements but has not yet completed its detailed assessment. The quantitative impact of adoption of Ind AS 116 on the standalone financial statements in the period of initial application is not reasonably estimable as at present.

- the total assets and liabilities on the balance sheet will increase with a decrease in net total assets, due to the depreciation of right of use assets being on a straightline basis whilst the lease liability reduces by the principal amount of repayments;
- Interest expense will increase due to the unwinding of the effective interest rate implicit in the lease liability. Interest expense will be greater earlier in a lease's life, due to the higher principal value, causing profit variability over the term of lease. This effect may be partially mitigated due to the number of leases held by the Company at various stages of their terms; and

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

- operating cash flows will be higher and financing cash flows will be lower, as repayment of the principal portion of all lease liabilities will be classified as financing activities.

The Company plans to apply Ind AS 116 initially on April 1, 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting Ind AS 116 will be recognised as an adjustment to the opening balance of retained earnings at April 1, 2019, with no restatement of comparative information.

The Company plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply Ind AS 116 to all contracts entered into before April 1, 2019 and identified as leases in accordance with Ind AS 17.

## **Amendments to other standards**

In addition to the above, the following amendments to existing standards have been issued, are not yet effective and are not expected to have a significant impact on the Company's standalone financial statements:

- Amendments to Ind AS 103, Business Combinations, and Ind AS 111, Joint Arrangements: This interpretation clarifies how an entity accounts for increasing its interest in a joint operation that meets the definition of a business.
- Amendments to Ind AS 109, Financial Instruments: amendments relating to the classification of particular pre payable financial assets.
- Amendments to Ind AS 12, Income Taxes, clarify that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognized consistently with the transactions that generated the distributable profits – i.e. in profit or loss, other comprehensive income or equity. Further Appendix C, uncertainty over income tax treatments has been added to clarify how entities should reflect uncertainties over income tax treatments, in particular when assessing the outcome a tax authority might reach with full knowledge and information if it were to make an examination.
- Amendment to Ind AS 19, Employee Benefits - The amendment to Ind AS 19 clarifies that on amendment, curtailment or settlement of a defined benefit plan, the current service cost and net interest for the remainder of the annual reporting period are calculated using updated actuarial assumptions – i.e. consistent with the calculation of a gain or loss on the plan amendment, curtailment or settlement. This amendment also clarifies that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognized in profit or loss. The entity then determines the effect of the asset ceiling after plan amendment, curtailment or settlement. Any change in that effect is recognized in other comprehensive income (except for amounts included in net interest).
- Amendments to Ind AS 23, Borrowing Costs, clarify that the general borrowings pool used to calculate eligible borrowing costs excludes only borrowings that specifically finance qualifying assets that are still under development or construction.

Impact on adoption of above changes in standards is not material.

# Notes to the Standalone Financial Statements (Continued)

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 3 Property, plant and equipment

Particulars	Freehold Building	Leasehold Improvements	Furniture and Fixtures	Computers	Office equipments	Vehicles	Plant and Machinery	Total	Capital work-in-progress
<b>Gross carrying amount</b>									
Opening as at April 1, 2017	12,929.7	794.9	2,624.5	1,248.5	856.2	521.0	30.7	19,005.5	102.1
Additions	-	1,122.8	305.1	393.2	97.6	127.6	-	2,046.3	9.0
Disposals/transfer	-	20.6	257.7	14.3	88.4	26.6	-	407.6	102.1
<b>Closing gross carrying amount</b>	<b>12,929.7</b>	<b>1,897.1</b>	<b>2,671.9</b>	<b>1,627.4</b>	<b>865.4</b>	<b>622.0</b>	<b>30.7</b>	<b>20,644.2</b>	<b>9.0</b>
<b>Accumulated depreciation</b>									
Opening as at April 1, 2017	297.1	170.8	655.9	649.9	347.6	179.1	5.1	2,305.5	-
Depreciation charge during the year	224.5	129.2	339.2	358.3	165.4	148.6	2.7	1,367.9	-
Disposals	-	16.1	156.5	14.2	87.5	11.9	-	286.2	-
<b>Closing accumulated depreciation</b>	<b>521.6</b>	<b>283.9</b>	<b>838.6</b>	<b>994.0</b>	<b>425.5</b>	<b>315.8</b>	<b>7.8</b>	<b>3,387.2</b>	<b>-</b>
<b>Net carrying amount as at March 31, 2018</b>	<b>12,408.1</b>	<b>1,613.2</b>	<b>1,833.3</b>	<b>633.4</b>	<b>439.9</b>	<b>306.2</b>	<b>22.9</b>	<b>17,257.0</b>	<b>9.0</b>
<b>Gross carrying amount</b>									
Opening as at April 1, 2018	12,929.7	1,897.1	2,671.9	1,627.4	865.4	622.0	30.7	20,644.2	9.0
Additions	-	206.0	808.5	471.4	128.6	33.6	-	1,648.1	119.1
Disposals/transfer	-	11.0	143.1	27.5	103.1	29.6	-	314.3	9.0
<b>Closing gross carrying amount</b>	<b>12,929.7</b>	<b>2,092.1</b>	<b>3,337.3</b>	<b>2,071.3</b>	<b>890.9</b>	<b>626.0</b>	<b>30.7</b>	<b>21,978.0</b>	<b>119.1</b>
<b>Accumulated depreciation</b>									
Opening as at April 1, 2018	521.6	283.9	838.6	994.0	425.5	315.8	7.8	3,387.2	-
Depreciation charge during the year	224.5	147.4	339.5	360.0	170.4	147.5	2.6	1,391.9	-
Disposals	-	2.7	101.1	27.3	102.0	21.6	-	254.7	-
<b>Closing accumulated depreciation</b>	<b>746.1</b>	<b>428.6</b>	<b>1,077.0</b>	<b>1,326.7</b>	<b>493.9</b>	<b>441.7</b>	<b>10.4</b>	<b>4,524.4</b>	<b>-</b>
<b>Net carrying amount as at March 31, 2019</b>	<b>12,183.6</b>	<b>1,663.5</b>	<b>2,260.3</b>	<b>744.6</b>	<b>397.0</b>	<b>184.3</b>	<b>20.3</b>	<b>17,453.6</b>	<b>119.1</b>

### (i) Leased assets

Computers and vehicles includes the following amounts where the company is a lessee under a finance lease:

Particulars	March 31, 2019		March 31, 2018	
	Computers*	Vehicles	Computers*	Vehicles
Cost/Deemed Cost	-	65.3	-	40.3
Accumulated depreciation	-	13.2	-	2.3
<b>Net carrying amount</b>	<b>-</b>	<b>52.1</b>	<b>-</b>	<b>38.0</b>

\* Fully depreciated as at April 1, 2015

### (ii) Contractual obligations

Refer Note 27 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

### (iii) Capital work-in-progress

Capital work-in-progress mainly comprises of computer hardware, furniture & fixtures and office equipment.

### (iv) Cost of office building includes:

- 60 (Previous year - 60) unquoted fully paid-up Shares of Rs. 0.03 (Previous year Rs. 0.03) in various Co-operative Societies.
- Share application money of Rs. 0.02 (Previous year Rs. 0.02) to various Co-operative Societies.
- Premises of Rs. 11,529.0 (Previous year Rs. 11,739.4) where the Co-operative Society is yet to be formed.

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 4 Intangible assets

Particulars	Computer software	Goodwill
<b>Year ended March 31, 2018</b>		
<b>Gross carrying amount</b>		
Opening as at April 1, 2017	1,562.3	446.3
Additions	578.3	-
Disposals	-	-
<b>Closing gross carrying amount</b>	<b>2,140.6</b>	<b>446.3</b>
<b>Accumulated amortisation</b>		
Opening as at April 1, 2017	894.4	-
Amortisation charge for the year	468.6	-
<b>Disposals</b>	<b>-</b>	<b>-</b>
<b>Closing accumulated amortisation</b>	<b>1,363.0</b>	<b>-</b>
<b>Net carrying amount as at March 31, 2018</b>	<b>777.6</b>	<b>446.3</b>
<b>Year ended March 31, 2019</b>		
<b>Gross carrying amount</b>		
Opening as at April 1, 2018	2,140.6	446.3
Additions	150.2	-
Disposals	-	-
<b>Closing gross carrying amount</b>	<b>2,290.8</b>	<b>446.3</b>
<b>Accumulated amortisation</b>		
Opening as at April 1, 2018	1,363.0	-
Amortisation charge for the year	357.4	-
<b>Disposals</b>	<b>-</b>	<b>-</b>
<b>Closing accumulated amortisation</b>	<b>1,720.4</b>	<b>-</b>
<b>Net carrying amount as at March 31, 2019</b>	<b>570.4</b>	<b>446.3</b>

### (i) Intangible assets includes:

Intangible assets (software) includes Internally generated/developed software - Gross Block Rs. 2,000.5 (previous year Rs. 2,000.5); Net Block Rs. 202.6 (previous year Rs. 313.9).

### (ii) Significant Estimate - Impairment tests of goodwill

The entire amount of goodwill pertains to Sterling business (cash generating unit) generated at the time of acquisition and is tested for impairment on an annual basis. Recoverable amount of the CGU is based on its property fair values less cost to sell which is higher than the carrying value of the cash generating unit.



# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 5 Non-current investments

Particulars	March 31, 2019	March 31, 2018
<b>Investment in equity instruments (fully paid-up) - Fair value through Profit and Loss A/c</b>		
<b>a) Quoted</b>		
10 (Previous year 10) fully paid-up Equity Shares of Rs. 10/- each of JIK Industries Limited	*	*
100 (Previous year 100) fully paid-up Equity Shares of Rs. 10/- each of Weizmann Limited	*	*
66 (Previous year 66) fully paid-up Equity Shares of Rs. 10/- each of Karma Energy Limited	*	*
66 (Previous year 66) fully paid-up Equity Shares of Rs. 10/- each of Weizmann Forex Limited	*	*
<b>Investment in Equity Instruments</b>		-
<b>b) Unquoted - In subsidiaries at cost</b>		
1,649,931 (Previous year 1,576,697) fully paid-up Equity Shares of Rs. 10/- each of Travel Corporation (India) Limited	20,153.5	18,484.3
1,655,500 (Previous year 1,655,500) fully paid-up Equity Shares of USD 1/- each of Thomas Cook (Mauritius) Holding Company Limited	732.5	732.5
29,050,000 (Previous year 29,050,000) fully paid-up Equity Shares of Rs. 10/- each of Sterling Holiday Resorts Limited (formerly known as 'Thomas Cook Insurance Services (India) Limited')	58,005.0	58,005.0
50,000 (Previous year 50,000) fully paid-up Equity Shares of Rs. 10/- each of Indian Horizon Marketing Services Limited (formerly known as 'Indian Horizon Travel and Tours Limited')	5.0	5.0
3,000,000 (Previous year 3,000,000) fully paid-up Equity Shares of Rs. 10/- each of TC Tours Limited (Formerly known as Thomas Cook Tours Limited)	300.0	300.0
10,767,978 (Previous year 10,767,978) fully paid-up Equity Shares of SLR 10/- each of Thomas Cook Lanka (Private) Limited	427.7	427.7
5,000 (Previous year 5,000) fully paid-up Equity Shares of Rs. 10/- each of Borderless Travel Services Limited	0.5	0.5
10,000 (Previous year 10,000) fully paid-up Equity Shares of Rs. 10/- each of SOTC Travel Management Private Limited (formerly known as SITA Travels and Tours Private Limited) (Refer Note 35)	1.0	1.0
11,845,133 (Previous year 11,845,133) fully paid-up Equity Shares of Rs. 10/- each of TC Forex Services Limited (formerly known as Tata Capital Forex Limited)	1,300.0	1,300.0
30,00,000 (Previous year Nil) fully paid-up Equity Shares of INR 10/- each of TC Travel and Services Limited	300.0	-
10,000 (Previous year 10,000) fully paid-up Equity Shares of Rs. 10/- each of SOTC Travel Limited (formerly known as SOTC Travel Private Limited)	1.0	1.0
	<b>81,226.2</b>	<b>79,257.0</b>
<b>c) Quoted - In associates at cost</b>		
71,323,496 (Previous year 71,323,496) fully paid-up Equity Shares of Rs. 10/- each of Quess Corp Limited	16,624.9	16,624.9
	<b>16,624.9</b>	<b>16,624.9</b>
<b>Investment in Preference Shares</b>		
<b>Unquoted - In subsidiaries at cost</b>		
263,709,264 (Previous year 263,709,264) fully paid-up Optionally Convertible Cumulative Redeemable Preference Shares of Rs. 10/- each of Travel Corporation (India) Limited	18,100.0	18,100.0
303,000 (Previous year Nil) fully paid-up Optionally Convertible Cumulative Redeemable Preference Shares of Rs. 10/- each of Sterling Holiday Resorts Limited (formerly known as 'Thomas Cook Insurance Services (India) Limited')	30.3	-
	<b>18,130.3</b>	<b>18,100.0</b>

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	March 31, 2019	March 31, 2018
<b>ESOP issued to subsidiaries employees</b>		
Travel Corporation (India) Limited	587.1	274.4
TC Visa Services Limited	9.9	9.9
Sterling Holiday Resort Limited	871.9	674.1
TC Tours Limited (formerly known as Thomas Cook Tours Limited)	26.0	12.2
SOTC Travel Limited	531.6	326.2
	<b>2,026.5</b>	<b>1,296.8</b>
<b>Others - Fair value through P &amp; L</b>		
676 (Previous year 676) fully paid-up Class C (Series I) Common Stock of USD 0.0001/- each of Visa inc.	9.6	9.6
<b>Total equity instruments</b>	<b>9.6</b>	<b>9.6</b>
<b>Total non-current investments</b>	<b>1,18,017.5</b>	<b>1,15,288.3</b>
Aggregate amount of quoted investments	16,624.9	16,624.9
Aggregate amount of unquoted investments	1,01,392.6	98,663.4
Market value of Quoted Investments	5,33,820.7	7,33,740.5

\* Amount is below the rounding off norm adopted by the Company.

## 6 Financial Assets

### (a) Current Investments

Particulars	March 31, 2019	March 31, 2018
<b>Investment in mutual funds fair valued through Profit and Loss account (Quoted)</b>		
- Invesco India Liquid Fund - Direct Plan - Daily Dividend		
Nil (Previous year: 313,919.676) Units of Rs. 1,000/- each	-	7,509.2
<b>Total mutual funds</b>	<b>-</b>	<b>7,509.2</b>
<b>Total current investments</b>	<b>-</b>	<b>7,509.2</b>
<b>Aggregate market value of quoted investments</b>	<b>-</b>	<b>7,509.2</b>
<b>Aggregate amount of impairment in the value of investments</b>	<b>-</b>	<b>-</b>

### (b) Trade receivables

Particulars	March 31, 2019	March 31, 2018
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	27,869.9	36,741.1
Trade receivables which have significant increase in credit risk	-	-
Trade receivables credit impaired	2,252.3	1,819.9
<b>Total</b>	<b>30,122.2</b>	<b>38,561.0</b>
Loss Allowance	(2,252.3)	(1,819.9)
<b>Total trade receivable</b>	<b>27,869.9</b>	<b>36,741.1</b>

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (c) Cash and cash equivalents

Particulars	March 31, 2019	March 31, 2018
Balances with banks :		
- In current accounts	25,796.3	7,869.6
- Fixed deposits with original maturity of less than three months*	7,000.0	40,712.8
Balance in EEFC accounts	31.7	346.6
Remittance in transit (including foreign currencies - notes and paid documents)	308.7	490.2
Cheques on hand	1,055.4	1,218.1
Cash on hand (including foreign currencies - notes and paid documents)	2,663.7	2,438.5
<b>Total Cash and cash equivalents</b>	<b>36,855.8</b>	<b>53,075.8</b>

\* Includes lien as per terms of contract with Moneygram, Western Union and with airport authority Rs. NIL (Previous year Rs. NIL)

## (d) Bank balances other than cash and cash equivalents

Particulars	March 31, 2019	March 31, 2018
Fixed deposits with maturity of less than 12 months*	27,619.0	15,751.9
Unclaimed dividend	38.9	35.2
<b>Total cash and cash equivalents</b>	<b>27,657.9</b>	<b>15,787.1</b>

\* Includes lien as per terms of contract with Moneygram, Western Union and on lien with airport authority Rs. 117.6 (Previous year Rs. 1,642.4)

## (e) Loans

Particulars	Non-current March 31, 2019	Current March 31, 2019	Non-current March 31, 2018	Current March 31, 2018
Loan to Subsidiary / Associates	2,340.0	8,214.2	2,100.0	9,234.4
Loans to employees	-	61.3	-	87.6
Less: Allowance for doubtful advances	-	-	-	-
Security deposits	1,569.0	350.2	958.6	2,958.3
<b>Total other financial assets</b>	<b>3,909.0</b>	<b>8,625.7</b>	<b>3,058.6</b>	<b>12,280.3</b>

### Breakup of security details

Particulars	March 31, 2019	March 31, 2018
Loans considered good - Secured		
Loans considered good - Unsecured	12,534.7	15,338.9
<b>Total</b>	<b>12,534.7</b>	<b>15,338.9</b>
Loss Allowance	-	-
<b>Total Loans</b>	<b>12,534.7</b>	<b>15,338.9</b>

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (f) Other financial Assets

Particulars	Non-current	Current	Non-current	Current
	March 31, 2019	March 31, 2019	March 31, 2018	March 31, 2018
Fixed deposits with maturity for more than 12 months*	1,895.4	-	261.8	-
Interest Receivable on financial assets	-	633.7	-	329.9
Receivable from subsidiaries	67.7	30.3	98.0	67.3
Accrued revenue	-	6,853.3	-	2,992.0
Advances to related parties	-	524.0	-	609.6
Derivative financial assets	-	-	-	198.4
Insurance claim receivable	-	96.6	-	95.3
Interest Receivable on Loan to related party	-	95.7	-	63.6
<b>Total other financial assets</b>	<b>1,963.1</b>	<b>8,233.6</b>	<b>359.8</b>	<b>4,356.1</b>

\*[On lien as per terms of contract with Moneygram, Western Union and on lien with airport authority Rs. 1,659.7 (Previous year Rs. 261.9)]

## 7 Other non-current assets

Particulars	March 31, 2019	March 31, 2018
Capital advances	129.7	51.5
Prepaid expenses	580.7	76.0
<b>Total</b>	<b>710.4</b>	<b>127.5</b>

## 8 Other current assets

Particulars	March 31, 2019	March 31, 2018
Advance to suppliers		
Advance to suppliers considered good - Unsecured	16,656.8	12,938.4
Less: Allowance for doubtful advances	-	-
Advance to employees		
Advance to employees considered good - Unsecured	54.9	231.9
Advance to employees which have significant increase in credit risk - Unsecured	36.3	95.0
Less: Allowance for doubtful advances	(36.3)	(95.0)
Prepaid expenses	611.6	399.3
Balances receivables from government authorities	1,056.6	983.7
<b>Total</b>	<b>18,379.9</b>	<b>14,553.3</b>

## 9 Income tax assets

Particulars	March 31, 2019	March 31, 2018
Opening balance	1,706.8	1,984.4
Less: Current tax payable for the year	(881.3)	(12,075.1)
Add: Taxes paid	1,854.3	11,797.5
<b>Closing balances (A)</b>	<b>2,679.8</b>	<b>1,706.8</b>
Disclosed as:		
Non current tax assets (as per balance sheet)	3,733.1	1,706.8
<b>Current tax liability (as per balance sheet)</b>	<b>1,053.3</b>	<b>-</b>

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 10 (a) Share capital and other equity

Particulars	Equity Share capital#	
	No of Shares (In lakhs)	Amount
<b>Authorised</b>		
As at March 31, 2018	13,350.0	13,350.0
Movement during the year	-	-
As at March 31, 2019	13,350.0	13,350.0
#1,335,000,000 (Previous year 1,335,000,000) Equity Shares of Rs. 1/- each		

### (i) Issued, subscribed and paid-up equity share capital

Particulars	Equity share capital	
	No. of Shares (In lakhs)	Amount
As at March 31, 2017	3,667.6	3,667.6
Add: Addition on account of stock options allotment	34.5	34.5
As at March 31, 2018	3,702.1	3,702.1
Add: Addition on account of stock options allotment	5.2	5.2
As at March 31, 2019	3,707.3	3,707.3

### (ii) Terms and rights attached to shares

The Company has one class of equity shares having a par value of Rs. 1/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution to preference shareholders of all preferential amounts, in proportion to their shareholding.

#### Shares reserved for issue under options

Information relating to Thomas Cook India Limited's Employee Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 33.

### (iii) Shares of the company held by the Subsidiaries of the ultimate holding company

Particulars	March 31, 2019		March 31, 2018	
	No of Shares (In lakhs)	Amount	No of Shares (In lakhs)	Amount
<b>Equity Shares</b>				
Fairbridge Capital (Mauritius) Limited	2,481.5	2,481.5	2,481.5	2,481.5

### (iv) Shareholding pattern (Shareholders holding 5% or more shares in the Company)

Category of Shareholder	March 31, 2019		March 31, 2018	
	No of Shares (In lakhs)	% of Holding	No of Shares (In lakhs)	% of Holding
<b>Equity Shares</b>				
Fairbridge Capital (Mauritius) Limited	2,481.5	66.9%	2,481.5	67.0%
ICICI Prudential Mutual Fund & Groups	-	-	242.0	6.5%
Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Tax Relief 96	281.4	7.6%	-	-



# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

(v) **Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date**

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
Equity shares issued as consideration for acquisition of Subsidiary in financial year 14-15	-	-	-

Particulars	31 March 2016	31 March 2015
Equity shares issued as consideration for acquisition of Subsidiary in financial year 14-15	-	4,86,57,929

**10 (b) Reserves and surplus**

Particulars	March 31, 2019	March 31, 2018
Capital reserve	7.8	7.8
Capital redemption reserve	12,500.0	12,500.0
Debenture redemption reserve	-	2,519.8
Share option outstanding amount	2,451.2	1,802.0
Securities premium account	90,730.9	89,647.5
General reserve	8,743.8	5,338.7
Retained earnings	53,593.9	53,480.1
<b>Total reserves and surplus</b>	<b>1,68,027.6</b>	<b>1,65,295.9</b>

**(i) Capital reserve**

Particulars	March 31, 2019	March 31, 2018
Opening balance	7.8	7.8
<b>Closing balance</b>	<b>7.8</b>	<b>7.8</b>

**(ii) Capital redemption reserve**

Particulars	March 31, 2019	March 31, 2018
Opening balance	12,500.0	2,381.0
Transfer from retained earnings	-	10,119.0
<b>Closing balance</b>	<b>12,500.0</b>	<b>12,500.0</b>

**(iii) Debenture redemption reserve**

Particulars	March 31, 2019	March 31, 2018
Opening balance	2,519.8	2,533.6
Transfer from retained earnings	813.6	819.5
Transfer to general reserve	(3,333.4)	(833.3)
<b>Closing balance</b>	<b>-</b>	<b>2,519.8</b>

**(iv) Share option outstanding account**

Particulars	March 31, 2019	March 31, 2018
Opening balance	1,802.0	3,452.3
Employee stock option expense/push down	1,251.3	1,132.4
Transfer to securities premium account	(530.4)	(2,647.0)
Transfer to general reserve	(71.7)	(135.7)
<b>Closing balance</b>	<b>2,451.2</b>	<b>1,802.0</b>

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (v) Securities premium account

Particulars	March 31, 2019	March 31, 2018
Opening balance	89,647.5	86,578.6
From share option outstanding account	530.4	2,647.0
Addition on account of ESOP issues	553.0	421.9
<b>Closing balance</b>	<b>90,730.9</b>	<b>89,647.5</b>

## (vi) General reserve

Particulars	March 31, 2019	March 31, 2018
Opening balance	5,338.7	4,369.7
Transfer from share option outstanding account	71.7	135.7
Transfer from debenture redemption account	3,333.4	833.3
<b>Closing balance</b>	<b>8,743.8</b>	<b>5,338.7</b>

## (vii) Retained earnings

Particulars	March 31, 2019	March 31, 2018
Opening balance	53,480.1	12,981.7
Profit for the year	2,646.9	53,142.8
Other comprehensive income, net of tax	(44.5)	(50.3)
Transfer to capital redemption reserve	-	(10,119.0)
Transfer to debenture redemption reserve	(813.6)	(819.4)
Dividend paid during the year	(1,389.4)	(1,375.6)
Corporate dividend tax paid during the year	(285.6)	(280.1)
<b>Closing balance</b>	<b>53,593.9</b>	<b>53,480.1</b>

## 11 Financial liabilities

### (a) Non-current borrowings

Particulars	Maturity Date	Nature of Security	Terms of Payment	Coupon/ Interest Rate	March 31, 2019	March 31, 2018
<b>Long-term maturities of finance lease obligations: (Secured)</b>						
Obligations under finance lease		Secured by hypothecation of assets underlying the leases	Monthly payment of Equated monthly instalments		58.9	39.5
<b>Debentures: (Unsecured)</b>						
NIL (Previous year - 1,000) 10.52% redeemable non-convertible debentures	April 15, 2018		Repayable in three equal installments on 15-Apr-16, 15-Apr-17 and 16-Apr-18	10.52%	-	3,671.3
NIL (Previous year - 1,000) 9.37% redeemable non-convertible debentures	August 31, 2020 Refer note 37		Repayment terms - Face value of Rs. 3,300.0 on 31-Aug-18, Rs. 3,300.0 on 30-Aug-19 and Rs. 3,400.0 on 31-Aug-20 Refer note 37	9.37%	-	10,546.8
<b>Total Non-Current Borrowings</b>					<b>58.9</b>	<b>14,257.6</b>

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Maturity Date	Nature of Security	Terms of Payment	Coupon/ Interest Rate	March 31, 2019	March 31, 2018
Less: Current maturities of long-term borrowings (included in note 11(C))					-	6,634.0
Less: Current maturities of finance lease obligations (included in note 11(C))					11.8	6.8
Less: Issue expenses (IND AS Adj)					-	30.4
Less: Interest accrued (included in note 11(C))					-	884.1
<b>Non-Current Borrowings (As per Balance Sheet)</b>					<b>47.1</b>	<b>6,702.3</b>

## (b) Current borrowings

Particulars	Maturity Date	Terms of Payment	Coupon/ Interest Rate	March 31, 2019	March 31, 2018
<b>Unsecured</b>					
Bank overdrafts			9.1%	790.4	1,311.0
<b>Total current borrowings</b>		Payable on demand		<b>790.4</b>	<b>1,311.0</b>
Less: Interest accrued (included in note 11(c))				0.2	0.0
<b>Current borrowings (as per balance sheet)</b>				<b>790.2</b>	<b>1,311.0</b>

## (c) Other financial liabilities

Particulars	March 31, 2019		March 31, 2018	
	Non-Current	Current	Non-Current	Current
Current maturities of Redeemable long term debentures (Refer 11(a))	-	-	-	6,634.0
Current maturities of finance lease obligations (Refer 11(a))	-	11.8	-	6.8
Deposits received from vendor	-	1,906.2	-	1,782.9
Unpaid Dividend @	-	38.9	-	35.2
Interest accrued	-	0.2	-	884.1
Liabilities against Fixed Assets	-	20.2	-	69.9
Guarantees given to bank and others on behalf of subsidiaries	67.7	30.3	98.0	67.3
Others	-	65.5	-	17.9
<b>Total Other Financial Liabilities</b>	<b>67.7</b>	<b>2,073.1</b>	<b>98.0</b>	<b>9,498.1</b>

@ Rs. NIL (Previous year Rs. 2.4) was transferred to Investor Education and Protection Fund under Section 125 of The Companies Act, 2013 / Section 205C of the Companies Act, 1956 during the year ended March 31, 2019.

## (d) Trade Payables

Particulars	March 31, 2019	March 31, 2018
- Dues of micro enterprises and small enterprises (Refer note %)	35.8	-
- Dues of creditors other than micro enterprises and small enterprises		
(i) Acceptances	-	-
(ii) Other @ # %	79,103.7	74,785.0
<b>Total Trade Payables</b>	<b>79,139.5</b>	<b>74,785.0</b>

@ Includes Book Overdrafts aggregating to Rs. 1,144.3 (Previous year Rs. 1,190.1)

# Includes Rs. 48,339.6 secured by bank guarantee of USD 17,100,000 (Rs. 11,825.5), Previous year Rs. 34,405.6 secured by bank guarantee of USD 17,100,000 (Rs. 11,144.9)

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

% Disclosure for Trade payable

Particulars	March 31, 2019	March 31, 2018
a) Principal and interest amount remaining unpaid	35.8	-
b) Interest paid by the company in terms of Section 16 of the micro, small and medium enterprises development act 2006 along with the amount of the payment made to the supplier beyond the appointed day	-	-
c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under Micro, Small and Medium Enterprises Act, 2006	-	-
d) Interest accrued and remaining unpaid	-	-
e) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-
<b>Total outstanding dues of micro enterprises and small enterprises (as per the intimation received from vendors)</b>	<b>35.8</b>	<b>-</b>
Acceptances	-	-
Trade Payable	79,103.7	74,785.0
<b>Total outstanding dues of creditors other than micro enterprises and small enterprises</b>	<b>79,103.7</b>	<b>74,785.0</b>

## 12 Other non-current liabilities

Particulars	March 31, 2019	March 31, 2018
Income received in advance	74.2	59.6
Rent equalisation reserve	300.0	32.0
<b>Total</b>	<b>374.2</b>	<b>91.6</b>

## 13 Other current liabilities

Particulars	March 31, 2019	March 31, 2018
Income received in advance	108.9	19.7
Advance received from customers	26,172.7	27,247.5
Statutory dues	2,208.8	4,584.8
Fractional entitlement on bonus share refund accounts	0.5	0.5
Rent equalisation reserve	6.9	22.5
<b>Total</b>	<b>28,497.8</b>	<b>31,875.0</b>

## 14 Provisions

Particulars	Non-Current	Current	Total	Non-Current	Current	Total
	March 31, 2019	March 31, 2019		March 31, 2018	March 31, 2018	
Other provisions						
Provision for litigation and disputes	109.7	-	109.7	99.7	-	99.7
<b>Total</b>	<b>109.7</b>	<b>-</b>	<b>109.7</b>	<b>99.7</b>	<b>-</b>	<b>99.7</b>

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (i) Movement in provisions

Particulars	Provision for Litigation and disputes
Closing balance as at March 31, 2018	99.7
Charged/(credited) to profit or loss	10.0
Closing balance as at March 31, 2019	109.7

## 15 Employee benefit obligations

Particulars	March 31, 2019			March 31, 2018		
	Non-Current	Current	Total	Non-Current	Current	Total
Compensated absences	-	231.2	231.2	-	211.7	211.7
Gratuity	676.4	-	676.4	522.3	-	522.3
Employee benefits payable	-	1,076.2	1,076.2	-	912.3	912.3
<b>Total</b>	<b>676.4</b>	<b>1,307.4</b>	<b>1,983.8</b>	522.3	1,124.0	1,646.3

### (i) Leave obligations - compensated absences

The leave obligations cover the Company's liability for earned leave.

The amount of the provision of Rs. 231.2 (March 31, 2018- Rs. 211.7) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations. The following amounts reflect leave that is expected to be taken or settled within the next 12 months.

Particulars	March 31, 2019	March 31, 2018
Current leave obligations expected to be settled within next 12 months	231.2	211.7

### (ii) Post employment obligations

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the company makes contributions to recognised funds in India. The company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

In respect of certain employees, the Company has defined benefit plan for other long-term employee benefit in the form of provident fund. Provident fund contributions are made to a Trust administered by the Company. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company.

### (iii) Defined contribution plans

The Company has recognised the following amounts in Statement of Profit and Loss for the year: (ii)

#### Post employment obligations

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the company makes contributions to recognised funds in India. The company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

In respect of certain employees, the Company has defined benefit plan for other long-term employee benefit in the form of provident fund. Provident fund contributions are made to a Trust administered by the Company. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company.



# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (iii) Defined contribution plans

The Company has recognised the following amounts in Statement of Profit and Loss for the year:

Particulars	March 31, 2019	March 31, 2018
Contribution to employees state insurance	37.4	50.7
Contribution to labour welfare fund	1.2	1.2
Superannuation contribution	58.2	59.5
Contribution to provident fund	408.4	374.7
<b>Total</b>	<b>505.2</b>	<b>486.1</b>

## Balance Sheet amounts - Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>March 31, 2017</b>	<b>1,605.2</b>	<b>(1,260.3)</b>	<b>344.9</b>
Current service cost	188.0	-	188.0
Past service cost	2.2	-	2.2
Interest expense/(income)	106.6	(89.1)	17.5
<b>Total amount recognised in profit and loss account</b>	<b>296.8</b>	<b>(89.1)</b>	<b>207.6</b>
<i>Remeasurements</i>			
Return on plan assets, excluding amount included in interest expense/(income)	-	2.8	2.8
(Gain)/loss from change in demographic assumptions	63.0	-	63.0
(Gain)/loss from change in financial assumptions	(16.6)	-	(16.6)
Experience (gains)/losses	29.4	-	29.4
<b>Total amount recognised in other comprehensive income</b>	<b>75.8</b>	<b>2.8</b>	<b>78.6</b>
Employer contributions	-	(108.9)	(108.9)
Benefit payments	(147.4)	147.4	-
<b>March 31, 2018</b>	<b>1,830.4</b>	<b>(1,308.1)</b>	<b>522.2</b>
Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>March 31, 2018</b>	<b>1,830.4</b>	<b>(1,308.1)</b>	<b>522.2</b>
Current service cost	200.6	-	200.6
Past service cost	-	-	-
Interest expense/(income)	117.1	(86.1)	31.0
<b>Total amount recognised in profit and loss</b>	<b>317.7</b>	<b>(86.1)</b>	<b>231.7</b>
<i>Remeasurements</i>			
Return on plan assets, excluding amount included in interest expense/(income)	-	2.3	2.3
(Gain)/loss from change in demographic assumptions	(0.2)	-	(0.2)
(Gain)/loss from change in financial assumptions	32.1	-	32.1
Experience (gains)/losses	34.2	-	34.2
<b>Total amount recognised in other comprehensive income</b>	<b>66.1</b>	<b>2.3</b>	<b>68.4</b>
Employer contributions	-	(145.9)	(145.9)
Benefit payments	(165.8)	165.8	-
<b>March 31, 2019</b>	<b>2,048.4</b>	<b>(1,372.1)</b>	<b>676.3</b>

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

The net liability disclosed above relates to funded and unfunded plans as follows:

Particulars	March 31, 2019	March 31, 2018
Present value of funded obligations	2,048.4	1,830.4
Fair value of plan assets	(1,372.1)	(1,308.1)
<b>Deficit of funded plan</b>	<b>676.3</b>	<b>522.2</b>
Unfunded plans	-	-
<b>Deficit of gratuity plan</b>	<b>676.3</b>	<b>522.2</b>

## Significant estimates: Actuarial assumptions and sensitivity for gratuity

The significant actuarial assumptions were as follows:

Particulars	March 31, 2019	March 31, 2018
Discount rate	7.00%	7.35%
Salary growth rate	6.00%	6.00%
Expected return on assets	7.00%	7.35%
Attrition rate	10% - 29%	10% - 29%
Mortality	Indian Assured Lives Mortality (2012-14)	

## Sensitivity analysis

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarises the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on defined benefit obligation					
	Change in assumptions		Increase in assumptions		Decrease in assumptions	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Discount rate	50 basis point	50 basis point	-2.22%	-2.19%	2.32%	2.29%
Salary growth rate	50 basis point	50 basis point	2.33%	2.30%	-2.25%	-2.22%

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

The major categories of plans assets for gratuity are as follows:

Particulars	March 31, 2019				March 31, 2018			
	Quoted	Unquoted	Total	In %	Quoted	Unquoted	Total	In %
Insurer (LIC) Managed Funds	-	1,372.1	1,372.1	100%	-	1,308.1	1,308.1	100%

## Risk exposure for gratuity

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below :

- Asset volatility - The plan liabilities are calculated using a discount rate set with reference to bond yields, if the plan assets underperform this yield, this will create a deficit. Further any decrease in the bond yields will increase the plan liabilities. The plan assets investments are in unquoted securities which are subject to interest rate risks and the fund manages the interest rate risks to an acceptable low level.
- Salary growth & demographic assumptions - The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lumpsum in nature the plan is not subject to any longevity risks.

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

- c) Majority of the plan assets consist of Insurer (LIC) managed funds which offers the best return over the long term with an acceptable level of risk. The plan asset mix is in compliance with the requirements of the respective local regulations

## Defined benefit liability and employer contributions for gratuity

The weighted average duration of the defined benefit obligation is 4.54 years (2017 - 4.48 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2019 - Post Employment Obligations	499.0	296.7	766.6	1,425.9	2,988.2
March 31, 2018- Post Employment Obligations	474.0	279.5	697.8	1,263.0	2,714.2

## Provident Fund:

The amounts recognised in the balance sheet and the movements in provident fund over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>March 31, 2017</b>	8,872.1	(8,872.1)	-
Current service cost	374.7	-	374.7
Interest expense/(income)	636.7	(636.7)	-
<b>Total amount recognised in profit and loss</b>	<b>1,011.5</b>	<b>(636.8)</b>	<b>374.7</b>
<i>Remeasurements</i>			
Experience (gains)/losses	152.4	(152.4)	-
<b>Total amount recognised in other comprehensive income</b>	<b>152.4</b>	<b>(152.4)</b>	<b>-</b>
Employees contributions	684.2	(684.2)	-
Employer contributions	-	(374.7)	(374.7)
Liabilities assumed/(settled)	41.6	(41.6)	-
Benefit payments	(682.4)	682.4	-
<b>March 31, 2018</b>	<b>10,079.4</b>	<b>(10,079.5)</b>	<b>-</b>
Current service cost	408.4	-	408.4
Interest expense/(income)	747.3	(747.3)	-
<b>Total amount recognised in profit and loss</b>	<b>1,155.7</b>	<b>(747.3)</b>	<b>408.4</b>
<i>Remeasurements</i>			
Experience (gains)/losses	140.1	(140.1)	-
<b>Total amount recognised in other comprehensive income</b>	<b>140.1</b>	<b>(140.1)</b>	<b>-</b>
Employees contributions	753.0	(753.0)	-
Employer contributions	-	(408.4)	(408.4)
Liabilities assumed/(settled)	(58.5)	58.5	-
Benefit payments	(641.1)	641.1	-
<b>March 31, 2019</b>	<b>11,428.5</b>	<b>(11,428.6)</b>	<b>-</b>

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	March 31, 2019	March 31, 2018
Present value of funded obligations	11,428.5	10,079.4
Fair value of plan assets	(11,428.6)	(10,079.5)
<b>Deficit of funded plan</b>	<b>(0.1)</b>	<b>(0.1)</b>
Unfunded plans	-	-
<b>Deficit of provident fund plan</b>	<b>(0.1)</b>	<b>(0.1)</b>

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## Significant estimates: Actuarial assumptions and sensitivity for provident fund

The significant actuarial assumptions were as follows:

Particulars	March 31, 2019	March 31, 2018
Discount rate	7.00%	7.35%
Future derived return on assets	8.41%	8.65%

## Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on defined benefit obligation					
	Change in assumptions		Increase in assumptions		Decrease in assumptions	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Difference between rate earned and guaranteed rate	100 basis point	100 basis point	1.38%	0.18%	-	-

Major categories of plans assets for provident fund are as follows:

Particulars	March 31, 2019				March 31, 2018			
	Quoted	Unquoted	Total	In %	Quoted	Unquoted	Total	In %
Equities and related investment	475.3	-	475.3	4.2%	352.8	-	352.8	3.5%
Government of India Securities	4,993.8	-	4,993.8	43.7%	4,254.0	-	4,254.0	42.2%
Other debt instruments	4,903.6	650.4	5,554.0	48.6%	4,382.9	730.4	5,113.3	50.7%
Others	-	405.3	405.3	3.5%	-	359.3	359.3	3.6%
Special deposits scheme	-	-	-	0.0%	-	-	-	0.0%
<b>Total</b>	<b>10,372.7</b>	<b>1,055.7</b>	<b>11,428.4</b>		<b>8,989.7</b>	<b>1,089.7</b>	<b>10,079.4</b>	

## Risk exposure for provident fund

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which is detailed below :

Asset volatility - The plan liabilities are calculated using a discount rate set with reference to bond yields, if the plan assets underperform this yield, this will create a deficit. Further any decrease in the bond yields will increase the plan liabilities.

A large portion of plan assets consist of government of India securities and other debt instruments which offers the best return over the long term with an acceptable level of risk. The plan asset mix is in compliance with the requirements of the respective local regulations

## 16 Deferred tax assets/(liabilities)

The balance comprises of temporary differences attributable to:

Particulars	March 31, 2019	March 31, 2018
<b>Deferred tax (liabilities)</b>		
On fiscal allowances on fixed assets	(1,204.6)	(1,129.1)
Other items		
On NCD issue expenses	-	(10.7)
<b>Less: Deferred tax assets</b>		
On provisions allowable for tax purpose when paid	685.4	443.0
On provision for doubtful debts and advances	826.2	670.2
MAT credit entitlement	10,920.8	11,522.4
On unabsorbed depreciation	-	222.6
Other items		
On rent escalation	107.3	19.0
<b>Net Deferred tax assets</b>	<b>11,335.1</b>	<b>11,737.4</b>

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## Movement in deferred tax assets/(liabilities)

Particulars	On Fiscal Allowances on Fixed Assets	On provisions allowable for tax purpose when paid	On Provision for Doubtful Debts and Advances	On unabsorbed depreciation	Other Items	MAT Credit Entitlement	Total
As at March 31, 2017	(1,050.4)	252.1	450.4	676.5	4.1	-	332.7
(Charged)/credited							
- to profit or loss	(78.8)	162.6	219.7	(453.8)	4.4	11,522.4	11,376.5
- to other comprehensive income	-	28.2	-	-	-	-	28.2
As at March 31, 2018	(1,129.2)	442.9	670.1	222.7	8.5	11,522.4	11,737.4
(Charged)/credited							
- to profit or loss	(75.4)	218.7	155.9	(222.7)	98.9	(601.6)	(426.2)
- to other comprehensive income	-	23.9	-	-	-	-	23.9
As at March 31, 2019	(1,204.6)	685.5	826.0	-	107.4	10,920.8	11,335.1

## Significant estimates -

The Company has recognised deferred tax assets on carried forward tax losses and MAT credit entitlement. The company estimates that the deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets. The unabsorbed depreciation can be carried forward for unlimited years and losses for a period of 8 years as per local tax regulations and the company expects to recover the losses.

## 17 Revenue from operations

Particulars	March 31, 2019	March 31, 2018
Sale of Services		
- Financial Services	23,361.4	23,265.5
- Travel and Related Services	1,98,136.4	1,62,091.6
- Human Resource Services	318.9	17.1
Other operating revenue		
- Financial Services	1,031.6	801.5
- Travel and Related Services	2,432.7	4,146.8
<b>Total</b>	<b>2,25,281.0</b>	<b>1,90,322.5</b>

Also refer note 42 for IND AS 115 disclosure

## 18 Other income and other gains/(losses)

### Other income

Particulars	March 31, 2019	March 31, 2018
Interest income		
- On bank deposits	1,127.3	549.5
- On loan to subsidiaries	841.3	322.6
Dividend income		
- From investment in subsidiaries	-	30.8
- From investment in mutual fund	-	86.6
Net fair value gains on mutual fund	327.9	900.7
Miscellaneous income	3,502.1	2,083.8
<b>Total</b>	<b>5,798.5</b>	<b>3,974.0</b>



# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 19 Employee benefit expense

Particulars	March 31, 2019	March 31, 2018
Salaries wages and bonus	17,582.1	16,031.7
Contribution to provident and other funds	817.7	753.1
Gratuity	231.7	207.7
Share based payment to employees	521.6	612.2
Staff welfare expenses	577.9	492.7
Staff training, recruitment and other costs	361.0	219.4
Incentives to staff	2,092.7	1,628.1
<b>Total</b>	<b>22,184.7</b>	<b>19,944.9</b>

## 20 Depreciation and amortisation expense

Particulars	March 31, 2019	March 31, 2018
Depreciation on property, plant and equipment	1,391.9	1,367.9
Amortisation on intangible assets	357.4	468.6
<b>Total</b>	<b>1,749.3</b>	<b>1,836.5</b>

## 21 Other expenses

Particulars	March 31, 2019	March 31, 2018
Rent	5,666.4	6,879.5
Electricity	571.7	567.6
Repairs to others	1,715.3	1,395.4
Insurance	233.1	113.9
Rates and taxes	218.7	195.9
Licence fees	248.3	182.0
Security services	591.1	467.1
Travelling expenses	1,562.6	1,324.2
Vehicle running and maintenance expenses	17.5	17.8
Directors sitting fees	138.1	52.0
Commission to directors	54.5	10.9
Net loss on sale of property, plant and equipment	30.2	69.1
Legal and professional charges (refer note 21 (a))	5,526.6	4,154.1
Printing and stationery	1,011.8	951.3
Freight currency shipment	335.7	337.5
Provisions for doubtful debts and advances	755.4	1,138.7
Expenditure towards CSR (refer note 21 (b))	14.5	46.1
Donations	10.6	0.1
Miscellaneous expenses	1,262.2	1,166.3
<b>Total</b>	<b>19,964.3</b>	<b>19,069.5</b>

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 21 (a) Details of payments to auditors

Particulars	March 31, 2019	March 31, 2018
<b>Payment to auditors</b>		
<b>As auditor:</b>		
- Statutory audit and limited review	76.0	64.0
- Reports under the provision of Income Tax Act, 1961	5.0	4.0
- Other services	18.3	2.3
<b>In other capacities</b>		
- Re-imbursement of expenses	1.9	6.4
<b>Total payments to auditors</b>	<b>101.2</b>	<b>76.7</b>

## 21 (b) Corporate social responsibility expenditure

Particulars	March 31, 2019	March 31, 2018
(a) Gross amount required to be spent by the Company during the year	5.8	39.7
(b) Amount spent and paid during the year on eradicating hunger, poverty and malnutrition, promoting health-care including preventive health-care and sanitation	14.5	46.1
(c) Out of above amount paid to related party	14.5	2.8

## 22 Finance costs

Particulars	March 31, 2019	March 31, 2018
Interest and finance charges on financial liabilities measured at amortised cost	661.1	2,351.5
Other finance charges	3,090.6	2,281.2
<b>Total</b>	<b>3,751.7</b>	<b>4,632.7</b>

## 23 Income tax expense

### (a) Income tax expense

Particulars	March 31, 2019	March 31, 2018
<b>Current tax</b>		
Current tax on profits for the year	881.3	12,075.1
Total current tax expense	881.3	12,075.1
<b>Deferred tax</b>		
(Increase)/Decrease in deferred tax assets	426.3	(11,376.4)
Total deferred tax (benefit)/expense	426.3	(11,376.4)
<b>Income tax expense</b>	<b>1,307.6</b>	<b>698.7</b>

### (b) The reconciliation of tax expense and the accounting profit multiplied by India's tax rate :

Particulars	March 31, 2019	March 31, 2018
(Loss)/Profit from continuing operations before income tax expense	3,954.5	53,841.5
<b>Tax at the Indian tax rate of 34.944% (FY 17-18 34.608%)</b>	<b>1,381.9</b>	<b>18,633.5</b>
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Corporate social responsibility expenditure	5.1	17.4
Dividend	-	(30.2)
Dividend distribution tax on non-convertible redeemable preference shares (NCRPS)	-	232.3
Interest on NCRPS (earlier commercial paper interest)	-	275.0
Lease deposit - expense	9.6	(4.3)

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	March 31, 2019	March 31, 2018
Reversal of Business loss	(170.1)	-
Capital gain exempt u/s 10(38)	-	(18,684.3)
Deferred tax on OCI	23.9	28.2
Effect on deferred tax balances due to change in income tax rate from 34.608% to 34.944% (effective April 1, 2018)	-	180.9
Other items	57.2	50.2
<b>Income tax expense</b>	<b>1,307.6</b>	<b>698.7</b>

## 24 Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the balance sheet). Total capital is calculated as 'equity' as shown in the balance sheet plus debt.

During the periods presented, the Company's strategy has been unchanged. The credit rating was unchanged and the gearing ratios as at the period ends were as follows:

Particulars	March 31, 2019	March 31, 2018
Debt	849.2	14,654.1
Total equity	1,71,751.1	1,69,044.5
<b>Debt to equity ratio</b>	<b>0.5%</b>	<b>8.7%</b>

### Loan covenants

Not applicable, since the company does not have covenants under the facilities availed.

## 25 Proposed dividends

Particulars	March 31, 2019	March 31, 2018
<u>Equity shares</u>		
Final dividend paid during the year Rs. 0.375 per fully paid share (March 31, 2018 of Rs. 0.375 per fully paid share)	1,389.4	1,375.6
<b>Dividends not recognised at the end of the reporting period</b>		
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of Rs. 0.375 per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	1,390.2	1,388.3

## 26 Contingent liabilities

Particulars	March 31, 2019	March 31, 2018
<b>Other money for which is contingently liable</b>		
Demand from Bombay Electric Supply and Transport for electricity charges	19.6	19.6
Disputed claims made by clients	274.7	295.6
Disputed income tax demands	467.9	467.9
Disputed service tax demands	251.1	255.6
Guarantees given to banks and others on behalf of subsidiaries	73,897.7	55,331.5
Disputed demand for increase in rent raised by Brihanmumbai Municipal Corporation	754.4	713.1

- (a) It is not practicable for the Company to estimate the timing of cash flows, if any, in respect of the above pending resolution of the respective proceedings.
- (b) The Company does not expect any reimbursement in respect of the above contingent liabilities.

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

- (c) The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of provident fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

Management has accounted for the liability for the period from date of the SC order to March 31, 2019. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, is not ascertainable and consequently no effect has been given in the accounts.

## 27 Commitments

### Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	March 31, 2019	March 31, 2018
Estimated value of contracts on capital account remaining to be executed	276.6	456.3

## 28 Leases

### (a) Non-cancellable operating leases

The company leases various offices, warehouses and retail stores under non-cancellable operating leases expiring within two to eight years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

Particulars	March 31, 2019	March 31, 2018
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within one year	59.1	14.3
Later than one year but not later than five years	49.1	-
<b>Total</b>	<b>108.2</b>	<b>14.3</b>

### Rental expense relating to operating leases

	March 31, 2019	March 31, 2018
Lease expenses	5,666.4	6,879.5
<b>Total rental expense relating to operating leases</b>	<b>5,666.4</b>	<b>6,879.5</b>

The above lease payments include lease arrangements entered into with airport authorities for operating foreign exchange counters at airports. Such arrangements include lease payments in the form of minimum guarantee fees and/or payments based on a percentage of revenue achieved through the counters, or both.

### (b) Financing leases:

	March 31, 2019	March 31, 2018
(i) Minimum Lease Payments payable		
Not later than one year	17.9	11.1
Later than one year but not later than five years	55.3	39.9
	<b>73.3</b>	<b>51.0</b>
(ii) Present Value of Minimum Lease Payments payable		
Not later than one year	11.8	6.8
Later than one year but not later than five years	47.1	32.8
	<b>58.9</b>	<b>39.6</b>
(iii) Reconciliation of Minimum Lease Payments and their Present Value		
Minimum Lease Payments Payable as per (i) above	73.3	51.0
Less: Finance Charges to be recognised in subsequent years	14.3	11.5
Present Value of Minimum Lease Payments payable as per (ii) above	<b>58.9</b>	<b>39.6</b>
(iv) Finance Charges recognised in the Statement of Profit and Loss	6.0	13.5

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 29 Fair value measurements

### Financial instruments by category

	March 31, 2019			March 31, 2018		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Equity instruments - Investment	9.6	-	-	9.6	-	-
Mutual funds	-	-	-	7,509.2	-	-
Security Deposits	-	-	1,919.2	-	-	3,916.9
Deposits with banks with more than 12 months maturity	-	-	1,895.4	-	-	261.8
Trade receivable	-	-	27,869.9	-	-	36,741.1
Cash and cash equivalents	-	-	36,855.8	-	-	53,075.8
Derivative financial assets	-	-	-	198.4	-	-
Others	-	-	46,574.7	-	-	31,464.7
<b>Total financial assets</b>	<b>9.6</b>	<b>-</b>	<b>1,15,115.0</b>	<b>7,717.3</b>	<b>-</b>	<b>1,25,460.4</b>
<b>Financial liabilities</b>						
Borrowings	-	-	849.1	-	-	14,654.1
Trade payable	-	-	79,139.5	-	-	74,785.0
Others	-	-	3,436.3	-	-	4,079.2
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>83,424.9</b>	<b>-</b>	<b>-</b>	<b>93,518.3</b>

Note: The above excludes investments in Subsidiary amounting to Rs. 1,18,007.9

### (i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2019	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Financial investments at FVTPL				
JIK Industries Limited	*	-	-	-
Weizmann Limited	*	-	-	-
Karma Energy Limited	*	-	-	-
Weizmann Forex Limited	*	-	-	-
Visa Inc.	-	9.6	-	9.6
<b>Total financial assets</b>	<b>-</b>	<b>9.6</b>	<b>-</b>	<b>9.6</b>



# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Financial assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31, 2019	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Security deposits	-	1,919.2	-	-
<b>Total financial assets</b>	-	<b>1,919.2</b>	-	-
Borrowings	-	849.2	-	-
<b>Total financial liabilities</b>	-	<b>849.2</b>	-	-

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2018	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Financial investments at FVTPL				
JIK Industries Limited	*	-	-	-
Weizmann Limited	*	-	-	-
Karma Energy Limited	*	-	-	-
Weizmann Forex Limited	*	-	-	-
Visa Inc.	-	9.6	-	9.6
Mutual Funds	7,509.2	-	-	7,509.2
Derivative financial assets	198.4	-	-	198.4
<b>Total financial assets and liabilities</b>	<b>7,707.6</b>	<b>9.6</b>	-	<b>7,717.2</b>

Financial assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31, 2018	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Security deposits	-	3,916.9	-	3,916.9
<b>Total financial assets</b>	-	<b>3,916.9</b>	-	<b>3,916.9</b>
Borrowings	-	14,654.1	-	14,654.1
<b>Total financial liabilities</b>	-	<b>14,654.1</b>	-	<b>14,654.1</b>

\* Amount is below the rounding off norm adopted by the Company.

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

## (ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.
- the foreign exchange forward contracts are marked to market using forward FEDAI rates pertaining to the date of maturity of the contract at the balance sheet date.
- Discount rates to fair value of financial assets and liabilities at amortised cost is based on general lending rate.

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (iii) Fair value of financial assets and liabilities measured at amortised cost

	March 31, 2019		March 31, 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Security deposits	1,919.2	665.6	3,916.9	475.0
<b>Financial liabilities</b>				
Non-current borrowings	47.1	58.9	6,702.3	7,103.5
Non-convertible debentures	-	-	6,669.5	7,064.0
Finance Lease	47.1	58.9	32.8	39.6

The carrying amounts of Accrued revenue, insurance claim receivable, advance to related parties, current borrowings, trade payables, trade receivable, other financial liabilities, cash and cash equivalents and other bank balances are considered to be the same as their fair values due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

## 30 Financial risk management

The Company's activities expose it to credit risk, market risk and liquidity risk.

The company has an overall enterprise risk management policy, approved by the Audit Committee of the board of directors. Risks are managed by the individual business units, or the support services' unit, entering into the base transactions, which give rise to the risks. The Executive Committee (comprising the Chairman & Managing Director, the Chief Financial Officer, and the heads of the business units and support services' units) has the overall responsibility for the risk management framework and its effectiveness, with the respective heads of business units/support services' units, being responsible for its implementation and day-to-day monitoring. The Company's policy is to place cash and cash equivalents and short term deposits with reputable banks and financial institutions.

### (A) Credit risk

The company is exposed to credit risk, which is the risk that counter party will default on its contractual obligation resulting in a financial loss to the company. To manage this, the company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, analysis of historical bad debts and ageing of accounts receivable as of different reporting periods.

Analysis of trade receivables ageing of last 5 years

Particulars	Less than 1 year	More than 1 year	Total
March 31, 2019	29,147.4	974.8	30,122.2
March 31, 2018	37,173.0	1,388.0	38,561.0
March 31, 2017	22,599.1	398.2	22,997.3
March 31, 2016	18,597.5	1,351.4	19,948.9
March 31, 2015	21,566.1	1,082.3	22,648.4

### Reconciliation of loss allowance provision – trade receivables

Reconciliation of loss allowance	Amount
<b>Loss allowance on March 31, 2017</b>	<b>1,081.6</b>
Changes in loss allowance	738.3
<b>Loss allowance on March 31, 2018</b>	<b>1,819.9</b>
Changes in loss allowance	432.4
<b>Loss allowance on March 31, 2019</b>	<b>2,252.3</b>

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (B) Market risk

### (i) Foreign currency risk

The Company enters into foreign currency transactions in the Foreign Exchange and Leisure Travel Outbound businesses. The currency risk arising out of foreign currency transactions in the Foreign Exchange business is monitored by a central dealing room, which then hedges the positions transactions entered into at individual locations across the country, through deals in the interbank market, or through forward contracts, thereby ensuring that there are minimal open positions. In the Leisure Travel Outbound business, package prices are denominated partly in the functional currency of the Company, Indian Rupees (INR), and partly in foreign currencies. The portion of customer collection in foreign currencies, which is parked in Nostro bank accounts, is used to pay off vendor liabilities, denominated in foreign currencies, thereby creating a natural hedge. As a result, the risk related to foreign currency exchange rate fluctuation is insignificant.

#### (a) Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

Particulars	March 31, 2019				March 31, 2018			
	EUR	GBP	USD	Others	EUR	GBP	USD	Others
Cash and cash equivalents	14,266.5	5,348.4	30,837.2	6,301.5	105.5	2,351.4	13,342.0	1,878.2
Other financial assets	(2,895.7)	(194.9)	5,553.6	1,288.4	521.5	12.0	5,088.6	2,300.3
Trade payables and other financial liabilities	(13,091.0)	(5,511.2)	(29,350.1)	(11,188.6)	(11,669.2)	(4,891.7)	(24,298.5)	(9,179.5)
<b>Gross exposure</b>	<b>(1,720.1)</b>	<b>(357.7)</b>	<b>7,040.7</b>	<b>(3,598.8)</b>	<b>(11,042.2)</b>	<b>(2,528.4)</b>	<b>(5,868.0)</b>	<b>(5,000.9)</b>
Forward contracts	2,418.6	524.9	(6,465.5)	4,341.7	11,695.9	3,511.8	4,682.1	6,853.7
<b>Net exposure</b>	<b>698.5</b>	<b>167.2</b>	<b>575.2</b>	<b>743.0</b>	<b>653.8</b>	<b>983.4</b>	<b>(1,185.9)</b>	<b>1,852.8</b>
<b>Net exposure*</b>			<b>2,183.8</b>					<b>2,304.2</b>

\* Net Exposure of Rs. 2,183.8 lakhs and Rs.2,304.2 lakhs is due to the Accrued Income which is included in balance sheet for the amount of Rs. 3,279.0 lakhs in current year and Rs. 2,376.7 lakhs in last year. The Company will cover this exposure on actual receipt of foreign currency amount.

#### (b) Sensitivity:

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and from foreign forward exchange contracts.

Particulars	Impact on profit after tax				Impact on other components of equity			
	March 31, 2019		March 31, 2018		March 31, 2019		March 31, 2018	
	Strengthening	Weakening	Strengthening	Weakening	Strengthening	Weakening	Strengthening	Weakening
Effect in INR								
1% movement*								
EUR	4.6	(4.6)	4.3	(4.3)	-	-	-	-
GBP	1.1	(1.1)	6.4	(6.4)	-	-	-	-
USD	3.8	(3.8)	(7.8)	7.8	-	-	-	-

\*Holding all other variables constant

### (ii) Interest rate risk exposure

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	March 31, 2019	March 31, 2018
Variable rate borrowings	790.2	1,311.0

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

As at the end of the reporting period, the company had the following variable rate borrowings:

Particulars	March 31, 2019			March 31, 2018		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Bank overdrafts	9.0%	790.2	94.4%	9.0%	1,311.0	16.4%
Net exposure to cash flow interest rate risk		790.2			1,311.0	

## Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Changes in interest rate are based on historical movement.

Particulars	Impact on profit after tax	
	March 31, 2019	March 31, 2018
Interest rates - increase by 100 basis points *	(11.6)	(11.3)
Interest rates - decrease by 100 basis points *	11.6	11.3

\* Holding all other variables constant

## (iii) Price risk

### Exposure

The company's exposure to equity securities price risk arises from investments held by the company and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss. Since the company does not have material equity investments, the company does not have a material price risk exposure as of reporting period.

## (C) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company's treasury maintains flexibility in funding by maintaining sufficient cash and bank balances available to meet the working capital requirements. Management monitors rolling forecasts of the company's liquidity position (comprising the unused cash and bank balances along with temporary investments in fixed deposits and/or liquid mutual funds) on the basis of expected cash flows.

## (i) Financing arrangements

Particulars	March 31, 2019	March 31, 2018
Floating rate		
- expiring within one year (bank overdraft)	790.2	1,311.0
	<b>790.2</b>	<b>1,311.0</b>

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

## (ii) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity based on their contractual maturities for: all non-derivative financial liabilities, and net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	< 1 year	Between 1 and 2 years	> 2 years	Total
<b>March 31, 2019</b>				
Borrowings	802.0	13.2	33.9	849.2
Trade payables	79,139.5	-	-	79,139.5
Other financial liabilities	2,061.3	30.3	37.4	2,128.9
<b>Total liabilities</b>	<b>82,002.7</b>	<b>43.5</b>	<b>71.3</b>	<b>82,117.5</b>

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Contractual maturities of financial liabilities	< 1 year	Between 1 and 2 years	> 2 years	Total
<b>March 31, 2018</b>				
Borrowings	7,939.3	3,295.8	3,419.1	14,654.2
Trade payables	74,785.0	-	-	74,785.0
Other financial liabilities	2,857.3	47.1	50.8	2,955.2
<b>Total liabilities</b>	<b>85,581.6</b>	<b>3,342.9</b>	<b>3,469.9</b>	<b>92,394.5</b>

## 31 Related party transactions

### (a) Parent entities

The Company is controlled by the following entity:

Name	Place of incorporation	Ownership interest (%)	
		March 31, 2019	March 31, 2018
Fairbridge Capital (Mauritius) Limited, Mauritius ("FCML") (FCML is wholly-owned and controlled by Fairfax Financial Holdings Limited, Canada, the ultimate holding company)	Mauritius	66.9%	67.0%

### (b) Name of the related party and related party relationship

Sr. No.	Name of Entity	Note	Place of Business/country of incorporation	Relationship
1	Travel Corporation (India) Limited		India	Subsidiary
2	TC Visa Services (India) Ltd.	1	India	Subsidiary
3	Travel Circle International Ltd.	1	Hong Kong	Subsidiary
4	SOTC Travel Ltd.		India	Subsidiary
5	SOTC Travel Management Pvt. Ltd.		India	Subsidiary
6	SITA World Travel Lanka (Pvt.) Limited	1	Sri-Lanka	Subsidiary
7	SITA World Travel (Nepal) Private Limited	1	Nepal	Subsidiary
8	Sterling Holiday Resorts Limited (SHRL)		India	Subsidiary
9	Sterling Holidays (Ooty) Limited	3	India	Subsidiary
10	Sterling Holidays Resorts (Kodaikannal) Limited	3	India	Subsidiary
11	Nature Trails Resorts Private Limited	3	India	Subsidiary
12	Thomas Cook (Mauritius) Holding Company Limited		Mauritius	Subsidiary
13	Thomas Cook (Mauritius) Operations Company Limited	5	Mauritius	Subsidiary
14	Thomas Cook (Mauritius) Holidays Limited	5	Mauritius	Subsidiary
15	Thomas Cook Lanka (Private) Limited		Sri-Lanka	Subsidiary
16	Luxe Asia Private Limited	6	Sri-Lanka	Subsidiary
17	TC Tours Limited		India	Subsidiary
18	TC Forex Services Limited		India	Subsidiary
19	TC Travel Services Ltd. (formerly known as TC Travel and Services Ltd.) (w.e.f. April 3, 2018)		India	Subsidiary
20	Jardin Travel Solutions Limited	1	India	Subsidiary
21	Borderless Travel Services Limited		India	Subsidiary
22	Indian Horizon Marketing Services Limited		India	Subsidiary
23	Travel Circle International (Mauritius) Ltd.	2	Mauritius	Subsidiary
24	Horizon Travel Services LLC	1	USA	Subsidiary
25	Kuoni Australia Holding Pty. Ltd.	9	Australia	Subsidiary
26	Australia Tours Management Pty. Ltd.	11	Australia	Subsidiary
27	Asian Trail Holdings Ltd.	9	Mauritius	Subsidiary



# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Sr. No.	Name of Entity	Note	Place of Business/country of incorporation	Relationship
28	Asian Trails International Travel Services (Beijing) Ltd ("ATITS") (formerly known as Kuoni Destination Management (Beijing) Limited upto August 2, 18)	7	Beijing	Subsidiary
29	Asian Trails Tours Ltd.	7	Myanmar	Subsidiary
30	Asian Trails Co. Ltd.	7	Cambodia	Subsidiary
31	AT Lao Co. Ltd.	7	Laos	Subsidiary
32	PT Asian Trails Ltd.	7	Indonesia	Subsidiary
33	Asian Trails SDN BHD	7	Malaysia	Subsidiary
34	Asian Trails (Vietnam) Co. Ltd.	7	Vietnam	Subsidiary
35	Asian Trails Ltd.	7	Thailand	Subsidiary
36	Chang Som Ltd.	12	Thailand	Subsidiary
37	Reem Tours & Travels LLC	9	Dubai	Subsidiary
38	Gulf Dunes LLC	9	Dubai	Subsidiary
39	Gulf Dunes Tourism LLC	13	Oman	Subsidiary
40	Desert Adventures Tourism LLC	9	Dubai	Subsidiary
41	Muscat Desert Adventures Tourism LLC	10	Oman	Subsidiary
42	Desert Adventures Tourism Ltd.	10	Jordan	Subsidiary
43	Kuoni Private Safaris (Pty.) Ltd.	9	South Africa	Subsidiary
44	Kuoni Private Safaris Namibia (Pty.) Ltd.	14	Namibia	Subsidiary
45	Private Safaris (East Africa) Ltd.	9	Kenya	Subsidiary
46	ATC Travel Services (Beijing) Limited	16	China	Subsidiary
47	DEI Holdings Limited	9	Jafza	Subsidiary
48	Digiphoto Entertainment Imaging LLC	15	UAE	Subsidiary
49	Digiphoto Entertainment Imaging SDN. BHD.	15	Malaysia	Subsidiary
50	Digiphoto Entertainment Imaging Pte. Limited	15	Singapore	Subsidiary
51	PT. Digiphoto Imaging Indonesia	15	Indonesia	Subsidiary
52	Digiphoto Entertainment Image (Shanghai) Co. Limited	15	China	Subsidiary
53	Digiphoto Entertainment Imaging Limited	15	Hongkong	Subsidiary
54	Digiphoto Imaging (Macau) Limited	15	Macau	Subsidiary
55	DEI Solutions Limited	15	Mauritius	Subsidiary
56	Digiphoto SAE	15	Egypt	Subsidiary
57	Digiphoto Entertainment Imaging Co. Ltd .	15	Thailand	Subsidiary
58	D E I General Trading LLC	15	UAE	Subsidiary
59	Digi Photo Electronics Repairing LLC	15	UAE	Subsidiary
60	TravelJunkie Solutions Pvt. Ltd.	17	India	Associate
61	TCI-Go Vacation India Pvt. Ltd.	18	India	Associate
62	Quess Corp Limited	4	India	Associate
63	Thomas Cook In Destination Management Services (49% Preferred Share Capital of the Company held by ATH through ATT as a nominee company)	8	Thailand	Associate
64	Fairfax India Charitable Foundation		India	Fellow subsidiary
65	Fairbridge Capital Private Limited		India	Fellow subsidiary

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## Notes:

- 1 These Companies are subsidiaries of Travel Corporation (India) Limited and step down subsidiaries of Thomas Cook (India) Limited
- 2 These Companies are subsidiaries of SOTC Travel Ltd and step down subsidiaries of Thomas Cook (India) Limited
- 3 These Companies are subsidiaries of Sterling Holiday Resorts Limited and step down subsidiaries of Thomas Cook (India) Limited
- 4 Qess Corp Limited ceased to be a subsidiary as at February 28, 2018
- 5 These Companies are subsidiaries of Thomas Cook (Mauritius) Holding Company Limited and step down subsidiaries of Thomas Cook (India) Limited
- 6 These Companies are subsidiaries of Thomas Cook Lanka (Private) Limited and step down subsidiaries of Thomas Cook (India) Limited
- 7 These Companies are subsidiaries of Asian Trail Holdings Ltd and step down subsidiaries of Travel Circle International (Mauritius) Ltd
- 8 This Company is an Associate of Asian Trail Holdings Ltd and step down Associate of Thomas Cook (India) Limited
- 9 These Companies are subsidiaries of Travel Circle International (Mauritius) Ltd and step down subsidiaries of SOTC Travel Ltd
- 10 These Companies are subsidiaries of Desert Adventures Tourism LLC and step down subsidiaries of Travel Circle International (Mauritius) Ltd
- 11 This Company is subsidiary of Kuoni Australia Holding Pty Ltd and step down subsidiaries of Travel Circle International (Mauritius) Ltd
- 12 This Company is subsidiary of Asian Trails Ltd and step down subsidiaries of Asian Trail Holdings Ltd
- 13 This Company is subsidiary of Gulf Dunes LLC and step down subsidiaries of Travel Circle International (Mauritius) Ltd
- 14 This Company is subsidiary of Kuoni Private Safaris (Pty.) Ltd and step down subsidiaries of Travel Circle International (Mauritius) Ltd
- 15 These Companies are subsidiaries of DEI Holdings Limited and step down subsidiaries of Travel Circle International (Mauritius) Ltd
- 16 This Company is subsidiary of Asian Trails International Travel Services (Beijing) Ltd and step down subsidiaries of Travel Circle International (Mauritius) Ltd
- 17 This Company is an Associate of TC Tours Ltd and step down Associate of Thomas Cook (India) Limited
- 18 This Company is an Associate of Travel Corporation (India) Limited and step down Associate of Thomas Cook (India) Limited

## (c) Other related parties with whom the Company had transactions during the year

### Fellow subsidiaries:

- Fairbridge Capital Private Limited
- Fairfax India Charitable Foundation

### Subsidiaries of Qess Corp Limited

- Co-Achieve Solutions Private Limited

### Associate of Qess Corp Limited

- Terrier Security Services (India) Private Limited

## (d) Key management personnel ("KMP")

Madhavan Menon  
Mahesh Iyer  
Brijesh Modi  
Amit Parekh

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

**(e) Senior management personnel ("SMP")**

R. R. Kenkare  
Debasis Nandy  
Rajeev Kale  
Amit Madhan  
Mona Cheriyan  
Abraham Alapatt  
Indiver Rastogi

**(f) Non-Executive Director ("NED")**

Kishori Udeshi  
Nilesh S. Vikamsey  
Sunil B. Mathur  
Pravir Vohra

**(g) Relatives of key management personnel:**

Lili Menon

**(h) Key Management personnel compensation @**

Particulars	March 31, 2019	March 31, 2018
Short-term employee benefits	1,163.0	979.8
Post-employment benefits	**	**
Long-term employee benefits	-	-
Employee share-based payment	**	**

\*\* These amounts are included in the respective notes specifying the total amount of benefits paid.

**(i) Transactions with related parties for FY 2018-19**

The following transactions occurred with related parties:

Particulars	Ultimate Holding Company	Holding Company	Subsidiaries	Fellow subsidiaries	Associates / Joint Venture	KMP / SMP / NED	Relative of KMP	Other Related Parties
<b>Facilities and Support Services Provided</b>								
Travel Corporation (India) Limited	-	-	77.3	-	-	-	-	-
SOTC Travel Ltd	-	-	461.7	-	-	-	-	-
TC Forex Services Ltd	-	-	76.6	-	-	-	-	-
TC Travel Services Ltd	-	-	77.1	-	-	-	-	-
<b>Facilities and Support Services Received</b>								
TC Visa Services (India) Limited	-	-	10.4	-	-	-	-	-
Travel Corporation (India) Limited	-	-	252.5	-	-	-	-	-
Sterling Holiday Resorts Limited	-	-	24.0	-	-	-	-	-
<b>Sale of Service</b>								
Fairbridge Capital (Mauritius) Limited	-	2.3	-	-	-	-	-	-
Fairfax Financials Holdings Limited	1.3	-	-	-	-	-	-	-

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Ultimate Holding Company	Holding Company	Subsidiaries	Fellow subsidiaries	Associates / Joint Venture	KMP / SMP / NED	Relative of KMP	Other Related Parties
Thomas Cook (Mauritius) Holidays Limited	-	-	4.7	-	-	-	-	-
Travel Corporation (India) Limited	-	-	873.9	-	-	-	-	-
SOTC Travel Ltd	-	-	3,645.6	-	-	-	-	-
Quess Corp Limited	-	-	-	-	268.4	-	-	-
TC Forex Services Ltd	-	-	3,563.3	-	-	-	-	-
Sterling Holiday Resorts Limited	-	-	162.4	-	-	-	-	-
Cedar Management Consulting Pvt. Ltd	-	-	-	-	-	-	-	76.6
<b>Services Availed</b>								
Thomas Cook (Mauritius) Holidays Limited	-	-	462.7	-	-	-	-	-
TC Tours Limited	-	-	1,75,943.1	-	-	-	-	-
TC Visa Services (India) Limited	-	-	9,990.5	-	-	-	-	-
Luxe Asia Private Limited	-	-	205.4	-	-	-	-	-
SOTC Travel Ltd	-	-	18.1	-	-	-	-	-
Sterling Holiday Resorts Limited	-	-	22.0	-	-	-	-	-
Asian Trails Ltd	-	-	103.7	-	-	-	-	-
Australia Tours Management Pty Ltd	-	-	2,667.7	-	-	-	-	-
Chang Som Ltd	-	-	677.7	-	-	-	-	-
Desert Adventures Tourism LLC	-	-	749.7	-	-	-	-	-
Kuoni Private Safaris (Pty.) Ltd.	-	-	35.3	-	-	-	-	-
Private Safaris (East Africa) Ltd	-	-	134.9	-	-	-	-	-
<b>Data processing fees</b>								
Travel Circle International Ltd	-	-	28.1	-	-	-	-	-
<b>Corporate Guarantee Fees</b>								
Travel Corporation (India) Limited	-	-	2.7	-	-	-	-	-
Travel Circle International Ltd	-	-	100.0	-	-	-	-	-
SOTC Travel Ltd	-	-	31.9	-	-	-	-	-
TC Travel Services Ltd	-	-	1.4	-	-	-	-	-
Desert Adventures Tourism LLC	-	-	14.2	-	-	-	-	-
Horizon Travel Services LLC	-	-	15.4	-	-	-	-	-
Asian Trails Holding Ltd	-	-	3.4	-	-	-	-	-
TC Tours Limited	-	-	5.3	-	-	-	-	-
Travel Circle International (Mauritius) Limited	-	-	1.0	-	-	-	-	-
<b>Management Consultancy Services (income)</b>								
Travel Corporation (India) Limited	-	-	307.0	-	-	-	-	-
Travel Circle International Ltd	-	-	120.5	-	-	-	-	-
Thomas Cook (Mauritius) Holidays Limited	-	-	51.7	-	-	-	-	-
SOTC Travel Ltd.	-	-	1,011.0	-	-	-	-	-

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Ultimate Holding Company	Holding Company	Subsidiaries	Fellow subsidiaries	Associates / Joint Venture	KMP / SMP / NED	Relative of KMP	Other Related Parties
Private Safaris (East Africa) Ltd	-	-	40.2	-	-	-	-	-
Kuoni Private Safaris (Pty.) Ltd.	-	-	40.2	-	-	-	-	-
Horizon Travel Services LLC	-	-	86.7	-	-	-	-	-
Desert Adventures Tourism LLC	-	-	40.2	-	-	-	-	-
Asian Trails Ltd	-	-	76.8	-	-	-	-	-
<b>Management Consultancy Services (Expense)</b>								
SOTC Travel Ltd.	-	-	151.1	-	-	-	-	-
Horizon Travel Services LLC	-	-	39.4	-	-	-	-	-
<b>ESOP Push Down</b>								
Travel Corporation (India) Limited	-	-	312.7	-	-	-	-	-
Sterling Holiday Resorts Limited	-	-	197.8	-	-	-	-	-
TC Tours Limited	-	-	13.7	-	-	-	-	-
SOTC Travel Ltd	-	-	205.4	-	-	-	-	-
<b>Other professional charges (Outsourced staff)</b>								
Qess Corp Limited	-	-	-	-	1,170.1	-	-	-
Terrier Security Services (India) Private Limited	-	-	-	-	372.8	-	-	-
<b>Interest on Loan Received</b>								
Travel Corporation (India) Limited	-	-	488.4	-	-	-	-	-
TC Forex Services Ltd	-	-	258.1	-	-	-	-	-
TC Travel Services Ltd	-	-	77.6	-	-	-	-	-
<b>Loan Given to Subsidiary</b>								
Travel Corporation (India) Limited	-	-	2,160.0	-	-	-	-	-
TC Forex Services Ltd	-	-	500.0	-	-	-	-	-
TC Travel Services Ltd	-	-	1,191.0	-	-	-	-	-
<b>Repayment of Loan from Subsidiary</b>								
Travel Corporation (India) Limited	-	-	3,220.2	-	-	-	-	-
TC Forex Services Ltd	-	-	1,370.0	-	-	-	-	-
TC Travel Services Ltd	-	-	41.0	-	-	-	-	-
<b>Key Management Personnel</b>								
Madhavan Menon	-	-	-	-	-	611.0	-	-
Mahesh Iyer	-	-	-	-	-	352.1	-	-
Brijesh Modi	-	-	-	-	-	145.6	-	-
Amit Parekh	-	-	-	-	-	54.2	-	-
<b>Senior Management personnel</b>								
R. R. Kenkare	-	-	-	-	-	189.1	-	-
Debasis Nandy	-	-	-	-	-	216.5	-	-
Rajeev Kale	-	-	-	-	-	181.0	-	-
Amit Madhan	-	-	-	-	-	152.2	-	-
Mona Cheriyan	-	-	-	-	-	182.5	-	-



# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Ultimate Holding Company	Holding Company	Subsidiaries	Fellow subsidiaries	Associates / Joint Venture	KMP / SMP / NED	Relative of KMP	Other Related Parties
Abraham Alapatt	-	-	-	-	-	160.6	-	-
Indiver Rastogi	-	-	-	-	-	168.5	-	-
<b>Sitting fees to Non-Executive Director</b>								
Kishori Udeshi	-	-	-	-	-	35.9	-	-
Nilesh S. Vikamsey	-	-	-	-	-	29.5	-	-
Sunil B. Mathur	-	-	-	-	-	31.1	-	-
Pravir Vohra	-	-	-	-	-	33.8	-	-
<b>Rent Expense</b>								
Lili Menon	-	-	-	-	-	-	19.3	-
<b>Reimbursement of Expenses (Net)</b>								
Travel Corporation (India) Limited	-	-	69.3	-	-	-	-	-
TC Tours Limited	-	-	523.0	-	-	-	-	-
TC Visa Services (India) Limited	-	-	15.0	-	-	-	-	-
Thomas Cook Lanka (Private) Limited	-	-	46.3	-	-	-	-	-
SOTC Travel Ltd	-	-	101.4	-	-	-	-	-
Travel Circle International Ltd	-	-	12.7	-	-	-	-	-
TC Forex Services Ltd	-	-	12.8	-	-	-	-	-
TC Travel Services Ltd	-	-	9.8	-	-	-	-	-
Sterling Holiday Resorts Limited	-	-	246.7	-	-	-	-	-
Thomas Cook (Mauritius) Operations Company Limited	-	-	8.4	-	-	-	-	-
<b>Purchase of Equity Share Capital</b>								
TC Tours Limited (stake in TC Travel)	-	-	300.0	-	-	-	-	-
Sterling Holiday Resorts Limited (stake in TCI)	-	-	1,669.2	-	-	-	-	-
<b>Investment in Preference Shares</b>								
Sterling Holiday Resorts Limited (OCCRPS)	-	-	30.3	-	-	-	-	-
<b>Dividend remitted</b>								
Fairbridge Capital (Mauritius) Limited	-	930.6	-	-	-	-	-	-

## (j) Outstanding balances for FY 2018-19

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Particular	Ultimate Holding Company	Holding Company	Subsidiaries	Fellow subsidiaries	Associates / Joint Venture	KMP / SMP / NED	Relative of KMP	Other Related Parties
<b>Outstanding payables</b>								
TC Tours Limited	-	-	16,738.9	-	-	-	-	-
Thomas Cook (Mauritius) Holidays Limited	-	-	39.7	-	-	-	-	-
TC Visa Services (India) Limited	-	-	581.8	-	-	-	-	-
SOTC Travel Ltd	-	-	298.7	-	-	-	-	-
Qess Corp Limited	-	-	-	-	1.9	-	-	-
CoAchieve Solutions Private Limited	-	-	-	-	66.3	-	-	-

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Particular	Ultimate Holding Company	Holding Company	Subsidiaries	Fellow subsidiaries	Associates / Joint Venture	KMP / SMP / NED	Relative of KMP	Other Related Parties
SITA World Travel Lanka (Pvt) Limited	-	-	7.5	-	-	-	-	-
Terrier Security Services (India) Private Limited	-	-	-	-	5.4	-	-	-
Asian Trails Ltd	-	-	51.5	-	-	-	-	-
Desert Adventures Tourism LLC	-	-	145.8	-	-	-	-	-
Luxe Asia Private Limited	-	-	61.5	-	-	-	-	-
Australia Tours Management Pty Ltd	-	-	246.9	-	-	-	-	-
Private Safaris (East Africa) Ltd	-	-	3.8	-	-	-	-	-
Horizon Travel Services LLC	-	-	69.2	-	-	-	-	-
<b>Outstanding receivables</b>								
Indian Horizon Marketing Services Limited	-	-	26.0	-	-	-	-	-
TC Tours Limited	-	-	697.2	-	-	-	-	-
Thomas Cook (Mauritius) Operations Company Limited	-	-	18.7	-	-	-	-	-
TC Forex Services Ltd	-	-	97.1	-	-	-	-	-
TC Travel Services Ltd	-	-	26.4	-	-	-	-	-
Thomas Cook Lanka (Private) Limited	-	-	151.5	-	-	-	-	-
Travel Corporation (India) Limited	-	-	356.8	-	-	-	-	-
Ques Corp Limited	-	-	-	-	9.8	-	-	-
Sterling Holiday Resorts Limited	-	-	233.4	-	-	-	-	-
Desert Adventures Tourism LLC	-	-	17.2	-	-	-	-	-
Asian Trails Holding Ltd	-	-	20.0	-	-	-	-	-
Private Safaris (East Africa) Ltd	-	-	10.0	-	-	-	-	-
Fairbridge Capital Private Limited	-	-	-	0.5	-	-	-	-
Horizon Travel Services LLC	-	-	36.7	-	-	-	-	-
Jardin Travel Solutions Limited	-	-	11.1	-	-	-	-	-
Travel Circle International Ltd	-	-	22.1	-	-	-	-	-
Kuoni Private Safaris (Pty.) Ltd	-	-	3.3	-	-	-	-	-
SOTC Travel Ltd	-	-	501.5	-	-	-	-	-
Fairfax India Charitable Foundation	-	-	-	2.0	-	-	-	-
Fairfax Financials Holdings Limited	83.3	-	-	-	-	-	-	-
Borderless Travel Services Limited	-	-	10.2	-	-	-	-	-
TCI-Go Vacation India Pvt Ltd	-	-	-	-	1.5	-	-	-
SITA World Travel (Nepal) Private Limited	-	-	0.6	-	-	-	-	-
<b>Deposit Receivable</b>								
Lili Menon	-	-	-	-	-	-	165.0	-
<b>Loan receivable</b>								
Travel Corporation (India) Limited	-	-	6,839.8	-	-	-	-	-
TC Forex Services Ltd	-	-	2,564.4	-	-	-	-	-
TC Travel Services Ltd	-	-	1,150.0	-	-	-	-	-

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Particular	Ultimate Holding Company	Holding Company	Subsidiaries	Fellow subsidiaries	Associates / Joint Venture	KMP / SMP / NED	Relative of KMP	Other Related Parties
<b>Interest on Loan receivable</b>								
Travel Corporation (India) Limited	-	-	41.5	-	-	-	-	-
TC Forex Services Ltd	-	-	51.1	-	-	-	-	-
TC Travel Services Ltd	-	-	17.3	-	-	-	-	-

@ Gratuity is contributed for the Company as a whole and hence excluded.

## (i) Transactions with related parties for FY 2017-18

The following transactions occurred with related parties:

Particulars	Ultimate Holding Company	Holding Company	Subsidiaries	Fellow subsidiaries	Associates / Joint Venture	KMP / SMP / NED	Relative of KMP	Other Related Parties
<b>Facilities and Support Services Provided</b>								
Travel Corporation (India) Limited	-	-	55.8	-	-	-	-	-
SOTC Travel Ltd	-	-	118.5	-	-	-	-	-
TC Visa Services (India) Limited	-	-	14.7	-	-	-	-	-
TC Forex Services Ltd	-	-	26.4	-	-	-	-	-
TC Travel Services Ltd	-	-	18.8	-	-	-	-	-
<b>Facilities and Support Services Received</b>								
TC Visa Services (India) Limited	-	-	15.2	-	-	-	-	-
Travel Corporation (India) Limited	-	-	215.1	-	-	-	-	-
Sterling Holiday Resorts Limited	-	-	24.0	-	-	-	-	-
<b>Sale of Service</b>								
Fairbridge Capital Private Limited	-	-	-	5.3	-	-	-	-
Fairfax Financials Holdings Limited	16.3	-	-	-	-	-	-	-
Thomas Cook (Mauritius) Holidays Limited	-	-	8.5	-	-	-	-	-
Travel Corporation (India) Limited	-	-	1,236.2	-	-	-	-	-
SOTC Travel Ltd	-	-	8,185.4	-	-	-	-	-
Quess Corp Limited	-	-	-	-	621.3	-	-	-
TC Forex Services Ltd	-	-	722.8	-	-	-	-	-
Sterling Holiday Resorts Limited	-	-	166.8	-	-	-	-	-
<b>Services Availed</b>								
Thomas Cook (Mauritius) Holidays Limited	-	-	513.7	-	-	-	-	-
TC Tours Limited	-	-	1,55,226.9	-	-	-	-	-
TC Visa Services (India) Limited	-	-	9,031.9	-	-	-	-	-
Luxe Asia Private Limited	-	-	424.7	-	-	-	-	-
SOTC Travel Ltd	-	-	14.5	-	-	-	-	-
Sterling Holiday Resorts Limited	-	-	82.2	-	-	-	-	-
Fairfax India Charitable Foundation	-	-	-	2.8	-	-	-	-
Travel Corporation (India) Limited	-	-	4.7	-	-	-	-	-

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Ultimate Holding Company	Holding Company	Subsidiaries	Fellow subsidiaries	Associates / Joint Venture	KMP / SMP / NED	Relative of KMP	Other Related Parties
<b>Data processing fees</b>								
Travel Circle International Ltd	-	-	37.5	-	-	-	-	-
<b>Subscription / Purchase of Equity Share Capital</b>								
SOTC Travel Management Pvt. Ltd. (Purchased from SOTC Travel Ltd)	-	-	1.0	-	-	-	-	-
Jardin Travel Solutions Limited (Purchased from Travel Corporation (India) Limited)	-	-	0.5	-	-	-	-	-
<b>Corporate Guarantee Fees</b>								
Travel Corporation (India) Limited	-	-	10.3	-	-	-	-	-
Travel Circle International Ltd	-	-	130.1	-	-	-	-	-
SOTC Travel Ltd	-	-	32.1	-	-	-	-	-
TC Travel Services Ltd	-	-	1.0	-	-	-	-	-
Desert Adventures Tourism LLC	-	-	4.5	-	-	-	-	-
Horizon Travel Services LLC	-	-	5.8	-	-	-	-	-
Asian Trails Holding Ltd	-	-	0.7	-	-	-	-	-
TC Tours Limited	-	-	2.6	-	-	-	-	-
SITA World Travel Lanka (Pvt) Limited	-	-	0.0	-	-	-	-	-
<b>ESOP Push Down</b>								
Travel Corporation (India) Limited	-	-	246.2	-	-	-	-	-
TC Visa Services (India) Limited	-	-	(3.5)	-	-	-	-	-
Sterling Holiday Resorts Limited	-	-	44.9	-	-	-	-	-
TC Tours Limited	-	-	(9.3)	-	-	-	-	-
SOTC Travel Ltd	-	-	154.8	-	-	-	-	-
<b>Other professional charges (Outsourced staff)</b>								
Quess Corp Limited	-	-	-	-	723.2	-	-	-
Terrier Security Services (India) Private Limited	-	-	-	-	59.1	-	-	-
<b>Interest on Loan Received</b>								
Travel Corporation (India) Limited	-	-	197.3	-	-	-	-	-
TC Forex Services Ltd	-	-	125.3	-	-	-	-	-
<b>Loan Given to Subsidiary</b>								
Travel Corporation (India) Limited	-	-	8,200.0	-	-	-	-	-
TC Forex Services Ltd	-	-	4,209.4	-	-	-	-	-
<b>Repayment of Loan from Subsidiary</b>								
Travel Corporation (India) Limited	-	-	300.0	-	-	-	-	-
TC Forex Services Ltd	-	-	775.0	-	-	-	-	-
<b>Interim Dividend Received</b>								
Thomas Cook Lanka (Private) Limited	-	-	30.8	-	-	-	-	-
<b>Dividend remitted</b>								
Fairbridge Capital (Mauritius) Limited	-	930.6	-	-	-	-	-	-
<b>Key Management Personnel</b>								

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Ultimate Holding Company	Holding Company	Subsidiaries	Fellow subsidiaries	Associates / Joint Venture	KMP / SMP / NED	Relative of KMP	Other Related Parties
Madhavan Menon	-	-	-	-	-	513.4	-	-
Mahesh Iyer	-	-	-	-	-	296.9	-	-
Brijesh Modi	-	-	-	-	-	113.6	-	-
Amit Parekh	-	-	-	-	-	55.9	-	-
<b>Senior Management personnel</b>								
R. R. Kenkare	-	-	-	-	-	195.5	-	-
Debasis Nandy	-	-	-	-	-	204.0	-	-
Rajeev Kale	-	-	-	-	-	161.9	-	-
Amit Madhan	-	-	-	-	-	139.1	-	-
Mona Cheriyan	-	-	-	-	-	173.9	-	-
Abraham Alapatt	-	-	-	-	-	163.3	-	-
<b>Sitting fees to Non-Executive Director</b>								
Kishori Udeshi	-	-	-	-	-	12.9	-	-
Nilesh S. Vikamsey	-	-	-	-	-	6.5	-	-
Sunil B. Mathur	-	-	-	-	-	12.8	-	-
Pravir Vohra	-	-	-	-	-	16.1	-	-
<b>Rent Expense</b>								
Lili Menon	-	-	-	-	-	-	19.3	-
<b>Reimbursement of Expenses (Net)</b>								
Fairfax Financials Holdings Limited	53.6	-	-	-	-	-	-	-
Travel Corporation (India) Limited	-	-	204.8	-	-	-	-	-
TC Tours Limited	-	-	641.0	-	-	-	-	-
Thomas Cook Lanka (Private) Limited	-	-	4.9	-	-	-	-	-
SOTC Travel Ltd	-	-	220.3	-	-	-	-	-
Travel Circle International Ltd	-	-	183.7	-	-	-	-	-
TC Forex Services Ltd	-	-	1.8	-	-	-	-	-
Desert Adventures Tourism LLC	-	-	7.6	-	-	-	-	-
Horizon Travel Services LLC	-	-	1.9	-	-	-	-	-
SITA World Travel Lanka (Pvt) Limited	-	-	0.0	-	-	-	-	-
Sterling Holiday Resorts Limited	-	-	136.8	-	-	-	-	-
Thomas Cook (Mauritius) Operations Company Limited	-	-	8.0	-	-	-	-	-
Asian Trails Holding Ltd	-	-	24.8	-	-	-	-	-
Kuoni Private Safaris (Pty.) Ltd.	-	-	5.7	-	-	-	-	-
Private Safaris (East Africa) Ltd	-	-	1.9	-	-	-	-	-
Quess Corp Limited	-	-	-	-	39.2	-	-	-



# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (j) Outstanding balances for FY 2017-18

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Particular	Ultimate Holding Company	Holding Company	Subsidiaries	Fellow subsidiaries	Associates / Joint Venture	KMP / SMP / NED	Relative of KMP	Other Related Parties
<b>Outstanding payables</b>								
TC Tours Limited	-	-	20,687.5	-	-	-	-	-
Thomas Cook (Mauritius) Holidays Limited	-	-	213.0	-	-	-	-	-
TC Visa Services (India) Limited	-	-	94.0	-	-	-	-	-
Quess Corp Limited	-	-	-	-	126.6	-	-	-
CoAchieve Solutions Private Limited	-	-	-	-	2.2	-	-	-
Sterling Holiday Resorts Limited	-	-	28.4	-	-	-	-	-
TC Forex Services Ltd	-	-	0.2	-	-	-	-	-
<b>Outstanding receivables</b>								
TC Tours Limited	-	-	1,918.7	-	-	-	-	-
TC Forex Services Ltd	-	-	38.6	-	-	-	-	-
TC Travel Services Ltd	-	-	1.0	-	-	-	-	-
Thomas Cook (Mauritius) Holidays Limited	-	-	8.1	-	-	-	-	-
Thomas Cook Lanka (Private) Limited	-	-	105.2	-	-	-	-	-
Travel Corporation (India) Limited	-	-	349.3	-	-	-	-	-
Quess Corp Limited	-	-	-	-	20.9	-	-	-
Sterling Holiday Resorts Limited	-	-	268.2	-	-	-	-	-
Desert Adventures Tourism LLC	-	-	12.1	-	-	-	-	-
Asian Trails Holding Ltd	-	-	24.8	-	-	-	-	-
Private Safaris (East Africa) Ltd	-	-	1.9	-	-	-	-	-
Fairbridge Capital Private Limited	-	-	-	0.4	-	-	-	-
Aravon Services Private Ltd	-	-	-	-	0.1	-	-	-
SITA World Travel Lanka (Pvt) Limited	-	-	0.0	-	-	-	-	-
Horizon Travel Services LLC	-	-	1.9	-	-	-	-	-
Jardin Travel Solutions Limited	-	-	3.7	-	-	-	-	-
Borderless Travel Services Limited	-	-	4.7	-	-	-	-	-
Travel Circle International Ltd	-	-	108.8	-	-	-	-	-
Kuoni Private Safaris (Pty.) Ltd	-	-	5.7	-	-	-	-	-
SOTC Travel Ltd	-	-	353.9	-	-	-	-	-
Coachieve Solutions Pvt Ltd	-	-	-	-	2.5	-	-	-
Fairfax India Charitable Foundation	-	-	-	2.0	-	-	-	-
Fairfax Financials Holdings Limited	56.2	-	-	-	-	-	-	-
<b>Loan receivable</b>								
Travel Corporation (India) Limited	-	-	7,900.0	-	-	-	-	-
TC Forex Services Ltd	-	-	3,434.4	-	-	-	-	-
<b>Deposit Receivable</b>								
Lili Menon	-	-	-	-	-	-	165.0	-

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Particular	Ultimate Holding Company	Holding Company	Subsidiaries	Fellow subsidiaries	Associates / Joint Venture	KMP / SMP / NED	Relative of KMP	Other Related Parties
<b>Interest on Loan receivable</b>								
Travel Corporation (India) Limited	-	-	38.1	-	-	-	-	-
TC Forex Services Ltd	-	-	25.5	-	-	-	-	-

@ Gratuity is contributed for the Company as a whole and hence excluded.

## 32 Transfer pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international as well as specified domestic transactions (if applicable) entered into with the associated enterprise during the financial year and expects such records to be in existence latest by the end of the stipulated timeline, as required by law. The Management is of the opinion that its international as well as specified domestic transactions (if any) are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for taxation.

## 33 Share based payments

### Employee option plan/tradable Options

#### Thomas Cook Employees Stock Option Plan - 2007

The Company has established an Employee Stock Option Plan called -"Thomas Cook Employees Stock Option Plan - 2007". The same has been approved by a Special Resolution passed by the Shareholders by a Postal Ballot on March 23, 2007. The Scheme is in accordance with the provisions of Securities and Exchange Board of India (SEBI)- (Employee Stock Option Scheme and employee Stock Purchase Scheme) Guidelines, 1999. The exercise price is as governed by the guidelines issued by SEBI.

The objectives of this plan are :

- Motivate talent in the organization with a view to achieve long term business goals.
- Retain key talent in the organization
- Foster ownership and motivation.

The grant of options to employees under the stock option scheme is on the basis of their performance and other eligibility criteria. Each option will entitle the participant to one equity share of Thomas Cook (India) Limited. The unvested options shall vest with the participant in 3 equal annual instalments on each of the anniversaries from the Grant Date.

#### Thomas Cook Save As You Earn (SAYE) -2010

Further to the Thomas Cook Employees Stock Option Plan - 2007, the Company has established a Thomas Cook Save As You Earn (SAYE), Scheme - 2010. The SAYE scheme has been approved by a Special Resolution passed on December 14, 2010, by the shareholders as at and for the year ended March 31, 2016 Thomas Cook (India) Limited of a Postal Ballot and shall be effective from that date. SAYE is a Monthly Savings Contribution Scheme available to all employees of Thomas Cook (India) Limited and its subsidiaries provided that they have completed at least 6 months in the organization.

The objectives of the SAYE Scheme -2010 are same as Thomas Cook Employees Stock Option Plan -2007.

SAYE allows employees to save a part of their net pay every month which gets deposited with a bank in a recurring deposit account carrying fixed rate of interest. At the end of 3 years, employees have the option to either purchase specific number of equity shares of Thomas Cook (India) Limited at the predetermined exercise price or withdraw the monthly savings contributions along with interest accrued. Each option will entitle the participant to one equity share of Thomas Cook (India) Limited. The maximum number of options granted per participant per grant will not exceed 200,000 (Two Lakh) equity shares. The maximum number of equity shares that may be issued/transferred pursuant to the exercise of options granted under the SAYE scheme shall not exceed 3,000,000 (Thirty Lakh) equity shares.

Vesting under the scheme is linked to the continued association with the Group. The options would vest only when an employee has completed the committed 36 monthly contributions. The exercise period would not be more than one month from the date of vesting.

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## **Thomas Cook Employees Stock Option Plan -2013**

The Company has established an Employee Stock Option Plan called -"Thomas Cook Employees Stock Option Plan - 2013". The same has been approved by a Special Resolution passed by the Shareholders by a Postal Ballot on October 25, 2013. The Scheme is in accordance with the provisions of Securities and Exchange Board of India (SEBI) - (Employee Stock Option Scheme and employee Stock Purchase Scheme) Guidelines, 1999. The exercise price is in accordance with the guidelines issued by SEBI.

The objectives of this plan are:

- a) to reward the Senior Employees of the Company for their performance
- b) to motivate them to contribute to the growth and profitability of the Company and
- c) to retain talent in the organization

The grant of options to employees under the stock option scheme is on the basis of their performance and other eligibility criteria. Each option will entitle the participant to one equity share of Thomas Cook (India) Limited. The unvested options shall vest with the participant after 4 years but not later than 7 years from the date of grant of such options. Vesting of options would be subject to continued employment with the Company and certain performance parameters. The attainment of such performance parameters would be a mandatory condition for vesting of options as determined by the Recruitment & Remuneration Committee from time to time.

## **Sterling Holiday Resorts (India) Limited Employee Stock Options Scheme 2012 - ("SHRIL ESOS 2012")**

The purpose of the ESOS is to provide the employees with an additional incentive in the form of options to receive the equity shares of the Company at a future date. The ESOS is aimed at further motivating and retaining the employees and thereby increasing the profitability of the Company.

Vesting Schedule:

Grant I dated January 24, 2013:

Each option will entitle the participant to one equity share. The unvested options shall vest with the participant in 3 tranches which is 40%, 30%, 30% on each of the anniversaries from the grant date.

Grant II dated July 30, 2014:

Each option will entitle the participant to one equity share. The unvested options shall vest with the participant in 4 tranches which is 25%, 25%, 25%, 25% on each of the anniversaries from the grant date.

Grant date means the date on which the options are granted to the eligible employees by the Company/Committee under the Scheme.

Exercise price:

Exercise price shall not be less than the par value of the Equity Shares of the Company and shall not be more than the price prescribed under Chapter VII of SEBI ICDR Regulation 2009 or the Market price (as defined in the Guidelines), whichever is more.

- The Exercise price of Rs. 96.00 for Grant I was fixed by the Board of Directors of Sterling Holiday Resorts (India) Limited at its meeting held on January 24, 2013.
- The Exercise price of Rs. 130.15 for Grant II was fixed by the Board of Directors of Sterling Holiday Resorts (India) Limited at its meeting held on July 30, 2014.
- As per clause 15.3.2 of the Composite Scheme of Arrangement and Amalgamation between Sterling Holiday Resorts (India) Ltd. (SHRIL) and Thomas Cook Insurance Services (India) Ltd (TCISIL), and Thomas Cook (India) Ltd. (TCIL) the SHRIL ESOS 2012 became a part of the company's schemes and Stock Options which had been granted but not exercised as of the Record Date, by such SHRIL employees shall lapse and in lieu of the Lapsed Options of SHRIL, TCIL shall grant 120 options for every 100 options of SHRIL. The revised Exercise Price for Grant I was Rs. 80.00 and for Grant II was Rs. 108.46. Subject to the terms of the Scheme and SEBI ESOP Guidelines, the option holder will have a period of 5 years from the date of which the Options have vested, within which the vested options can be exercised.

## **Thomas Cook Employees Stock Scheme 2018 - Management (ESOP 2018 – Management)**

The Company has established an Employee Stock Option Scheme called -"Thomas Cook Employees Stock Scheme 2018 - Management (ESOP 2018 – Management)". The Scheme of Thomas Cook (India) Limited has been approved by the special resolution passed on April 11, 2018 through Postal ballot by the shareholders. The Scheme is regulated by the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time and includes all regulations, clarifications and statutory modifications issued there under and also any new regulations on the matter of share based employee benefits.

The Exercise price of the Vested Option shall be 50% of the Market price as defined under the SEBI Regulations.

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

The purpose of this Scheme is to reward and retain the employees of the Subsidiary Companies of Thomas Cook under its control for high levels of individual performance and for exceptional efforts to improve the financial performance of the respective subsidiary companies, which will ultimately contribute to the success of Thomas Cook. This purpose is sought to be achieved through the grant of Options, for and on behalf of, and at the behest of the subsidiary companies to their employees.

The maximum number of Shares that may be issued pursuant to Exercise of Options Granted to the Participant under this Scheme shall not exceed 36,72,000 Shares of Thomas Cook. All Options that have lapsed (including those having lapsed by way of forfeiture) shall be added back to the number of Options that are pending to be granted or Shares pending to be allotted. The Company may Grant such Options within the overall limit i.e. 36,72,000

The grant of options to employees under the stock option scheme is on the basis of their performance and other eligibility criteria. Each option will entitle the participant to one equity share of Thomas Cook (India) Limited. The unvested options shall vest with the participant after 3 years date of grant of such options. Vesting of options would be subject to continued employment with the Company and certain performance parameters.

## Thomas Cook Employees Stock Scheme 2018 - Execom

The Company has established an Employee Stock Option Scheme called - "Thomas Cook Employees Stock Scheme 2018 - Execom ". The Scheme of Thomas Cook (India) Limited has been approved by the special resolution passed on April 11, 2018 through Postal ballot by the shareholders. The Scheme is regulated by the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time and includes all regulations, clarifications and statutory modifications issued there under and also any new regulations on the matter of share based employee benefits.

The Exercise Price shall be equal to face value of shares i.e. Re. 1 per option.

The objective of the ESOP 2018 - Execom is to reward the Execom Employees of the Company for their performance and to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this Scheme to retain talent in the organization. The Company views Employee Stock Options as instruments that would enable the Employees to share the value they create for the Company and align individual objectives of employees with objectives of the Company in the years to come.

The maximum number of Shares that may be issued pursuant to Exercise of Options Granted to the Participant under this Scheme shall not exceed 17,54,458 Shares of Thomas Cook. All Options that have lapsed (including those having lapsed by way of forfeiture) shall be added back to the number of Options that are pending to be granted or Shares pending to be allotted. The Company may Grant such Options within the overall limit i.e. 17,54,458

The Scheme shall be applicable to the Execom and Employees of the Company, its Subsidiary companies in India and abroad, as determined by the Committee on its own discretion from time to time.

Options granted under ESOP 2018 - Execom would Vest only at the end of 5 years from the date of grant of such options. Vesting of options would be subject to continued employment with the Company and certain performance parameters. The specific performance parameters will be decided by the Committee from time to time and will be communicated to the employees. The attainment of such performance parameters would be determined by the Committee from time to time which shall be a mandatory condition for vesting of options.

The details pertaining to number of options, weighted average price and assumptions considered for fair value are disclosed below:

	March 31, 2019		March 31, 2018	
	Weighted Average Exercise price	Number of options	Weighted Average Exercise price	Number of options
Options outstanding at the beginning of the year	73.7	21,31,539.0	40.3	58,09,982.0
Options granted during the year	66.4	38,30,196.0	-	-
Exercised during the year	107.2	5,20,934.0	13.2	34,47,777.0
Forfeited during the year	97.8	3,78,995.0	136.9	2,30,666.0
<b>Options outstanding at the end of the year</b>	<b>62.9</b>	<b>50,61,806.0</b>	<b>73.7</b>	<b>21,31,539.0</b>
<b>Options vested and exercisable at the end of the year</b>	<b>123.9</b>	<b>6,93,288.0</b>	<b>131.4</b>	<b>7,09,999.0</b>

The average share price at the date of exercise of options exercised during the year ended March 31, 2019 was Rs. 244.57 March 31, 2018- Rs. 235.65)

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Share options outstanding at the end of the year have the following expiry date and exercise prices

Grant Date	Expiry date/ Expiry Year	Exercise price (Rs.)	March 31, 2019	March 31, 2018
			Share options	Share options
July 10, 2008	July 8, 2018	77.6	-	40,000
January 24, 2013	January 22, 2021	80.0	9,234	24,570
September 5, 2013	September 3, 2023	49.3	68,350	1,31,850
July 30, 2014	July 28, 2022	108.5	66,900	91,650
October 8, 2014	October 2, 2038	1.0	1,00,000	2,29,906
August 25, 2015	August 22, 2025	165.9	4,48,804	8,10,695
November 7, 2016	November 1, 2040	1.0	7,46,448	8,02,868
June 13, 2018	June 10, 2031	137.9	14,65,400	-
September 1, 2018	August 29, 2031	125.1	2,21,008	-
October 5, 2018	September 29, 2043	1.0	17,03,697	-
January 23, 2019	January 17, 2043	1.0	2,31,965	-
<b>Total</b>			<b>50,61,806</b>	<b>21,31,539</b>
<b>Weighted average remaining contractual life of options outstanding at end of year</b>			<b>19.0 years</b>	<b>16.7 Years</b>

## Fair Value of options granted

The fair value at grant date is determined using the Black-Scholes Model which takes into account the exercise price, expected volatility, option's life, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The inputs for the options granted during the year ended March 31, 2019 included:

Particulars	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019
Scheme	GT23JAN2019	GT05OCT2018	GT01SEP2018	GT13JUN2018
Grant date				
Weighted average share price	250.4	256.2	256.7	248.6
Exercise price	1.0	1.0	125.1	137.9
Expected volatility (%)	33.1%	34.1%	30.4%	31.9%
Expected life of the options	5.0	6.0	4.0	4.0
Risk free interest rate(%)	7.4%	8.1%	8.0%	7.9%
Expected dividend (%)	0.2%	0.3%	0.2%	0.2%
Weighted average fair value as on grant date	247.4	251.0	165.1	149.4

Weighted average share price of equity shares is the average closing price on the National Stock Exchange for a period of one year up to the Valuation Date.

The risk free interest rates are based on the yield on government bonds prevailing as at the Valuation Date for maturities over a period corresponding to the remaining life of the options.

The volatility is a measure of the level of fluctuation in the value of the underlying asset. The volatility is measured as the standard deviation of the underlying asset's returns.

Dividend yield based on the average dividend yield generated by TCIL over the past period corresponding to the remaining life of the options.

## Modification of share based payment:

In the course of business combination effective from August 18, 2015 as per the court scheme, under which Sterling was merged with Thomas Cook Insurance services, Thomas cook India limited had replaced the erstwhile ESOS scheme of sterling by issuing shares from its share capital. Such modification of share based payment arrangements are accounted for as per Ind AS 102. Fair value of the replacement options issued by the company are calculated using the inputs disclosed in inputs table.



# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## Expenses/shares option outstanding account arising from share based payment transactions

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

Particulars	March 31, 2019	March 31, 2018
Employee option plans	521.6	612.2
Shares option outstanding account	<b>2,451.2</b>	<b>1,802.0</b>

## 34 Segment Information

### (a) Description of segments and principal activities

The group's strategic steering committee, consisting of the chief executive officer, the chief financial officer and the manager for corporate planning, examines the group's performance both from a product and geographic perspective and has identified four reportable segments of its business:

<b>Financial Services</b>	Includes wholesale and retail purchase and sale of foreign currencies and paid documents
<b>Travel and related services</b>	Includes tour operations, travel management, visa services and travel insurance and related services
<b>Human resource services</b>	Includes staffing services, facilities management services, selection services, training fees, food service and engineering service

### (b) Segment Revenue

Particulars	March 31, 2019	March 31, 2018
Financial Services	24,393.0	24,067.0
Travel and related services	2,00,569.1	1,66,238.4
Human resource services	318.9	17.1
<b>Total</b>	<b>2,25,281.0</b>	<b>1,90,322.5</b>

### (c) Segment Results

Particulars	March 31, 2019	March 31, 2018
Financial Services	7,941.1	6,886.9
Travel and related services	5,960.4	4,566.6
Human resource services	122.7	(19.9)
<b>Total</b>	<b>14,024.2</b>	<b>11,433.7</b>
Less: Unallocated Corporate Expenditure	6,318.0	6,395.4
Less: Interest Expense	3,751.7	4,632.7
<b>Profit / (Loss) before exceptional Items and Tax</b>	<b>3,954.5</b>	<b>405.5</b>
Add: Exceptional Items	-	53,436.0
<b>Profit / (Loss) from ordinary activities before tax</b>	<b>3,954.5</b>	<b>53,841.6</b>

### (d) Segment Assets

Particulars	March 31, 2019	March 31, 2018
Financial Services	75,126.2	45,714.6
Travel and related services	50,435.2	50,385.4
Human resource services	16,740.0	16,742.2
<b>Total</b>	<b>1,42,301.4</b>	<b>1,12,842.2</b>
Add: Common Assets	<b>1,43,586.1</b>	<b>1,82,309.4</b>
<b>Total</b>	<b>2,85,887.5</b>	<b>2,95,151.6</b>

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (e) Segment Liabilities

Particulars	March 31, 2019	March 31, 2018
Financial Services	58,650.7	48,695.4
Travel and related services	49,113.8	58,084.6
Human resource services	49.4	11.6
<b>Total</b>	<b>1,07,813.9</b>	<b>1,06,791.7</b>
Add: Common Assets	<b>6,322.7</b>	<b>19,315.5</b>
<b>Total</b>	<b>1,14,136.6</b>	<b>1,26,107.2</b>

## 35 Earnings per share

### (a) Basic earnings per share

Particulars	March 31, 2019	March 31, 2018
Basic EPS	0.71	14.47

### (b) Diluted earnings per share

Particulars	March 31, 2019	March 31, 2018
Diluted EPS	0.71	14.43

### (c) Reconciliation of earnings used in calculating earnings per share

Particulars	March 31, 2019	March 31, 2018
Basic earnings		
Profits attributable to the equity holders of the company used in calculating diluted earnings per share	2,646.9	53,142.8

### (d) Weighted average number of shares used as the denominator

Particulars	March 31, 2019 Number of shares	March 31, 2018 Number of shares
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	37,05,07,883	36,72,16,778
Adjustments for calculation of diluted earnings per share:		
Effect of Dilutive Issue of Stock Options	10,05,196	9,40,500
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	37,15,13,079	36,81,57,279

### (e) Information concerning the classification of securities

Options granted to employees under the ESOP Option Plan are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share. Details relating to the options are set out in note 33.

## 36 Acquisition of stake in Travel Corporation (India) Limited (TCI)

The Company has completed the acquisition of 4.44% stake in Travel Corporation (India) Limited (TCI), i.e. 73,234 equity shares of face value Rs. 10/- each at Rs. 2,279.30 per share from Sterling Holiday Resorts Limited, a wholly owned subsidiary of the Company. Pursuant to the said acquisition, the Company now directly holds 100% stake in TCI.

## 37 Subscription of Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS)

The Company subscribed 3,03,000 Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS), of Rs. 10 each at face value offered by Sterling Holiday Resorts Limited, a wholly owned subsidiary of the Company, on rights basis.

## 38 Acquisition of TC Travel and Services Limited

The Company has completed the acquisition of 100% stake in TC Travel and Services Limited from TC Tours Limited (formerly known as Thomas Cook Tours Limited), a wholly owned subsidiary of the Company for consideration of Rs. 300.0 lakhs.

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 39 Redemption of Non-Convertible Debentures (Unsecured) (NCD)

Pursuant to the terms of issue of Non-Convertible Debentures (Unsecured) (NCD) that were issued and allotted on a private placement basis during the financial year 2013, the Company on April 16, 2018 redeemed 334 Non Convertible Debentures (under Tranche III) of Rs. 10 lakhs each aggregating to Rs. 3,334.0 lakhs. The said NCD is delisted from BSE & NSE.

Pursuant to the terms of issue of Non-Convertible Debentures (Unsecured) (NCD) that were issued and allotted on a private placement basis during the financial year 2015-16, the Company on August 31, 2018 redeemed Non Convertible Debentures (under Series I) aggregating to Rs. 3,300.0 lakhs. Further, the Company on September 24, 2018, made early redemption of the balance Non-Convertible Debentures (Unsecured) (NCD) (under Series II and Series III) that were issued and allotted on a private placement basis during the financial year 2015-16 aggregating to Rs. 6,700.0 lakhs. The said NCD is delisted from BSE & NSE.

## 40 Scheme of Amalgamation and arrangement

The Board at its meeting held on December 19, 2018 approved the amendments to the Composite Scheme of Arrangement and Amalgamation amongst Thomas Cook (India) Limited ('TCIL'), Quess Corp Limited ('QCL'), Travel Corporation (India) Limited ('TCI'), TC Forex Services Limited (formerly known as Tata Capital Forex Limited) ('TCF'), TC Travel and Services Limited ('TCTSL') and SOTC Travel Management Private Limited (formerly known as SITA Travels and Tours Private Limited) ('SOTC TRAVEL') and their respective shareholders ('the Scheme') in accordance with the provisions of Sections 230 to 232 read with Sections 52, 55, and 66 of the Companies Act, 2013. The Scheme inter alia provides:

- Demerger of the inbound business of TCI consisting of business of handling inward foreign tourist activity from TCI into SOTC TRAVEL; and
- Amalgamation of residual TCI, TCF and TCTSL with TCIL; and
- Demerger of the Human Resource Services Business of TCIL (including shares in QCL held by TCIL) into QCL. As a part of consideration, QCL will issue its own shares to the shareholders of TCIL.

The Scheme is subject to requisite statutory and regulatory approvals and sanction by the respective shareholders of each of the companies involved in the Scheme.

## 41 Disclosures pursuant to the Regulation 34(3) read with para A of Schedule V to SEBI Listing Regulations, 2015

Loans and advances in the nature of loans to subsidiary

	As at March 31, 2019	As at March 31, 2018
Loan to Subsidiary : Travel Corporation (India) Limited		
Balance as at the year end	6,840	7,900
Maximum amount outstanding at any time during the year	7,760	7,900
Loan to Subsidiary : TC Forex Services Limited		
Balance as at the year end	2,564	3,434
Maximum amount outstanding at any time during the year	3,484	3,709
Loan to Subsidiary : TC Travel Services Limited		
Balance as at the year end	1,150	-
Maximum amount outstanding at any time during the year	1,191	-

## 42 IND AS 115 'Revenue from Contracts with Customers'

With effect from April 1, 2018, the Company has adopted Ind AS 115 'Revenue from Contracts with Customers' that replaces Ind AS 18. It introduces a new five-step approach to measuring and recognising revenue from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for services to a customer.

The Company has opted for the cumulative effect method (modified retrospective application) permitted by Ind AS 115 upon adoption of new standard. Accordingly, the standard has been applied for the year ended March 31, 2019 only (i.e. the initial application period). This method requires the recognition of cumulative impact of adoption of Ind AS 115 on all contracts as at April 1, 2018 ('transition date') in equity and the comparative information continues to be reported under Ind AS 18. The impact of the adoption of the standard on the financial statements is not material.

Also the Company has elected to use the practical expedient that there is no financing component involved when the credit period offered to customers is less than 12 months.

Prior to adoption of IND AS 115, the Company's revenue was primarily comprised of Revenue from travel and related services, financial services and human resource services. The recognition of these revenue streams is largely unchanged by Ind AS 115.

# Notes to the Standalone Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

i) **Details of revenue from contracts with customers recognised by the Company, net of indirect taxes in its Statement of Profit and Loss**

**Revenue from operations**

**Revenue from contract with customers**

Particulars	March 31, 2019
- Financial Services	24,393.0
- Travel and Related Services	2,00,569.1
- Human Resource Services	318.9
	<b>2,25,281.0</b>

ii) **Disaggregate Revenue**

The following table presents Company revenue disaggregated by type of revenue stream and by reportable segment:

**Revenue based on geography**

**Revenue from contract with customers**

Particulars	March 31, 2019
India	2,19,568.5
Overseas	5,712.5
	<b>2,25,281.0</b>

**Revenue based on product and services**

**Revenue from contract with customers**

Particulars	March 31, 2019
- Financial Services	24,393.0
- Travel and Related Services	2,00,569.1
- Human Resource Services	318.9
	<b>2,25,281.0</b>

iii) **Contract balance**

The contract liabilities primarily relate to the advance consideration received from customers for which revenue is recognized when the performance obligation is over / services delivered.

Advance Collections is recognised when payment is received before the related performance obligation is satisfied. This includes advances received from the customer towards leisure tour / holiday's packages. Revenue on leisure tours / holiday's packages are recognized on the completion of the performance obligation which is on the date of departure of the tour.

**Revenue from contract with customers**

Particulars	March 31, 2019	01 April 2018
Advance collected from customers	25,164.0	24,905.5
	<b>25,164.0</b>	<b>24,905.5</b>

## 43 Subsequent Events

(a) *Declaration of final dividend*

Refer to note 25 for the final dividend recommended by the directors which is subject to the approval of shareholders in the ensuing annual general meeting.

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

**Bhavesh Dhupelia**

Partner

Membership No.: 042070

**Madhavan Menon**

Chairman and Managing Director

DIN : 00008542

**Brijesh Modi**

Chief Financial Officer

For and on behalf of the Board of Directors

Thomas Cook (India) Limited

CIN: L63040MH1978PLC020717

**Mahesh Iyer**

Executive Director and Chief Executive Officer

DIN : 07560302

**Amit Parekh**

Company Secretary & Compliance Officer

Membership No.: ACS-13648

Mumbai, May 27, 2019

Mumbai, May 27, 2019

# Independent Auditors' Report

To the Members of

Thomas Cook (India) Limited

## Report on the Audit of Consolidated Financial Statements

### Opinion

We have audited the consolidated financial statements of Thomas Cook (India) Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its associates, which comprise the consolidated balance sheet as at March 31, 2019, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries and associates as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at March 31, 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No	Key Audit Matters	Auditors Response
1	<p><b>Revenue recognition:</b></p> <p>Revenue is measured based on transaction price, which is the consideration paid for services. As disclosed in note to the standalone financial statements, revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services.</p> <p>The Company has revenue from Foreign Exchange (Includes wholesale and retail purchase and sale of foreign currencies) and Travel and Related Services (Includes tour operations, travel management, visa services and travel insurance and related services). Revenue from Foreign Exchange, Travel and Related Services has inherent risk of fraud due to significant amount cash and cash equivalent and reliance on multiple front office IT systems and their integration to back office system, thus it has been considered as significant matter for our audit.</p>	<p>Our audit procedures included following:</p> <ul style="list-style-type: none"> <li>Assessing the appropriateness of the policies in respect of revenue recognition by comparing with applicable accounting standards;</li> <li>Evaluating the design, testing the implementation and operating effectiveness of the Company's internal controls including general IT controls and key IT application controls over recognition of revenue;</li> <li>Checking of completeness and accuracy of the data used by the management, testing the automated and manual controls in operation for foreign exchange, travel and travel related services;</li> <li>Performing cash count procedures including surprise cash count as an anti-fraud procedure;</li> <li>Selecting samples of revenue transactions and testing the sample for existence and accuracy;</li> <li>Testing the accruals of revenue based on agreements, if any;</li> <li>Performing substantive analytical procedures over revenue from foreign exchange, travel and travel related services;</li> <li>Assessing journals posted to revenue to identify unusual items not already covered by us;</li> </ul>



# Independent Auditors' Report *(Continued)*

Sr. No	Key Audit Matters	Auditors Response
2	<p><b>Impairment testing of Goodwill:</b></p> <p>The Group's intangible assets comprised goodwill and Other Intangible assets. The carrying amount of the Goodwill and other intangible assets represents 9% of the Group's total assets.</p> <p><b>Impairment testing of goodwill</b></p> <p>As required by Ind AS - 36 'Impairment of Assets', the Group annually tests the amount of goodwill for impairment where indicators of impairment exist using a discounted cash flow model to estimate the recoverable value. This impairment test is significant to our audit because the assessment process is complex and judgement is based on assumptions such as expected growth rate, expected profitability and future market or economic conditions.</p> <p>The value of intangible assets was identified as a key audit matter as the Group's annual impairment assessment contains significant judgements involving forecasting and discounting future cash flows.</p>	<p>Our audit procedures in respect of impairment testing of goodwill included the following:</p> <ul style="list-style-type: none"> <li>Review the appropriateness of management's basis to identify relevant Cash Generating Units ("CGU") for which Goodwill is being tested;</li> <li>Testing the mathematical accuracy of the discounted cash flow model and evaluation of the assumptions and methodologies used by the Group;</li> <li>In respect of forecasts, we: <ul style="list-style-type: none"> <li>Assessed the subsidiaries current year actual results in comparison with prior year forecasts to assess forecast accuracy;</li> <li>Assessed the Group's assumptions for growth rate in the impairment model in comparison to economic and industry forecast; and</li> <li>Assessed the discount rates through comparing the cost of capital for the Group with comparable business;</li> <li>We assessed the adequacy of the Group's disclosures of those assumptions used for impairment testing of goodwill.</li> </ul> </li> </ul> <p>Our audit procedures in respect of impairment testing of intangible assets included the following:</p> <ul style="list-style-type: none"> <li>Discussed with management about its intention and probability to obtain product registrations in the respective geographies;</li> <li>Compared management's assessment with the past trend product registrations awarded; and</li> <li>Testing the mathematical accuracy of the discounted cash flow model and evaluation of the assumptions and methodologies used by the Group.</li> </ul>
3	<p><b>Adoption of Ind AS 115 –Revenue from contracts with customers</b></p> <p>The Group has adopted Ind AS 115 Revenue from Contracts with Customers (Ind AS 115) which is the new revenue accounting standard. Ind AS 115 is effective for the year beginning April 1, 2018 and establishes a comprehensive framework for determining whether, how much and when revenue is recognised.</p> <p>The adoption of the standard did not have any material impact to the financial results of the Group except Sterling Holiday Resorts Limited and its subsidiaries (collectively referred to as "Sterling").</p> <p>In case of Sterling, this involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price, identification of incremental costs of obtaining a contract and appropriateness of the basis used to measure revenue recognized over a period or at a point in time primarily in respect of the membership business of Sterling. Revenue is recognized when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.</p> <p>Further, the Group is required to consider the impact arising on all open contracts on the date of adoption of the new standard in accordance with transitional provisions set out therein.</p> <p>Accordingly, revenue recognition under the new accounting standard is an area of focus in the audit.</p>	<p>In view of the significance of the matter we applied the following key audit procedures:</p> <ul style="list-style-type: none"> <li>Testing the design and operating effectiveness of controls relating to implementation of the new revenue accounting standard.</li> <li>Verifying management's assessment of different types of customer contracts including the terms of contract and commercial substance thereof in order to assess the adherence to revised accounting policies in light of the requirements of Ind AS 115.</li> <li>Selecting samples of existing and new membership contracts, testing management's assessment relating to identification of distinct performance obligations, determination of transaction prices, appropriateness of the basis used to measure revenue recognized over a period or at a point in time.</li> <li>Verifying Management's determination of incremental cost of obtaining a membership contract and the related deferral thereof.</li> <li>Additionally, we also evaluated the adequacy of disclosures made in the financial statements.</li> </ul>

# Independent Auditors' Report *(Continued)*

## Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company. and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates is responsible for overseeing the financial reporting process of each company.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (company and subsidiaries) as well as associates to cease to continue as a going concern.

# Independent Auditors' Report *(Continued)*

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Other Matters

- (a) We did not audit the financial statements of 8 subsidiaries, included in the consolidated annual financial results, whose annual financial statements reflect total assets of Rs. 96,791 lakhs as at March 31, 2019 as well as the total revenue of Rs.147,431 lakhs and net cash outflows amounting Rs. 1,162 lakhs for the year ended on that date. The consolidated annual financial results also include the Group's share of net profit ( and other comprehensive income) of Rs.5,267 lakhs for the year ended March 31, 2019, in respect of an associate, whose annual financial statements have not been audited by us. These annual financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the management, and our opinion on the consolidated annual financial results, to the extent they have been derived from such annual financial statements is based solely on the reports of such other auditors.

Certain of these subsidiaries, which are located outside India whose annual financial statements and other financial information have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the annual financial statements and other financial information of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the Management of the Company and audited by us.

- (b) The financial statements and financial information of 42 subsidiaries, whose financial statements and financial information reflect total assets of Rs.111,534 lakhs as at March 31, 2019, total revenues of Rs.107,646 lakhs and net cash inflows amounting Rs.646 lakhs for the year ended on March 31, 2019, included in the consolidated annual financial results, have not been audited either by us or by other auditors. The consolidated annual financial results also include the Group's share of net profit (and other comprehensive income) of Rs.342 lakhs for the year ended March 31, 2019, included in the consolidated annual financial results, in respect of 3 associates, whose financial statements and financial information have not been audited by us or by other auditors. These unaudited financial statements and financial information have been furnished to us by the Management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of such subsidiaries and associates, is based solely on such unaudited financial statements and financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

# Independent Auditors' Report *(Continued)*

## Report on Other Legal and Regulatory Requirements

- A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries and associates as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and associate companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and associates, as noted in the 'Other Matters' paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations as at March 31, 2019 on the consolidated financial position of the Group and its associates. Refer Note 39 to the consolidated financial statements.
  - ii. The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2019.
  - iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies and associate companies incorporated in India during the year ended March 31, 2019.
- C. With respect to the matter to be included in the Auditor's report under Section 197(16):
- In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies and associate companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies and associate companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies and associate companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

Mumbai  
May 27, 2019

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No. 101248W/W- 100022

**Bhavesh Dhupelia**  
Partner  
Membership No. 042070

# Annexure A to the Independent Auditors' report

on the consolidated financial statements of Thomas Cook (India) Limited for the year ended March 31, 2019

## Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls with reference to consolidated financial statements of Thomas Cook (India) Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies and its associate companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies and its associate companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2019, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

### Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

### Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant associate company in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

### Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.



# Annexure A to the Independent Auditors' report *(Continued)*

on the consolidated financial statements of Thomas Cook (India) Limited for the year ended March 31, 2019

## Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to one associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Mumbai  
May 27, 2019

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No. 101248W/W- 100022

**Bhavesh Dhupelia**  
Partner  
Membership No. 042070

# Consolidated Balance Sheet

as at March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2019	As at March 31, 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4(a)	123,001.8	73,991.7
Capital work-in-progress	4(b)	688.4	893.0
Goodwill	5	101,036.2	87,950.6
Other intangible assets	6(a)	16,024.7	10,337.3
Intangible assets under development	6(b)	692.8	448.2
Investment accounted for using equity method	7	731,334.8	725,292.3
Financial assets			
- Investments	8(a)	11.0	11.3
- Loans	8(f)	3,538.4	1,898.8
- Trade receivables	8(c)	1,255.9	3,074.0
- Other financial assets	8(g)	4,743.7	2,255.1
Deferred tax assets	16	15,168.7	14,418.4
Other non-current assets	9(a)	9,095.3	1,299.9
Non-current tax assets	11	10,525.5	9,295.0
<b>Total non-current assets</b>		<b>1,017,117.2</b>	<b>931,165.6</b>
<b>Current assets</b>			
Inventories	10	1,576.3	109.2
Financial assets			
- Investments	8(b)	10,352.7	14,521.1
- Trade receivables	8(c)	82,817.2	85,742.4
- Cash and cash equivalents	8(d)	74,974.5	92,681.3
- Bank balances other than cash and cash equivalents	8(e)	28,443.0	16,581.5
- Loans	8(f)	586.7	3,149.1
- Other financial assets	8(g)	19,582.5	13,003.1
Other current assets	9(b)	78,231.5	63,469.6
<b>Total current assets</b>		<b>296,564.4</b>	<b>289,257.3</b>
<b>TOTAL ASSETS</b>		<b>1,313,681.6</b>	<b>1,220,422.9</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	12(a)	3,707.3	3,702.1
Other equity			
- Share application money pending allotment		16.1	46.5
- Reserves and surplus	12(b)	885,618.9	863,391.7
<b>Equity attributable to shareholders of the company</b>		<b>889,342.3</b>	<b>867,140.3</b>
Non-controlling Interests		6,142.1	1,307.1
<b>Total Equity</b>		<b>895,484.4</b>	<b>868,447.4</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
- Borrowings	13(a)	24,114.0	23,099.1
- Other financial liabilities	13(c)	18.9	845.9
Provisions	14	109.7	99.7
Employee benefit obligations	15	4,063.3	2,341.7
Deferred tax liabilities	16	13,072.2	10,785.3
Other non-current liabilities	18(a)	73,878.1	33,275.6
<b>Total non-current liabilities</b>		<b>115,256.2</b>	<b>70,447.3</b>
<b>Current liabilities</b>			
Financial liabilities			
- Borrowings	13(b)	5,678.1	6,640.9
- Trade payables	13(d)		
i. Dues of micro enterprises and small enterprises		90.4	8.4
ii. Dues of creditors other than micro enterprises and small enterprises		181,904.6	148,393.1
- Other financial liabilities	13(c)	21,485.3	38,012.3
Provisions	14	2,947.4	3,011.9
Employee benefit obligations	15	5,868.6	4,913.0
Current tax liabilities	17	1,873.7	577.3
Other current liabilities	18(b)	83,092.9	79,971.3
<b>Total current liabilities</b>		<b>302,941.0</b>	<b>281,528.2</b>
<b>Total Liabilities</b>		<b>418,197.2</b>	<b>351,975.5</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,313,681.6</b>	<b>1,220,422.9</b>
Basis of preparation, measurement and significant accounting policies	1		
Contingent liabilities and commitments	39 - 40		

The above consolidated balance sheet should be read in conjunction with the accompanying notes

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

**Bhavesh Dhupelia**

Partner

Membership No.: 042070

**Madhavan Menon**

Chairman and Managing Director

DIN : 00008542

**Brijesh Modi**

Chief Financial Officer

Mumbai, May 27, 2019

Mumbai, May 27, 2019

For and on behalf of the Board of Directors

Thomas Cook (India) Limited

CIN: L63040MH1978PLC020717

**Mahesh Iyer**

Executive Director and Chief Executive Officer

DIN : 07560302

**Amit Parekh**

Company Secretary & Compliance Officer

Membership No.: ACS-13648

# Consolidated Statement of Profit and Loss

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Income</b>			
Revenue from operations	19	660,325.0	1,124,834.2
Other income	20(a)	9,654.0	13,384.3
Other gains (net)	20(b)	1,890.4	2,937.0
<b>Total income</b>		<b>671,869.4</b>	<b>1,141,155.5</b>
<b>Expenses</b>			
Cost of sales and services		507,055.2	439,872.0
Employee benefits expense	21	77,115.8	530,220.8
Finance cost	24	7,297.1	14,900.2
Advertisement and sales promotion expenses	25	12,186.5	12,344.9
Depreciation and amortisation expense	22	6,723.3	13,672.3
Other expenses	23	55,761.8	105,280.8
<b>Total expenses</b>		<b>666,139.7</b>	<b>1,116,291.0</b>
<b>Profit before exceptional item, share of net profits of investments accounted for using equity method and tax</b>		<b>5,729.7</b>	<b>24,864.5</b>
Share of profit from associates and joint venture accounted for using equity method		5,299.0	1,672.5
<b>Profit before exceptional items and tax</b>		<b>11,028.7</b>	<b>26,537.0</b>
Add : Exceptional item	37	-	582,546.9
<b>Profit before tax</b>		<b>11,028.7</b>	<b>609,083.9</b>
Less : Tax expense / (credit)			
Current tax	26	4,476.0	12,658.8
Deferred tax	26	(2,330.9)	(16,714.2)
<b>Total tax expenses / (credit)</b>		<b>2,145.1</b>	<b>(4,055.4)</b>
<b>Profit for the year (A)</b>		<b>8,883.6</b>	<b>613,139.3</b>
<b>Other comprehensive income</b>			
<b>Items that will be reclassified to profit or loss</b>			
Exchange differences on translation of foreign operations		1,437.7	(302.7)
Share of other comprehensive income of equity accounted investees		309.7	-
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of post-employment benefit obligations		(416.5)	85.5
Income tax relating to remeasurements of post-employment benefit obligations		41.9	196.8
Share of other comprehensive income of equity accounted investees		0.2	(54.3)
Income tax relating to share of other comprehensive income of equity accounted investees		-	18.9
Changes in revaluation surplus		47,903.1	-
Income tax relating to changes in revaluation surplus		(3,399.9)	-
<b>Total other comprehensive income/(expense) for the year, net of taxes (B)</b>		<b>45,876.2</b>	<b>(55.8)</b>
<b>Total comprehensive income for the year (A+B)</b>		<b>54,759.8</b>	<b>613,083.5</b>
<b>Profit attributable to:</b>			
Owners of the company		8,481.8	596,800.5
Non Controlling interest		401.8	16,338.8
		<b>8,883.6</b>	<b>613,139.3</b>
<b>Other comprehensive income/(expense) is attributable to:</b>			
Owners of the company		45,876.2	84.7
Non Controlling interest		-	(140.5)
		<b>45,876.2</b>	<b>(55.8)</b>
<b>Total comprehensive income is attributable to:</b>			
Owners of the company		54,358.0	596,885.2
Non Controlling interest		401.8	16,198.3
		<b>54,759.8</b>	<b>613,083.5</b>
<b>Earnings per equity share before exceptional items (face value of Re. 1 each)</b>	33		
Basic earnings per share		2.29	3.88
Diluted earnings per share		2.28	3.87
<b>Earnings per equity share after exceptional items (face value of Re. 1 each)</b>	33		
Basic earnings per share		2.29	162.52
Diluted earnings per share		2.28	162.10

The above consolidated profit and loss should be read in conjunction with the accompanying notes

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

**Bhavesh Dhupelia**

Partner

Membership No.: 042070

**Madhavan Menon**

Chairman and Managing Director

DIN : 00008542

**Brijesh Modi**

Chief Financial Officer

For and on behalf of the Board of Directors

Thomas Cook (India) Limited

CIN: L63040MH1978PLC020717

**Mahesh Iyer**

Executive Director and Chief Executive Officer

DIN : 07560302

**Amit Parekh**

Company Secretary & Compliance Officer

Membership No.: ACS-13648

Mumbai, May 27, 2019

Mumbai, May 27, 2019

# Consolidated Statement of Cash Flow

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>A) Cash flow from operating activities</b>		
Profit before tax	11,028.7	609,083.9
Adjustments for		
Interest income	(1,758.1)	(2,916.1)
Change in fair value of contingent consideration	(600.8)	(1,228.2)
Dividend income from investments	(0.2)	(317.0)
Gain on sale of current investments (net)	(843.2)	(1,681.3)
Expenses on employees stock options schemes (net)	1,251.3	3,153.4
Depreciation and amortisation	6,723.3	13,672.3
(Profit)/loss on sale of fixed assets (net)	69.3	(739.6)
Interest on income tax refund	(494.4)	(542.8)
Finance costs	7,297.1	14,900.2
Exceptional item : fair value gain on loss of control of subsidiary	-	(582,656.8)
Exceptional item : provision for impairment of property, plant and equipments and intangible assets	-	9.9
Share of profit from associates and joint venture accounted for using equity method	(5,299.0)	(1,672.5)
Bad debts and advances written off	872.1	1,247.1
Provision for doubtful debts and advances (net)	907.6	1,584.2
<b>Cash generated from operations before working capital changes</b>	<b>19,153.7</b>	<b>51,896.7</b>
<b>Changes in working capital</b>		
Increase in trade payables	24,721.7	20,352.4
(Decrease) / increase in provisions	(54.5)	81.8
Decrease in other financial liabilities	(9,546.9)	(13,885.8)
Decrease / (increase) in trade receivables	8,365.8	(42,609.3)
Increase in other financial assets and loans	(5,995.9)	(22,750.5)
Decrease / (increase) in inventories	15.2	(71.9)
Increase / (decrease) in employee benefit obligations	1,190.7	(7,248.6)
Increase in other assets	(14,170.8)	(15,261.5)
Increase in other liabilities	5,423.7	29,458.6
<b>Cash generated from / (used in) operations</b>	<b>29,102.7</b>	<b>(38.1)</b>
Income taxes paid (net of refunds received)	(4,316.6)	(24,927.6)
Interest on income tax refund	494.4	542.8
<b>Net cash generated from/(used in) operating activities</b>	<b>25,280.5</b>	<b>(24,422.9)</b>
<b>B) Cash flow from investing activities:</b>		
Proceeds from sale of fixed assets	190.4	1,101.1
Purchase of fixed assets	(7,614.1)	(17,598.5)
Interest received	1,472.5	2,935.7
Dividend income from investments	0.2	317.0
Investment in subsidiaries acquired, net of cash acquired	(12,692.2)	(19,866.8)
Investment in associates and joint ventures	(373.0)	(1,242.0)
Proceeds from sale of equity share of subsidiary, net of expenses	-	62,835.9
Investments in fixed deposits with banks	(13,597.4)	(21,472.9)
Proceeds from sale of non-current investments (net)	0.3	68.7
Proceeds from / (Purchase of) current investments	5,011.7	(17,069.1)
<b>Net cash used in investing activities</b>	<b>(27,601.6)</b>	<b>(9,990.9)</b>
<b>C) Cash flow from financing activities</b>		
Proceeds from issue of equity shares under employees stock options schemes including share application money	527.8	487.3
Proceeds from issue of equity shares by subsidiary	-	87,454.2
Share issue expenses paid	-	(2,602.4)
(Repayment) / proceeds from borrowings (net)	6,301.5	(4,723.3)
Repayment of 8.5% Non Convertible Redeemable Preference Shares ("NCRPS") of Rs. 10 each	-	(12,500.0)
Repayment of 9.37% non-convertible debentures	(10,000.0)	-
Repayment of 10.52% non-convertible debentures	(3,334.0)	(3,333.3)
(Repayment) / proceeds from finance lease liability (net)	117.3	(465.4)
Dividend paid during the year	(1,389.4)	(1,375.6)
Dividend distribution tax on dividend paid during the year	(285.6)	(280.0)
Dividend paid to minority shareholders of subsidiaries	(440.4)	(566.5)
Finance costs paid	(8,223.0)	(14,421.4)
<b>Net cash (used in) /generated from financing activities</b>	<b>(16,725.8)</b>	<b>47,673.6</b>

# Consolidated of Cash Flows (Continued)

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(19,046.9)</b>	<b>13,259.8</b>
Add: Cash and cash equivalents at the beginning of the financial year	89,973.5	112,514.3
Less: Reduction in cash and cash equivalents on account of deconsolidation of subsidiary	-	(36,252.7)
Effects of exchange rate changes on cash and cash equivalents	1,285.0	452.1
<b>Cash and cash equivalents at the end of the year</b>	<b>72,211.6</b>	<b>89,973.5</b>
<b>Reconciliation of Cash Flow statements as per the cash flow statement</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>
<b>Cash flow statement as per above comprises of the following</b>		
Cash and cash equivalents	74,974.5	92,681.3
Bank overdrafts	(2,762.9)	(2,707.8)
<b>Balances as per statement of cash flows</b>	<b>72,211.6</b>	<b>89,973.5</b>

## Notes:

- The above consolidated cash flow statement has been prepared under the "Indirect method" set out in Indian Accounting Standard (Ind AS-7) on statement of cash flow as notified under Companies (Accounts) Rules, 2015.
- Additions to property, plant and equipment and other intangible assets include movement of capital work-in-progress, payables for fixed assets and capital advances during the year.
- Reconciliation of movements of liabilities to cash flows arising from financing activities are as below;

Particulars	NCRPS	Non-convertible debentures	Finance Lease	Other Borrowings	Finance costs	Total
<b>Balance as on April 1, 2018</b>	-	13,303.3	53.2	26,406.5	1,260.4	41,023.4
Cashflow: inflow / (outflow)	-	(13,334.0)	117.3	6,301.5	-	(6,915.2)
Other changes						
Acquisition through business combinations	-	-	21.5	398.1	-	419.6
Deconsolidation of subsidiary	-	-	-	-	-	-
Transaction costs amortisation	-	30.7	-	44.0	(74.7)	-
Finance costs	-	-	-	-	7,297.1	7,297.1
Finance costs paid	-	-	-	-	(8,223.0)	(8,223.0)
Unwinding of NCI and forward liability	-	-	-	-	-	-
<b>Balance as on March 31, 2019</b>	-	-	192.0	33,150.1	259.8	33,601.9
<b>Balance as on April 1, 2017</b>	12,500.0	16,611.9	3,729.3	99,844.2	2,307.1	134,992.5
Cashflow: inflow / (outflow)	(12,500.0)	(3,333.3)	(465.4)	(4,723.3)	-	(21,022.0)
Other changes						
Acquisition through business combinations	-	-	-	19,593.4	-	19,593.4
Deconsolidation of subsidiary	-	-	(3,210.7)	(88,523.4)	(335.9)	(92,070.0)
Transaction costs amortisation	-	24.7	-	215.6	(240.3)	-
Finance costs	-	-	-	-	14,900.2	14,900.2
Finance costs paid	-	-	-	-	(14,421.4)	(14,421.4)
Unwinding of NCI and forward liability	-	-	-	-	(949.3)	(949.3)
<b>Balance as on March 31, 2018</b>	-	13,303.3	53.2	26,406.5	1,260.4	41,023.4

The above consolidated cash flow should be read in conjunction with the accompanying notes

As per our report of even date attached  
For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration Number: 101248W/W-100022

**Bhavesh Dhupelia**  
Partner  
Membership No.: 042070

Mumbai, May 27, 2019

**Madhavan Menon**  
Chairman and Managing Director  
DIN : 00008542

**Brijesh Modi**  
Chief Financial Officer

Mumbai, May 27, 2019

For and on behalf of the Board of Directors  
**Thomas Cook (India) Limited**  
CIN: L63040MH1978PLC020717

**Mahesh Iyer**  
Executive Director and Chief Executive Officer  
DIN : 07560302

**Amit Parekh**  
Company Secretary & Compliance Officer  
Membership No.: ACS-13648



# Consolidated Statement of Changes in Equity

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (A) Equity share capital

Particulars	Equity Share Amount
Balance as at March 31, 2017	3,667.6
Changes during the year	34.5
Balance as at March 31, 2018	3,702.1
Changes during the year	5.2
Balance as at March 31, 2019	3,707.3

## (B) Other Equity

Particulars	Share application money pending allotment	Reserves and Surplus									Total reserves and surplus	Non-controlling interests
		Capital reserve	Capital redemption reserve	Debenture redemption reserve	Share option outstanding account	Securities premium account	General reserve	Retained earnings	Other comprehensive income - revaluation reserve	Other comprehensive income - foreign currency translation reserve		
Balance as at March 31, 2017	15.6	2,916.8	2,380.9	2,650.2	3,507.7	116,845.2	4,516.7	15,571.8	-	526.7	148,916.0	28,381.9
Profit for the year	-	-	-	-	-	-	-	596,800.5	-	-	596,800.5	16,338.8
Other comprehensive income, net of tax	-	-	-	-	-	-	-	254.0	-	(169.3)	84.7	(140.5)
Transaction with owners in their capacity as owners												
Share application money received pending allotment, net of issue of equity shares	30.9	-	-	-	-	-	-	-	-	-	-	-
Transfer from retained earnings	-	-	10,119.1	1,381.9	-	-	-	-	-	-	11,501.0	-
Transfer to debenture redemption reserve	-	-	-	-	-	-	-	(1,381.9)	-	-	(1,381.9)	-
Transfer to capital redemption reserve	-	-	-	-	-	-	-	(10,119.1)	-	-	(10,119.1)	-
Employee stock option expense	-	-	-	-	3,230.8	-	-	-	-	-	3,230.8	-
Transfer to securities premium account	-	-	-	-	(2,647.0)	-	-	-	-	-	(2,647.0)	-
Transfer from share option outstanding account	-	-	-	-	-	2,647.0	-	-	-	-	2,647.0	-
Transfer to general reserve	-	-	-	(833.3)	(223.5)	-	223.5	-	-	-	(833.3)	-
Transfer from debenture redemption reserve	-	-	-	-	-	-	833.3	-	-	-	833.3	-
Adjustment of rationalisation of useful life of asset	-	-	-	-	-	-	-	296.0	-	-	296.0	-
Change in stake in subsidiary	-	(1,043.7)	-	(24.6)	(11.8)	(4,841.7)	(26.0)	(4,223.3)	-	352.3	(9,818.8)	9,736.7
Share of non-controlling interest in reserves	-	-	-	(286.7)	(311.3)	(65,403.7)	(44.8)	-	-	-	(66,046.5)	66,046.5
Loss of control of subsidiary	-	-	-	-	-	-	-	-	-	-	-	(121,490.0)
Arising on account of acquisition by subsidiary	-	21.6	-	-	-	-	-	-	-	-	21.6	22.5
Issue of shares by subsidiary company	-	-	-	-	-	131,615.4	-	-	-	-	131,615.4	1,869.3
Share issue expenses	-	-	-	-	-	(3,310.2)	-	-	-	-	(3,310.2)	-
Addition on account of ESOP issues	-	-	-	-	-	421.9	-	-	-	-	421.9	-
Dividend for the previous year paid during the year	-	-	-	-	-	-	-	(1,375.6)	-	-	(1,375.6)	(566.5)
Corporate dividend tax for the previous year paid during the year	-	-	-	-	-	-	-	(280.0)	-	-	(280.0)	-
Non-controlling interests on acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	1,108.3
Sale of partial stake in subsidiary	-	-	-	-	-	-	-	62,835.9	-	-	62,835.9	-
Balance as at March 31, 2018	46.5	1,894.7	12,500.0	2,887.5	3,544.9	177,973.9	5,502.7	658,378.3	-	709.7	863,391.7	1,307.1

# Consolidated Statement of Changes In Equity (Continued)

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Share application money pending allotment	Reserves and Surplus					Retained earnings	Other comprehensive income - revaluation reserve	Other comprehensive income - foreign currency translation reserve	Total reserves and surplus	Non-controlling interests
		Capital reserve	Capital redemption reserve	Debt redemption reserve	Share option outstanding account	Securities premium account					
<b>Balance as at March 31, 2018</b>	<b>46.5</b>	<b>1,894.7</b>	<b>12,500.0</b>	<b>2,887.5</b>	<b>3,544.9</b>	<b>177,973.9</b>	<b>5,502.7</b>	<b>658,378.3</b>	<b>709.7</b>	<b>863,391.7</b>	<b>1,307.1</b>
Changes in accounting policy	-	-	-	-	-	-	-	(30,259.9)	-	(30,259.9)	-
Restated balance at the beginning of the reporting period	46.5	1,894.7	12,500.0	2,887.5	3,544.9	177,973.9	5,502.7	628,118.4	709.7	833,131.8	1,307.1
Profit for the year	-	-	-	-	-	-	-	8,481.8	-	8,481.8	401.8
Other comprehensive income, net of tax	-	-	-	-	-	-	-	(374.4)	44,503.2	1,747.4	45,876.2
<b>Transaction with owners in their capacity as owners</b>											
Issue of equity shares, net of share application money received pending allotment	(30.4)	-	-	-	-	-	-	-	-	-	-
Transfer from retained earnings	-	-	-	813.6	-	-	-	-	-	813.6	-
Transfer to debt redemption reserve	-	-	-	-	-	-	-	(813.6)	-	(813.6)	-
Employee stock option expense	-	-	-	-	1,251.3	-	-	-	-	1,251.3	-
Transfer to securities premium account	-	-	-	-	(1,930.4)	-	-	-	-	(1,930.4)	-
Transfer from share option outstanding account	-	-	-	-	-	1,930.4	-	-	-	1,930.4	-
Transfer to general reserve	-	-	-	(3,333.4)	(71.7)	-	71.7	-	-	(3,333.4)	-
Transfer from debt redemption reserve	-	-	-	-	-	-	3,333.4	-	-	3,333.4	-
Adjustment of rationalisation of useful life of asset	-	-	-	-	-	-	-	1.0	-	1.0	-
Change in stake in subsidiary	-	-	-	-	-	-	-	(2,056.6)	-	(2,056.6)	2,056.6
Share of change in other net assets of associates accounted for using equity method	-	-	-	-	-	-	-	55.4	-	55.4	-
Issue of shares by subsidiary company	-	-	-	-	-	-	-	-	-	-	17.3
Addition on account of ESOP issues	-	-	-	-	-	553.0	-	-	-	553.0	-
Dividend for the previous year paid during the year	-	-	-	-	-	-	-	(1,389.4)	-	(1,389.4)	(440.4)
Corporate dividend tax for the previous year paid during the year	-	-	-	-	-	-	-	(285.6)	-	(285.6)	-
Exchange translation differences	-	-	-	-	-	-	-	-	-	-	36.5
Non-controlling interests on acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	2,763.2
<b>Balance as at March 31, 2019</b>	<b>16.1</b>	<b>1,894.7</b>	<b>12,500.0</b>	<b>367.7</b>	<b>2,794.1</b>	<b>180,457.3</b>	<b>8,907.8</b>	<b>631,737.0</b>	<b>44,503.2</b>	<b>885,618.9</b>	<b>6,142.1</b>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

## Nature and Purpose of Reserves

### Capital Reserve

Any bargain purchase in a business combination in which the fair value of net assets acquired exceeds the aggregate of the fair value of the purchase consideration, such excess is accumulated in equity as capital reserve.

### Capital Redemption Reserve

The Group had issued non convertible redeemable preference shares. In order to comply with the requirements of Section 69 of The Companies Act, 2013, the group has transferred amounts to Capital Redemption Reserve.

### Debt Redemption Reserve

The Group had issued Non Convertible Debentures. In order to comply with the requirements of Section 71 of The Companies Act, 2013, the Group has transferred amounts to Debt Redemption Reserve.

### Share Option Outstanding Amount

The share option outstanding account is used to recognise the grant date fair value of options issued to employees under the Group's Employees stock option plan.

### General Reserves

General reserve is used to record transfer from debt redemption reserve, Share Option Outstanding Amount. The reserve is utilised in accordance with the provisions of the Companies Act.

### Securities Premium Reserves

Securities premium reserve is used to record the premium on issue of shares and towards allotment of ESOP. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

### Revaluation Reserve

Increase / decrease in the carrying amount arising on revaluation of land are recognized, net of tax, in revaluation reserve through other comprehensive income.

The above consolidated balance sheet should be read in conjunction with the accompanying notes

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

**Bhavesh Dhupelia**

Partner

Membership No.: 042070

**Madhavan Menon**

Chairman and Managing Director

DIN : 00008542

**Brijesh Modi**

Chief Financial Officer

For and on behalf of the Board of Directors

**Thomas Cook (India) Limited**

CIN: L63040MH1978PLC020717

**Mahesh Iyer**

Executive Director and Chief Executive Officer

DIN : 07560302

**Amit Parekh**

Company Secretary & Compliance Officer

Membership No.: ACS-13648

Mumbai, May 27, 2019

Mumbai, May 27, 2019

# Notes to Consolidated Financial Statements

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## General information:

Thomas Cook (India) Limited ("the Company") and its subsidiaries (the "Group") are engaged in diversified businesses including Travel and Related Services, Authorised Foreign Exchange Dealers, Human Resource Services, imaging solutions and providing full-service leisure resorts catering to Vacation ownership, One-time Leisure Holidays and Meetings, Incentives, Conferences and Exhibitions.

The consolidated financial statements of the Group including its interests in associates and joint ventures for the year ended March 31, 2019, were approved by the Board of Directors and authorised for issue on May 27, 2019.

## 1 Significant accounting policies

### 1.1 Basis of preparation

#### (a) Statement of compliance with Ind AS

The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 and other relevant provisions of the Act as amended from time to time that are notified and effective as at March 31, 2019.

#### (b) Historical cost convention

Consolidated Financial Statements have been prepared on a historical cost basis, except for the following:

- (i) certain financial assets and liabilities - measured at fair value,
- (ii) defined benefit plans - defined benefit obligations less plan assets measured at fair value
- (iii) share based payment - measured at fair value
- (iv) contingent consideration in case of a business combination - measured at fair value
- (v) freehold and leasehold land of sterling - measured at fair value

The consolidated financial statements are presented in Indian Rupees "(INR)" or "(Rs.)" which is also the group's functional currency and all values are rounded off to nearest lakhs ('00,000) except where otherwise indicated. Wherever the amount is represented as '0' ('zero') it construes a value less than fifty thousand.

#### (c) Uniform accounting policies

As far as possible, the Consolidated Financial Statements of the Group are prepared using uniform accounting policies for similar transactions and other events in similar circumstances.

### 1.2 Principles of consolidation of subsidiaries, associates and joint ventures

#### Subsidiaries:

Subsidiaries are all entities (including structured entities) over which the Company has control. The group controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the results and the equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and the Consolidated Balance Sheet, respectively.

#### Equity accounted investees:

The Group's interests in equity accounted investees comprises interests in associates and joint ventures.

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in the consolidated statement of profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

## **Non-controlling interests (NCI):**

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively.

## **Loss of control:**

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

## **1.3 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision Maker ('CODM'). The board of directors, the chief executive officer and the chief financial officer have been identified as being the CODMs. Refer Note 30 for segment information.

## **1.4 Foreign currency translation and transactions**

### **(a) Functional and presentation currency**

A Group's functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash.

### **(b) Transactions and balances**

The financial statements are presented in INR, the functional currency of the Group.

#### **(i) Initial Recognition:**

On initial recognition, foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction.

#### **(ii) Subsequent Recognition:**

As at the reporting date, non - monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognised in profit or loss. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss in the statement of profit and loss.

The translation of financial statements of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the balance sheet date and for revenue, expense and cash-flow items using the average exchange rate for the respective periods. The gains or losses resulting from such translation are included in currency translation reserves under other components of equity. When a subsidiary is disposed off, in full, the relevant amount is transferred to net profit in the statement of profit and loss. However when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

All monetary items denominated in foreign currency are restated at Foreign Exchange Dealers Association of India (FEDAI) rates and the exchange variations arising out of settlement / conversion at the FEDAI rates are recognised in the Statement of Profit and Loss at the end of accounting period.

Profit or loss on purchase and sale of foreign exchange by the Company in its capacity as Authorised Foreign Exchange Dealer are accounted as a part of the revenue.

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 1.5 Revenue recognition

The Group has adopted Ind AS 115 "Revenue from Contracts with Customers" (which replaces Ind AS 18 "Revenue") using the cumulative effect method (without practical expedients). The adoption of the standard did not have any material impact to the financial results of the Group except Sterling Holiday Resorts Limited and its subsidiaries (collectively referred to as "Sterling") where the impact arises primarily on recognition of the membership fees and incremental costs to obtain and/or fulfill a contract with a customer, as applicable, over the effective membership period based on the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018) and included in retained earnings as on April 1, 2018. Refer note 41 for impact of adopting Ind AS 115.

Revenue is recognized upon transfer of control of promised services to customers to the extent that it is probable that the economic benefits associated with the transaction will flow to the entity and revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

### (A) Income from operations

#### (a) Foreign exchange and travel related services

The group provides travel products and services to leisure and corporate travellers in India and abroad. Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and taxes. The revenue from rendering these services is recognized in the income statement at the time when significant risk and rewards are transferred to the customer.

The group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the entity's activities as described below. The entity bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Income from the sale of airline tickets is recognized as an agent on the basis of net commission earned, at the time of issuance of tickets, as the Group does not assume any performance obligation post the confirmation of the issuance of an airline ticket to the customer. Performance linked bonuses from airlines are recognized as and when the performance obligations under the schemes are achieved.

Revenue on holiday packages is recognised on gross basis on the date of departure of the tour considering that the group fully transfers control of the promised services to the customer once all the vouchers, tickets and other booking/travel related details are issued to the customer at time of departure. Accordingly, its performance obligation is satisfied at the time of departure.

Sales from inbound tour services are recognized on the date of arrival of the tour

The income arising from the buying and selling of foreign currencies is included on the basis of net margins earned. Revenue on foreign exchange transactions are recognised at the time of purchase and sale.

Education and training revenue is recognised on proportionate basis considering the actual number of days of course completed as at the year end to the total duration of the course.

#### (b) Human resource services

##### (i) People and services

Revenue related to staffing services i.e. salary and incidental expenses of temporary associates along with the service charges are recognized in accordance with the agreed terms and recognized as the related services are performed.

Revenue related to recruitment services are recognized at the time the candidate begins full time employment.

Revenue related to executive research and trainings are recognized upon rendering of the service.

Revenue from training services is recognized prorated over the period of training.

##### (ii) Global technology solutions

Revenue related to staffing services i.e. salary and incidental expenses of employees of Information Technology /Information Technology Enabled Services along with the service charges are recognized in accordance with the agreed terms and recognized as the related services are performed.

##### (iii) Integrated facility management

Revenue from integrated facility management and food services are primarily earned on fixed fee basis and are recognized as per the terms of the arrangement with the customers.



# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Revenue from the services rendered between the last billing date and the balance sheet date is recognized as unbilled revenue (accrued revenue).

## **(iv) Industrial asset management**

Revenue from operation and maintenance services are primarily earned on a fixed rate basis and are recognized as per the terms and arrangements with the customers. Certain arrangements are on time and material basis and are recognized as the services are performed as per the terms of the arrangement with the customer.

Income received in advance included in other current liabilities and other non current liabilities represents amounts billed in excess of revenue earned. accrued revenue included in other current financial assets represents revenue earned in excess of amounts billed.

## **(v) Software and solutions business**

Revenue from information technology primarily includes co-location, which includes the licensing of cabinet space and power, interconnection offerings; managed infrastructure services and application management services. Revenue is recognised ratably in accordance with the agreed terms of the contract with the customers.

## **(c) Vacation ownership and resorts business**

### **(i) Vacation ownership business**

In respect of sale of membership, the Group determines the transaction price and allocates the same to each performance obligation in the membership contract. Revenue from membership fee is recognized over the effective membership period since the Group's efforts or inputs are expended evenly throughout the membership period. Revenue from offers given to the customer is recognized when the customer obtains control over the promised good or service.

Provision for cancellation of membership contracts is made considering the Group's cancellation policy and historical trends and experience.

Till March 31, 2018, revenue from sale of membership was recognised based on an assessment by management, determined that the fair value of the future services to be rendered to the customer which includes rights to usage of facilities over the membership period as 40% of the product value (entitlement fee). Entitlement Fee was recognised as income over the period of entitlement on a systematic basis reflecting the timing, nature and value of benefits provided to the customer. 60% of the product value, being admission fee was recognized as income in the year of sale. In respect of all other vacation ownership products prior to November 2011, 45% of the product value, being admission fee was recognised as income in the year of sale. The remaining 55%, being Advance subscription towards customer facilities (ASCF), which entitles the vacation ownership member for the specified facilities over the membership usage period, was recognised as income equally over the period of entitlement.

Interest income on membership plans: Interest is recognised as an income based on the terms of the contracts entered into with the members if they are reasonably certain to be recovered from the customers.

Incremental costs of obtaining and fulfilling a contract: The Group recognises as an asset the incremental costs of obtaining a contract with a customer if the entity expects to recover those costs. The incremental costs of obtaining a contract are those costs that an entity incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained are recognised as an expense when incurred, unless those costs are explicitly chargeable to the customer regardless of whether the contract is obtained.

If the costs incurred in fulfilling a contract with a customer are not within the scope of another Standard, the Group recognizes an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria:

- (i) the costs relate directly to a contract or to an anticipated contract that the entity can specifically identify;
- (ii) the costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
- (iii) the costs are expected to be recovered.

The above costs to obtain and fulfill a contract are amortised over the period for which such service is rendered.

### **(ii) Income from resorts**

Income from resorts comprising of sale of food and beverages, room rentals and other services are recognized when these are sold and as services are rendered.

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (iii) Income from subscription fee

Income in respect of annual subscription fee or annual amenity charges dues from members is recognized only when it is reasonably certain that the ultimate collection will be made. Where the length of time between rendering services and collection of consideration from the customers is more than one year, the Group adjusts the consideration for time value of money.

## (B) Contract balances (effective from April 1, 2018)

### (a) Contract assets

A contract asset is the right to consideration in exchange for services rendered to the customer. If the Company performs by rendering services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

### (b) Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company renders services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

## 1.6 Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their primary nature. The costs of the company are broadly categorised in employee benefit expenses, depreciation and amortisation and other operating expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses majorly include sub-contractor charges, rent, recruitment and training expenses, travelling and conveyance, legal and professional fees and communication expenses.

## 1.7 Taxes on income

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Income tax for the period comprises of current tax and deferred tax. Income tax is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised in 'Other comprehensive income or directly in equity, in which case the tax is recognised in 'Other comprehensive income' or directly in equity, respectively.

### (a) Current tax:

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the Balance Sheet date, and any adjustments to tax payable in respect of previous years. Interest income/expenses and penalties, if any, related to income tax are included in current tax expense.

### (b) Deferred tax:

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred Taxes on items classified under Other Comprehensive Income ('OCI') has been recognised in OCI.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

## 1.8 Leases

### (a) Determining whether an arrangement contains a lease:

At the inception of an arrangement, it is determined the arrangement is or contains a lease.

At inception or on reassessment of the arrangement that contains a lease, the payments and other considerations required by such an arrangement are separated into those for the lease and those for elements on basis of the relative fair values.

### (b) Operating lease:

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease payments under leases are charged or credited to the Statement of Profit and Loss on a straight-line basis over the term of the lease unless the lease payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, in which case the same are recognised as an expense in line with the contractual term.

### Finance lease:

Lease arrangements where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased asset and the present value of the minimum lease payments. If it is concluded for a finance lease that is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Each lease payment is apportioned between the finance charge and the reduction of the outstanding liability. The outstanding liability pertaining to non-current portion is included in other long-term borrowings and the current portion is included in other financial liabilities. The finance charge is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

## 1.9 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the;

- (i) fair values of the assets transferred;
- (ii) liabilities incurred to the former owners of the acquired business;
- (iii) equity interests issued by the Group; and
- (iv) fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

The excess of the;

- (i) consideration transferred;
- (ii) amount of any non-controlling interest in the acquired entity, and
- (iii) acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

## 1.10 Impairment of assets

### (a) Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not otherwise consider, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security.

The group considers evidence of impairment for receivables for each specific asset. All individually significant receivables are assessed for specific impairment. In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognized as income through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through statement of profit or loss.

For recognition of impairment loss on other financial assets and risk exposure, the group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Impairment losses on investment carried at fair value through other comprehensive income are recognized by transferring the cumulative loss that has been recognized in other comprehensive income, and presented in the fair value reserve in other equity.

The cumulative loss that is removed from other comprehensive income and recognized in profit or loss is the difference between the acquisition cost, net of any principal repayment and amortization, and the current fair value, less any impairment loss previously recognized in profit or loss. Changes in impairment provisions attributable to time value are reflected as a component of interest income in the statement of profit and loss.

### (b) Non-financial assets

Goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Groups of assets (cash-generating units). Non financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Total impairment loss of a cash generating unit is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognized in net profit in the statement of profit and loss and is not reversed in the subsequent period.

## 1.11 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, cheques/drafts on hand, remittances in transit, balances with bank held in current account, demand deposits with original maturities of three months or less, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are repayable on demand and form an integral part of an group's cash management, and are included as a component of cash and cash equivalents. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 1.12 Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement. Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet.

## 1.13 Financial instruments

### (a) Financial assets

#### (i) Initial recognition and measurement:

Financial assets are recognised when the entity becomes a party to the contractual provisions of the instruments. Transaction costs are expensed in the Statement of Profit and Loss, except for financial instruments carried at amortised cost, where transaction costs are adjusted in the amortised cost of the asset.

#### (ii) Subsequent measurement:

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income ('FVTOCI') or fair value through profit or loss ('FVTPL') on the basis of:

the entity's business model for managing the financial assets and;

the contractual cash flow characteristics of the financial asset.

#### (a) Measured at amortised cost:

Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model with the objective of holding the assets to collect contractual cash flows, are subsequently measured at amortised cost using the Effective Interest Rate ('EIR') method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognised in the Statement of Profit and Loss.

#### (b) Measured at fair value through other comprehensive income :

Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, is measured at fair value through other comprehensive income. It is subsequently measured at fair value with unrealised gains or losses recognised in the Other Comprehensive Income ('OCI'), except for interest income which is recognised as 'other income' in the Statement of Profit and Loss using the EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

#### (c) Measured at fair value through profit or loss:

A financial asset not measured at either amortised cost or FVTOCI, is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

All investments in equity instruments classified under financial assets are subsequently measured at fair value. Equity instruments which are held for trading are measured at FVTPL. For all other equity instruments, the Group may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised as 'other income' in the Statement of Profit and Loss unless the Group has elected to measure such instrument at FVTOCI. Fair value changes excluding dividends, on an equity instrument measured at FVTOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss, when the Group's right to receive the payment is established.

#### (iii) Derecognition:

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset. On transfer of the financial asset, the Group



# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a fair value basis that reflects the rights and obligations that the Group has retained.

## **(b) Financial liabilities**

### **(i) Initial recognition and measurement:**

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value plus transaction costs for all financial liabilities not carried at FVTPL. Financial liabilities carried at FVTPL are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

### **(ii) Subsequent measurement:**

Financial liabilities are subsequently measured at amortised cost using EIR method. Financial liabilities carried at FVTPL are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

### **(iii) Derecognition:**

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

## **(c) Guarantee:**

Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of amount determined in accordance with Ind AS 37 and the amount initially recognized less cumulative amortisation, where appropriate.

The fair value of financial guarantees is determined as the present value of the differences of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

## **(d) Equity investments (other than investments in subsidiaries, associates and joint venture):**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. All investments in equity instruments classified under financial assets are subsequently measured at fair value. Equity instruments which are held for trading are measured at FVTPL. For all other equity instruments, the Company may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised as 'other income' in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVTOCI. Fair value changes excluding dividends, on an equity instrument measured at FVTOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss when the Company's right to receive payments is established.

## **(e) Derivative financial instruments**

The Group uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

### **1.14 Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

### **1.15 Property, plant and equipment**

Property, plant and equipment freehold and leasehold land of Sterling is measured at cost less accumulated depreciation and accumulated impairment losses, if any. On April 1, 2018, Sterling adopted the revaluation model for measurement of freehold and leasehold land. Freehold and leasehold land will be recognized at fair value based on periodic, at least triennial, valuations

# Notes to Consolidated Financial Statements *(Continued)*

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done by external independent valuers, less subsequent depreciation of leasehold land. Increase in the carrying amount arising on revaluation of land are recognized, net of tax, in revaluation reserve through other comprehensive income

Property, plant and equipment except freehold and leasehold land as mentioned above, are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. Losses arising from the retirement of, and gains or losses arising from disposal of assets which are carried at cost is recognised in the Statement of Profit and Loss.

## **Depreciation methods, estimated useful lives and residual value:**

Depreciation is provided on a Straight Line Method ('SLM') over the estimated useful lives of the property, plant and equipment as estimated by the Management and is generally recognized in the consolidated statement of profit and loss. The management believes that the useful lives as given below best represent the period over which the management expects to use these assets based on an internal assessment and technical evaluation where necessary. Hence, the useful lives for some of these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Description of tangible assets	Estimated useful life (Number of years)
Computers (includes data server and networks)	3 - 7 years
Furniture and Fixtures	4 - 10 years
Office Equipment	3 - 5 years
Office Building	60 years
Vehicles under finance lease	4 years
Vehicles	4 - 8 years
Other vehicles	3 - 8 years
Plant and Machinery	3 - 15 years
Shop and Electrical Fittings	8 - 10 years

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

Leasehold improvements are amortised over the period of the lease or useful life of the asset whichever is lower.

Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress".

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses) and other expenses.

## **1.16 Intangible assets**

Intangible Assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

Corporate brand names acquired as part of acquisitions of businesses are capitalised separately from goodwill as intangible assets if their value can be measured reliably on initial recognition and it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group.

The carrying value of these intangible assets is reviewed at least annually for impairment and adjusted to the recoverable amount if required.

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

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Amortization is provided at rates calculated to write off the cost less estimated residual value of each asset on a straight-line basis over its estimated useful life.

## (a) Goodwill

Goodwill on business combinations is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or Groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

## (b) Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- (i) it is technically feasible to complete the software so that it will be available for use
- (ii) management intends to complete the software and use or sell IT
- (iii) there is an ability to use or sell the software
- (iv) it can be demonstrated how the software will generate probable future economic benefits
- (v) adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- (vi) the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

## (c) Amortisation methods and periods

Asset	Useful Life
Software (including software - internally generated / developed)	3 - 4 years
Software (leasehold)	Lease term or estimated useful life of, whichever is lower
Customer relationships	5 - 10 years
Corporate brand name	5 - 20 years
Trademarks and patents	3 - 7.5 years
Customer contracts	3 years

Amortization is calculated using the straight-line method to allocate their cost over their estimated useful lives.

## 1.17 Provisions and contingent liabilities

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Provisions are not recognised for future operating losses. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations is more probable than not. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

Warranty costs are estimated on the basis of a technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the year of rendering of services.

A provision for onerous contracts other than construction contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

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Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

## 1.18 Other income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income is recognized when the right to receive dividend is established.

Securitised assets are derecognised when the contractual rights therein are transferred to the third party. On being derecognised, the excess of consideration received over the principal amounts of receivable from members (net of reversals in respect of cancelled members) is recognised as income from securitisation.

## 1.19 Government grants

Government grants related to subsidy received in cash or in kind are recognised as income when there is reasonable assurance that the entity will comply with the conditions attaching to them; and the grants will be received. Duty credit scrips received from Government on compliance of the conditions laid down under the new foreign trade policy are treated as revenue grant and classified under other operating revenue.

## 1.20 Employees share based payments

The fair value of options granted under each plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

including any market performance conditions (e.g. the entity's share price)

excluding the Impact of any service and non-market performance vesting conditions (e.g. profitability, SALES growth targets and remaining an employee of the entity over a specified TIME Period), and

including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, statement of profit or loss, with a corresponding adjustment to equity.

Replacement awards are treated as a modification of share based payment arrangement, and the fair value of the new equity instruments (measured at the date of the modification) are included in the measurement of the amount recognised for services received and recognized over the remaining vesting period of the options.

For Qess and its subsidiaries, the Qess group has introduced 'IKYA Employee Stock Option Scheme 2009' ('the Option Scheme 2009') and Scheme 2015, wherein the employees of the Group receive remuneration in the form of equity settled instruments of the Company, for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant. The expense is recognised in the statement of profit and loss with a corresponding increase to the share based payment reserve, a component of equity. The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortisation). The stock compensation expense is determined based on the Group's estimate of equity instruments that will eventually vest.

## 1.21 Employee benefits

### (a) Post employment benefits

#### (i) Defined contribution plans

##### Superannuation scheme:

The Company and its subsidiary Travel Corporation (India) Limited have Defined Contribution Plan for Post Employment Benefit in the form of Superannuation scheme. Contributions to Superannuation scheme are charged to the Statement of Profit and Loss as incurred. The contributions to Superannuation scheme are based on the premium contribution called for by Life Insurance Corporation of India (LIC) with whom the companies have entered into an arrangement.

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## Provident fund, Employee State Insurance Scheme and Labour Welfare Funds:

For all group companies other than Thomas Cook (India) Limited, contributions to Provident Fund are charged to the Statement of Profit and Loss as incurred. The Provident Fund contributions are made to a government administered fund towards which the company has no further obligations beyond its monthly contributions.

Contributions to Employee State Insurance Scheme and Labour Welfare Funds are charged to the Statement of Profit and Loss account as incurred.

### **(ii) Defined benefit plans**

#### Gratuity:

The Group provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

Contribution to Gratuity is based on the premium contribution called for by the Life Insurance Corporation of India (LIC) with whom the Group has entered into an arrangement. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged or credited to 'Finance costs' in the Statement of Profit and Loss. Any differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

#### Provident fund:

For Thomas Cook (India) Limited and Travel Corporation (India) Limited, Provident Fund contributions are made to a Trust administered by the Group. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. Any short fall/(excess) based on independent actuarial valuation is accounted for in the Statement of Profit and Loss in the relevant period.

### **(iii) Other long-term benefits**

#### Compensated absences:

For Qess and its subsidiaries, Sterling and its subsidiaries and SOTC and its subsidiaries, accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The liability is actuarially determined (using the Projected Unit Credit method) by an independent actuary at the end of each year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise. The discount rates used for determining the present value of the obligation under the defined benefit plan are based on the market yields on government bonds as at the balance sheet date.

### **(b) Short-term employee benefit**

#### Compensated absences:

For Qess and its local subsidiaries, SOTC and its subsidiaries, Sterling and its subsidiaries, accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short-term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

For Travel Circle International Limited, employees are entitled to avail 9-25 days of leave during a year. Any carry forward or encashment of the same is not allowed and all unutilised leaves necessarily lapse at the end of the year.

For other group companies, employees are entitled to avail 30 days of leave during a calendar year. Any carry forward or encashment of the same is not allowed and all unutilised leaves necessarily lapse at the end of the calendar year. At reporting date liability pertaining to compensated absences is calculate based on the total leave balances of each employee.

### **(c) Employee benefits of Foreign subsidiaries are provided for on the basis of the their local laws.**

## **1.22 Inventories**

Inventories which comprise finished goods, provisions, perishables, beverages, stock in trade and operating supplies are valued at the lower of cost and net realizable value. Cost of inventories comprises purchase price, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost method ['WAM'] basis. Net realisable value is the best estimated selling price in the ordinary course of business, less the estimated costs



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of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on an item-by-item basis. Inventories are stated net of write down or allowances on account of obsolete, damaged or slow moving items.

## 1.23 Borrowing costs

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

## 1.24 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

## 1.25 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Group's earnings per share is the net profit for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

## 1.26 Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

## 2 Critical accounting estimates and judgements

The preparation of Consolidated Financial Information requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Restated Standalone Financial Information.

The areas involving critical estimates or judgements are;

Estimation of current tax expense and payable - Note 26 and 17 respectively

Estimated fair value of unlisted securities - Note 8(a) and 8(b)

Estimated useful life of intangible asset - Note 6(a)

Recognition of deferred tax - Note 16

Estimated goodwill impairment - Note 5

Estimation of Defined Benefit Obligation - Note 15

Impairment of trade receivables - Note 8(c)

Estimation of inputs for fair value of Share based payment instrument - Note 32

Fair value of financial instruments - Note 27

Useful life of property, plant and equipment - Note 4(a)

Recognition and Measurement of provision and contingencies - Note 39

Impairment of investment - Note 7

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

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## (a) Current / Non-Current Classification

All assets and liabilities are classified into current and non-current:

**Assets:** An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within 12 months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

**Liabilities:** A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within 12 months after the reporting date; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

### Operating cycle:

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the above definition and the nature of services provided, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

## (b) Recent accounting pronouncement

Standards issued but not yet effective

In March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019, notifying Ind AS 116 'Leases' and amendments to certain IND AS. The Standard / amendments are applicable to the Company with effect from April 1, 2019.

### New Accounting Standard - Ind AS 116 "Leases"

The new standard on leases sets out the principles for the recognition, measurement, presentation and disclosure of the leases. The core objective of this standard is to ensure that lessees and lessors provide relevant information in a manner that faithfully represent those transactions. The Group is required to adopt Ind AS 116, Leases from April 1, 2019. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, Leases.

The Group has completed an initial assessment of the potential impact on its financial statements but has not yet completed its detailed assessment. The quantitative impact of adoption of Ind AS 116 on the financial statements in the period of initial application is not reasonably estimable as at present.

- the total assets and liabilities on the balance sheet will increase with a decrease in net total assets, due to the depreciation of right of use assets being on a straightline basis whilst the lease liability reduces by the principal amount of repayments;
- Interest expense will increase due to the unwinding of the effective interest rate implicit in the lease liability. Interest expense will be greater earlier in a lease's life, due to the higher principal value, causing profit variability over the term of lease. This effect may be partially mitigated due to the number of leases held by the Company at various stages of their terms; and
- operating cash flows will be higher and financing cash flows will be lower, as repayment of the principal portion of All lease liabilities will be classified as financing activities.

The Group plans to apply Ind AS 116 initially on April 1, 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting Ind AS 116 will be recognised as an adjustment to the opening balance of retained earnings at April 1, 2019, with no restatement of comparative information.

# Notes to Consolidated Financial Statements *(Continued)*

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The Group plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply Ind AS 116 to all contracts entered into before 1 April 2019 and identified as leases in accordance with Ind AS 17.

## **Amendments in other Accounting Standard**

In addition to the above, the following amendments to existing standards have been issued, are not yet effective and are not expected to have a significant impact on the Group's financial statements:

- Amendments to Ind AS 103, Business Combinations, and Ind AS 111, Joint Arrangements: This interpretation clarifies how an entity accounts for increasing its interest in a joint operation that meets the definition of a business.
- Amendments to Ind AS 109, Financial Instruments: amendments relating to the classification of particular pre payable financial assets.
- Amendments to Ind AS 12, Income Taxes, clarify that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognized consistently with the transactions that generated the distributable profits – i.e. in profit or loss, other comprehensive income or equity. Further Appendix C, uncertainty over income tax treatments has been added to clarify how entities should reflect uncertainties over income tax treatments, in particular when assessing the outcome a tax authority might reach with full knowledge and information if it were to make an examination.
- Amendment to Ind AS 19, Employee Benefits - The amendment to Ind AS 19 clarifies that on amendment, curtailment or settlement of a defined benefit plan, the current service cost and net interest for the remainder of the annual reporting period are calculated using updated actuarial assumptions – i.e. consistent with the calculation of a gain or loss on the plan amendment, curtailment or settlement. This amendment also clarifies that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognized in profit or loss. The entity then determines the effect of the asset ceiling after plan amendment, curtailment or settlement. Any change in that effect is recognized in other comprehensive income (except for amounts included in net interest).
- Amendments to Ind AS 23, Borrowing Costs, clarify that the general borrowings pool used to calculate eligible borrowing costs excludes only borrowings that specifically finance qualifying assets that are still under development or construction.

Impact on adoption of above changes in standards is not material.

# Notes to Consolidated Financial Statements *(Continued)*

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## 3 Basis of Consolidation

List of subsidiary companies, associates and joint ventures considered in the consolidated financial statements is as follows:

Sr. No.	Name of the Company	Note	Country of Incorporation	Proportion of Ownership (Effective holding)	
				As at March 31, 2019	As at March 31, 2018
1	Thomas Cook (India) Limited		India	-	-
	<b><u>Subsidiaries - Indian</u></b>				
2	Travel Corporation (India) Limited	2	India	100.0%	100.0%
3	TC Tours Limited		India	100.0%	100.0%
4	Indian Horizon Marketing Services Limited		India	100.0%	100.0%
5	TC Visa Services (India) Limited	6	India	100.0%	100.0%
6	Jardin Travel Solutions Limited	6	India	100.0%	100.0%
7	Borderless Travel Services Limited		India	100.0%	100.0%
8	Sterling Holiday Resorts Limited (SHRL)	4	India	100.0%	100.0%
9	Sterling Holidays (Ooty) Limited	4	India	98.0%	98.0%
10	Sterling Holidays Resorts (Kodaikannal) Limited	4	India	98.0%	98.0%
11	Nature Trails Resorts Private Limited	4	India	100.0%	100.0%
12	SOTC Travel Limited (formerly known as SOTC Travel Private Limited)	2	India	100.0%	100.0%
13	SOTC Travel Management Private Limited (formerly known as SITA Travels and Tours Private Limited)		India	100.0%	100.0%
14	TC Forex Services Limited (formerly known as Tata Capital Forex Limited)		India	100.0%	100.0%
15	TC Travel Services Limited (formerly known as TC Travel and Services Limited)		India	100.0%	100.0%
	<b><u>Subsidiaries- Foreign</u></b>				
16	Thomas Cook Lanka (Private) Limited		Sri Lanka	100.0%	100.0%
17	Thomas Cook (Mauritius) Holding Company Limited		Mauritius	100.0%	100.0%
18	Thomas Cook (Mauritius) Operations Company Limited	7	Mauritius	100.0%	100.0%
19	Thomas Cook (Mauritius) Holidays Limited	7	Mauritius	100.0%	100.0%
20	Luxe Asia Private Limited, subsidiary of Thomas Cook Lanka (Private) Limited		Sri Lanka	100.0%	100.0%
21	Travel Circle International Ltd.	6	Hong Kong	100.0%	100.0%
22	Horizon Travel Services LLC	6	USA	100.0%	100.0%
23	Travel Circle International (Mauritius) Limited	1	Mauritius	100.0%	100.0%
24	Asian Trails Holding Limited	5	Mauritius	80.0%	100.0%
25	Asian Trails International Travel Services (Beijing) Limited (formerly known as Kuoni Destination Management (Beijing) Limited)	5	China	80.0%	100.0%
26	ATC Travel Services (Beijing) Limited, subsidiary of Kuoni Destination Management (Beijing) Limited	5	China	56.0%	-
27	Asian Trails (Malaysia) SDN BHD	5	Malaysia	80.0%	100.0%
28	Asian Trails (Vietnam) Company Limited	5	Vietnam	56.0%	70.0%
29	Asian Trails Company Limited	5	Cambodia	76.0%	95.0%
30	Asian Trails Tours Limited	5	Myanmar	68.0%	85.0%
31	AT Lao Company Limited	5	Laos	64.0%	80.0%
32	PT Asian Trails Limited	5	Indonesia	52.8%	66.0%
33	Asian Trails Limited	5	Thailand	80.0%	100.0%
34	Chang Som Limited	5	Thailand	80.0%	100.0%
35	Desert Adventures Tourism LLC	5	Dubai	100.0%	100.0%
36	Desert Adventure Tourism Limited	5	Jordan	100.0%	100.0%
37	Muscat Desert Adventure Tourism LLC	5	Oman	100.0%	100.0%
38	Gulf Dunes LLC	5	Oman	100.0%	100.0%
39	Gulf Dunes Tourism LLC, subsidiary of Gulf Dunes LLC	5	Dubai	100.0%	100.0%
40	Reem Tours & Travel LLC	5	Dubai	100.0%	100.0%
41	Kuoni Australia Holding Pty. Ltd.	5	Australia	100.0%	100.0%

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Sr. No.	Name of the Company	Note	Country of Incorporation	Proportion of Ownership (Effective holding)	
				As at March 31, 2019	As at March 31, 2018
42	Australia Tours Management Pty. Ltd.	5	Australia	100.0%	100.0%
43	Private Safaris (East Africa) Limited	5	Kenya	100.0%	100.0%
44	Kuoni Private Safaris (Pty.) Limited	5	South Africa	100.0%	100.0%
45	Kuoni Private Safaris Namibia (Pty.) Limited	5	Namibia	100.0%	100.0%
46	SITA World Travel (Nepal) Pvt. Ltd.	6	Nepal	63.3%	63.3%
47	SITA World Travel Lanka (Pvt.) Ltd.	6	Sri Lanka	100.0%	100.0%
48	DEI Holdings Limited	8	Jafza	51.0%	-
49	Digiphoto Entertainment Imaging LLC	8	UAE	51.0%	-
50	Digiphoto Entertainment Imaging SDN. BHD.	8	Malaysia	51.0%	-
51	Digiphoto Entertainment Imaging Pte Limited	8	Singapore	51.0%	-
52	PT. Digiphoto Imaging Indonesia	8	Indonesia	51.0%	-
53	Digiphoto Entertainment Image (Shanghai) Co. Limited	8	China	51.0%	-
54	Digiphoto Entertainment Imaging Limited	8	Hongkong	51.0%	-
55	Digiphoto Imaging (Macau) Limited	8	Macau	51.0%	-
56	DEI Solutions Limited	8	Mauritius	51.0%	-
57	Digiphoto SAE	8	Egypt	51.0%	-
58	Digiphoto Entertainment Imaging Co. Ltd.	8	Thailand	51.0%	-
59	D E I General Trading LLC	8	UAE	51.0%	-
60	Digi Photo Electronics Repairing LLC	8	UAE	51.0%	-
<b>Associate Enterprise</b>					
61	TCI-Go Vacation India Private Limited		India	49.0%	49.0%
62	Quess Corp Limited (From March 1, 2018)	3	India	48.8%	49.0%
63	Thomas Cook In Destination Management (Thailand) Limited		Thailand	34.0%	-
64	Traveljunkie Solutions Private Limited		India	15.6%	-

## Notes:

- On June 27, 2017, SOTC Travel Limited (formerly known as SITA Travels Private Limited) and Travel Corporation (India) Limited, completed the subscription of 51% and 49% stake respectively, in Travel Circle International (Mauritius) Limited, Mauritius which was incorporated during the previous year.
- On April 19, 2017, National Company Law Tribunal (NCLT), Mumbai the approved a Composite Scheme of Arrangement and Amalgamation ("Composite Scheme"), pursuant to which the "outbound business" of SOTC Travel Services Private Limited has been transferred to SOTC Travel Limited (formerly known as SOTC Travel Private Limited) by way of slump exchange and thereafter, the residual SOTC Travel Services Private Limited including its subsidiaries (i.e. Distant Frontiers Tours Private Limited, SITA Beach Resorts Private Limited, SITA Destination Management Private Limited, SITA Holidays (India) Private Limited, SITA Holidays Resorts Private Limited and SITA Incoming (India) Private Limited) has been amalgamated into Travel Corporation (India) Limited. The scheme has become effective from July 1, 2017 with an appointment date of July 1, 2016.
- During the previous year, shareholding of the Company in Quess Corp Limited ("Quess") was reduced to 49.02% from 62.2%. The Board of the Quess also recognized certain participative rights of Mr. Ajit Isaac and Net Resources Investments Private Limited in day-to-day management and operations of Quess. Accordingly, the results of Quess Group (Quess Corp Limited, its subsidiaries, associates and joint ventures, collectively defined as "Quess Group") have been consolidated as a subsidiary upto February 28, 2018 and from the month of March 2018, the share of profit as an associate has been considered. Accordingly, Company's investment in Quess re-classify from a subsidiary to an associate company under Ind AS 110 with effect from March 1, 2018.
- These companies are subsidiaries of Sterling Holiday Resorts Limited and step down subsidiaries of Thomas Cook (India) Limited. Sterling Holiday Resorts Limited and its subsidiaries collectively defined as "Sterling Group".
- These companies are subsidiaries of Travel Circle International (Mauritius) Limited and step down subsidiaries of Thomas Cook (India) Limited. Travel Circle International (Mauritius) Limited and its subsidiaries collectively defined as "DMS Group".
- These companies are subsidiaries of Travel Corporation (India) Limited and step down subsidiaries of Thomas Cook (India) Limited.
- These companies are subsidiaries of Thomas Cook (Mauritius) Holding Company Limited and step down subsidiaries of Thomas Cook (India) Limited.
- These companies are subsidiaries of Travel Circle International (Mauritius) Limited and step down subsidiaries of Thomas Cook (India) Limited. DEI Holdings Limited and its subsidiaries collectively defined as "DEI Group".



# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 4(a) Property, plant and equipment

Particulars	Freehold Land	Office Building	Leasehold Improvements	Furniture and Fixtures	Computer Equipment	Plant and Machinery	Leasehold Land	Office equipments	Vehicles	Electrical Fittings	Total
<b>Year ended March 31, 2018</b>											
<b>Gross carrying amount</b>											
Opening as at April 1, 2017	5,479.9	45,413.5	4,264.9	7,824.9	8,760.7	4,791.0	1,698.9	3,081.3	1,611.2	3,687.7	86,614.0
Acquisition / taken over pursuant to business combination	4,700.0	3,759.3	1,624.8	1,479.4	6,558.3	97.8	-	2,222.3	2,205.5	68.0	22,715.4
Additions/adjustments	36.5	6,804.7	1,861.8	1,581.5	3,322.9	3,407.1	-	1,092.0	743.2	1,304.7	20,154.4
Disposal pursuant to business combination	(4,700.0)	(3,740.6)	(3,118.0)	(1,995.5)	(13,284.7)	(5,487.4)	-	(3,965.0)	(792.7)	-	(37,083.9)
Translation difference	-	4.4	38.4	29.7	88.7	0.3	-	67.0	178.9	0.7	408.1
Disposals / transfer	(4.6)	(5.5)	(242.9)	(364.2)	(803.0)	(57.0)	-	(234.6)	(564.2)	(8.9)	(2,284.9)
<b>Closing gross carrying amount</b>	<b>5,511.8</b>	<b>52,235.8</b>	<b>4,429.0</b>	<b>8,555.8</b>	<b>4,642.9</b>	<b>2,751.8</b>	<b>1,698.9</b>	<b>2,263.0</b>	<b>3,381.9</b>	<b>5,052.2</b>	<b>90,523.1</b>
<b>Accumulated depreciation</b>											
Opening as at April 1, 2017	-	1,585.6	2,657.4	2,141.4	5,107.3	1,958.0	76.8	1,570.2	580.7	655.9	16,333.3
Depreciation charge during the year	-	1,140.3	676.9	1,185.7	2,586.5	964.2	18.7	656.5	562.4	470.0	8,261.2
Acquisition / taken over pursuant to business combination	-	257.3	895.5	998.3	3,640.0	30.4	-	1,172.4	1,584.5	63.0	8,641.4
Disposal pursuant to business combination	-	(133.6)	(1,980.0)	(979.7)	(7,418.0)	(2,365.4)	-	(1,765.7)	(230.1)	-	(14,872.5)
Translation difference	-	4.1	23.5	22.2	79.9	0.3	-	51.8	170.4	0.6	352.8
Adjustment in retained earnings	-	-	-	-	-	-	-	-	(296.0)	-	(296.0)
Provision for impairment	-	-	-	7.3	0.1	-	-	2.3	-	-	9.7
Disposals / transfer	-	(0.3)	(190.2)	(215.6)	(764.2)	(48.9)	-	(202.9)	(476.4)	-	(1,898.5)
<b>Closing accumulated depreciation</b>	<b>-</b>	<b>2,853.4</b>	<b>2,083.1</b>	<b>3,159.6</b>	<b>3,231.6</b>	<b>538.6</b>	<b>95.5</b>	<b>1,484.6</b>	<b>1,895.5</b>	<b>1,189.5</b>	<b>16,531.4</b>
<b>Net carrying amount as at March 31, 2018</b>	<b>5,511.8</b>	<b>49,382.4</b>	<b>2,345.9</b>	<b>5,396.2</b>	<b>1,411.3</b>	<b>2,213.2</b>	<b>1,603.4</b>	<b>778.4</b>	<b>1,486.4</b>	<b>3,862.7</b>	<b>73,991.7</b>
<b>Year ended March 31, 2019</b>											
<b>Gross carrying amount</b>											
Opening as at April 1, 2018	5,511.8	52,235.8	4,429.0	8,555.8	4,642.9	2,751.8	1,698.9	2,263.0	3,381.9	5,052.2	90,523.1
Acquisition / taken over pursuant to business combination	-	-	-	462.2	2,314.5	-	-	-	50.0	-	2,826.7
Additions/adjustments	46,732.7	1,078.9	240.7	1,359.1	888.3	63.0	1,206.5	279.6	1,255.1	194.9	53,298.8
Disposal pursuant to business combination	-	-	-	-	-	-	-	-	-	-	-
Translation difference	-	17.2	97.7	44.0	71.5	-	-	32.3	130.0	4.4	397.1
Disposals/transfer	-	(65.2)	(532.2)	147.1	(234.9)	(124.7)	-	(171.6)	(63.0)	(48.7)	(1,093.2)
<b>Closing gross carrying amount</b>	<b>52,244.5</b>	<b>53,266.7</b>	<b>4,235.2</b>	<b>10,568.2</b>	<b>7,682.3</b>	<b>2,690.1</b>	<b>2,905.4</b>	<b>2,403.3</b>	<b>4,754.0</b>	<b>5,202.8</b>	<b>145,952.5</b>
<b>Accumulated depreciation</b>											
Opening as at April 1, 2018	-	2,853.4	2,083.1	3,159.6	3,231.6	538.6	95.5	1,484.6	1,895.5	1,189.5	16,531.4
Depreciation charge during the year	-	1,266.1	280.4	1,302.5	889.3	294.6	33.7	303.4	482.4	566.7	5,419.1
Acquisition / taken over pursuant to business combination	-	-	-	270.9	1,226.5	-	-	-	44.3	-	1,541.7
Disposal pursuant to business combination	-	-	-	-	-	-	-	-	-	-	-
Translation difference	-	15.9	96.0	49.2	62.4	-	-	31.1	117.4	4.2	376.2
Adjustment in retained earnings	-	-	-	-	-	-	-	-	(1.0)	-	(1.0)
Provision for impairment	-	-	-	-	-	-	-	-	-	-	-
Disposals / transfer	-	(60.5)	(131.6)	(187.8)	(299.7)	(123.4)	-	(188.8)	123.0	(47.9)	(916.7)
<b>Closing accumulated depreciation</b>	<b>-</b>	<b>4,074.9</b>	<b>2,327.9</b>	<b>4,594.4</b>	<b>5,110.1</b>	<b>709.8</b>	<b>129.2</b>	<b>1,630.3</b>	<b>2,661.6</b>	<b>1,712.5</b>	<b>22,950.7</b>
<b>Net carrying amount as at March 31, 2019</b>	<b>52,244.5</b>	<b>49,191.8</b>	<b>1,907.3</b>	<b>5,973.8</b>	<b>2,572.2</b>	<b>1,980.3</b>	<b>2,776.2</b>	<b>773.0</b>	<b>2,092.4</b>	<b>3,490.3</b>	<b>123,001.8</b>

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (i) Leased Assets

Land, Computers and Vehicles includes the following amounts where the group is a lessee under a finance lease:

Particulars	March 31, 2019			March 31, 2018		
	Land	Vehicles	Computer Equipment	Land	Vehicles	Computer Equipment
Cost/Deemed Cost	2,905.5	294.7	-	1,698.9	95.5	-
Accumulated Depreciation	129.1	112.9	-	95.5	32.5	-
<b>Net carrying amount</b>	<b>2,776.4</b>	<b>181.8</b>	<b>-</b>	<b>1,603.4</b>	<b>63.0</b>	<b>-</b>

## (ii) Cost of office building includes:

- (a) 60 (Previous year - 60) unquoted fully paid-up Shares of Rs. 0.03 lakhs (Previous year Rs. 0.03 lakhs) in various Co-operative Societies.
- (b) Share application money of Rs. 0.02 lakhs (Previous year Rs. 0.02 lakhs) to various Co-operative Societies.
- (c) Premises of Rs. 11,529.0 lakhs (Previous year Rs. 11,739.4 lakhs) where the Co-operative Society is yet to be formed.

(iii) Leasehold land of Rs. 2,905.5 lakhs (March 31, 2018: Rs. 1,698.9 lakhs) represents parcels of land which were obtained by the Group for a lease term of 92 to 105 years. The upfront lease payment represented fair value of the land at the time of entering the agreement based on which it has been classified as a finance lease.

## (iv) Property related matters

Refer note 38 for disclosure of certain property related matters.

## (v) Assets held as pledge

Refer note 34 for disclosure of assets held as pledge.

(vi) During the year, Sterling has changed its accounting policy with respect to measurement of freehold and leasehold land from the cost model to revaluation model with effect from April 1, 2018. Refer note 42.

## 4(b) Capital work-in-progress

March 31, 2018	893.0
<b>March 31, 2019</b>	<b>688.4</b>

Capital work-in-progress mainly comprises of Resort Properties under construction/renovation, computer equipment, properties, furniture & fixtures and office equipment.

## Contractual obligations

Refer Note 40(a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

## 5 Goodwill

Particulars	March 31, 2019	March 31, 2018
<b>Carrying value at the beginning of the year</b>	<b>87,950.6</b>	<b>179,463.3</b>
<b>Addition during the year:</b>		
DEI Group	11,223.8	-
DMS Group	-	13,620.8
TC Forex Services Limited	-	1,181.7
TC Travel Services Limited	-	63.7
Vedang Cellular Services Private Limited	-	2,531.8
Conneqt Business Solutions Limited	-	6,949.1
Certain subsidiaries of Monster Group	-	7,507.0
Business assets of CAARPUS Technology Services Limited	-	45.2
Translation differences	1,861.8	121.1
<b>Deletion during the year:</b>		
On account of deconsolidation of Quess Group	-	(123,533.1)
<b>Total</b>	<b>101,036.2</b>	<b>87,950.6</b>

Refer note 35 for details of business acquisition and goodwill thereon.

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## Impairment tests for goodwill

Goodwill is monitored by the management at the Entity level ("CGU").

Entity level summary of goodwill allocation, including translation differences, is presented below.

Particulars	March 31, 2019	March 31, 2018
Sterling Group	24,788.8	24,788.8
Travel Corporation India Limited	14,539.7	14,539.7
SOTC Travel Limited [Refer Note 35 (ix)]	15,794.6	15,794.6
Travel Circle International Limited	18,492.8	17,470.2
DMS Group	14,581.7	13,742.5
TC Forex Services Limited	1,181.7	1,181.7
TC Travel Services Limited	63.7	63.7
DEI Group	11,223.8	-
Others	369.4	369.4
	<b>101,036.2</b>	<b>87,950.6</b>

## Significant Estimate

The Group tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use calculations which require the use of assumptions (except goodwill arising on acquisition of Qess for which market capitalisation method is used to determine the fair value of the investment and for goodwill arising on acquisition of Sterling for which market value of tangible assets less fair value of liabilities method is used to determine the value in use). The calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates. Fair value of investment in Sterling Holiday Resorts Limited is calculated by valuing the properties and freehold land by Independent Valuer after deducting the fair values of other tangible assets and liabilities. The fair value is more than the carrying value of the investment as at March 31, 2019 and March 31, 2018.

The following table sets out the key assumptions for the other CGUs that have significant goodwill allocated to them:

Particulars	March 31, 2019	March 31, 2018
Sales volume % growth	5% - 14.4%	8% - 11.6%
Terminal growth rate	5%	5%
Discount rate	9.0%	8.87% - 15.80%

As at March 31, 2019, the estimated recoverable amount of each of the CGU's exceeded its carrying amounts and hence impairment is not triggered.

## 6(a) Other intangible assets

Particulars	Brand Value	Software	Customer Relationship	Customer Contracts	Patents	Leased Software	Total
<b>Year ended March 31, 2018</b>							
<b>Gross carrying amount</b>							
Opening as at April 1, 2017	14,841.6	4,371.7	19,446.7	-	4.8	465.6	39,130.4
Additions	-	1,043.9	-	215.4	-	100.0	1,359.3
Disposals / transfer (refer note (iii) below)	-	(488.8)	-	-	-	-	(488.8)
Acquisition / taken over pursuant to business combination	6,277.9	4,829.3	8,132.7	-	-	-	19,239.9
Disposal pursuant to business combination	(12,582.7)	(2,490.8)	(27,579.4)	(215.4)	(4.8)	(566.0)	(43,439.1)
Translation differences	24.3	495.1	-	-	-	0.4	519.8
<b>Closing gross carrying amount</b>	<b>8,561.1</b>	<b>7,760.4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,321.5</b>
<b>Accumulated amortisation</b>							
Opening as at April 1, 2017	1,352.1	2,456.9	571.2	-	0.8	208.0	4,589.0
Amortisation charge for the year	827.1	1,608.3	2,772.7	34.6	1.5	166.9	5,411.1
Acquisition / taken over pursuant to business combination	-	3,671.8	-	-	-	-	3,671.8

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Brand Value	Software	Customer Relationship	Customer Contracts	Patents	Leased Software	Total
Disposals / transfer	-	(443.3)	-	-	-	-	(443.3)
Provision for impairment	-	0.3	-	-	-	-	0.3
Disposal pursuant to business combination	(1,964.4)	(1,995.5)	(3,343.9)	(34.6)	(2.3)	(375.4)	(7,716.1)
Translation differences	1.1	469.8	-	-	-	0.5	471.4
<b>Closing accumulated amortisation</b>	<b>215.9</b>	<b>5,768.3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,984.2</b>
<b>Net carrying amount as at March 31, 2018</b>	<b>8,345.2</b>	<b>1,992.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,337.3</b>
<b>Year ended March 31, 2019</b>							
<b>Gross carrying amount</b>							
Opening as at April 1, 2018	8,561.1	7,760.4	-	-	-	-	16,321.5
Additions	-	2,015.6	-	-	-	-	2,015.6
Disposals / transfer	-	(213.5)	-	-	-	-	(213.5)
Acquisition / taken over pursuant to business combination	-	5,599.7	-	-	-	-	5,599.7
Disposal pursuant to business combination	-	-	-	-	-	-	-
Translation differences	162.8	(17.5)	-	-	-	-	145.3
<b>Closing gross carrying amount</b>	<b>8,723.9</b>	<b>15,144.7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,868.6</b>
<b>Accumulated amortisation</b>							
Opening as at April 1, 2018	215.9	5,768.3	-	-	-	-	5,984.2
Amortisation charge for the year	199.7	1,104.5	-	-	-	-	1,304.2
Acquisition / Taken over pursuant to business combination	-	715.4	-	-	-	-	715.4
Disposals / transfer	-	(130.3)	-	-	-	-	(130.3)
Provision for impairment	-	-	-	-	-	-	-
Disposal pursuant to business combination	-	-	-	-	-	-	-
Translation differences	4.6	(34.2)	-	-	-	-	(29.6)
<b>Closing accumulated amortisation</b>	<b>420.2</b>	<b>7,423.7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,843.9</b>
<b>Net carrying amount as at March 31, 2019</b>	<b>8,303.7</b>	<b>7,721.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,024.7</b>

## (i) Software

Intangible Assets (software) includes Internally generated / developed software - Gross Block Rs. 2,000.5 lakhs (Previous year Rs. 2,058.7 lakhs); Net Block Rs. 202.6 lakhs (Previous year Rs. 343.0 lakhs).

## (ii) Leased software

Software includes leased Assets under finance lease where the assets have been fully depreciated as at April 1, 2015.

## (iii) Disposal / transfer includes Rs. 45.2 lakhs of goodwill on account of Asset Transfer Agreement with CAARPUS Technology Services Limited has been reclassified to goodwill from business combinations [refer note 35(B)(viii)].

## (iv) Customer Relationship

As part of the purchase price allocation of the business combination with respect to acquisition of Conneqt Business Solutions Limited, Vedang Cellular Services Private Limited, Golden Star Facilities & Services Private Limited, Master Staffing Solutions Private Limited and Identified business of Manipal Integrated Services, has allocated Rs. 27,579.4 lakhs as the value of Customer relationships. The value has been arrived by assessing the fair value of Customer relationships as on the date of acquisition using Multi-period Excess Earning Method ("MEEM") which is a variant of income approach. As per the assessment, the life of Customer relationship is ranging from five years to ten years and will be amortised over such period. The above balance pertains to Qess Group which has been removed as a part of deconsolidation w.e.f. March 1, 2018.

## 6(b) Intangible assets under development

March 31, 2018	448.2
<b>March 31, 2019</b>	<b>692.8</b>

Intangible assets under development mainly comprises of website and software development.

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 7 Investments accounted for using equity method

Particulars	March 31, 2019	March 31, 2018
<b>Investment in associates</b>		
<b>Quoted</b>		
71,323,496 (March 31, 2018: 71,323,496) fully paid-up equity shares of par value Rs. 10 each of Qness Corp Limited (Refer note 36(b)(i))	730,343.5	725,021.1
<b>Unquoted</b>		
2,510 (March 31, 2018: Nil) fully paid up compulsory convertible preference shares of par value of Rs. 100 each of Traveljunkie Solutions Private Limited	177.9	-
980,000 (March 31, 2018: 980,000) fully paid up equity shares of par value of Rs. 10 each of TCI Go Vacation India Private Limited	585.6	271.2
117,600 (March 31, 2018: Nil) fully paid up Class B preference shares of par value of THB 100 each of Thomas Cook In Destination Management (Thailand) Limited	227.8	-
<b>Total</b>	<b>731,334.8</b>	<b>725,292.3</b>
Aggregate amount of quoted investments	730,343.5	725,021.1
Aggregate amount of unquoted investments	991.3	271.2
Market value of quoted investments	533,820.7	733,740.5
Aggregate amount of impairment in the value of investments	-	-

## 8(a) Non-current investments

Particulars	March 31, 2019	March 31, 2018
<b>Quoted</b>		
- Fair value through profit and loss		
Equity investments in other companies (fully paid up)	1.4	1.7
<b>Unquoted</b>		
- Fair value through profit and loss		
Equity investments in other companies (fully paid up)	9.6	9.6
<b>Total</b>	<b>11.0</b>	<b>11.3</b>
Aggregate amount of quoted investments	1.4	1.7
Aggregate amount of unquoted investments	9.6	9.6
Market value of quoted investments	1.4	1.7

## 8(b) Current investments

Particulars	March 31, 2019	March 31, 2018
<b>Quoted</b>		
<b>Fair value through profit and loss</b>		
Investment in mutual funds	9,908.5	13,584.6
<b>Unquoted</b>		
<b>At amortised cost</b>		
Investment in Government Securities	444.2	936.5
<b>Total</b>	<b>10,352.7</b>	<b>14,521.1</b>
Aggregate Amount of quoted investments and market value thereof	9,908.5	13,584.6
Aggregate Amount of unquoted investments	444.2	936.5
Aggregate Amount of impairment in the value of investments	-	-

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 8(c) Trade receivables

Particulars	March 31, 2019	March 31, 2018
Non current trade receivables	1,666.3	3,730.0
Less : Allowance for expected credit loss	-	(259.9)
Less : Deferred income	(410.4)	(396.1)
<b>Total</b>	<b>1,255.9</b>	<b>3,074.0</b>
Current trade receivables	101,222.8	102,959.3
Less : Allowance for expected credit loss	(6,451.7)	(10,764.0)
Less : Deferred income	(11,953.9)	(6,452.9)
<b>Total</b>	<b>82,817.2</b>	<b>85,742.4</b>
<b>Break up of security details</b>		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	96,437.4	95,665.4
Trade receivables - credit impaired	6,451.7	11,023.9
<b>Total</b>	<b>102,889.1</b>	<b>106,689.3</b>
Less : Allowance for expected credit loss	(6,451.7)	(11,023.9)
Less: Deferred Income	(12,364.3)	(6,849.0)
<b>Total</b>	<b>84,073.1</b>	<b>88,816.4</b>
<b>Current portion</b>	<b>82,817.2</b>	<b>85,742.4</b>
<b>Non-current portion</b>	<b>1,255.9</b>	<b>3,074.0</b>
Trade receivables from related parties included above	1,212.0	169.9

## 8(d) Cash and cash equivalents

Particulars	March 31, 2019	March 31, 2018
Balances with banks:		
- In current accounts	59,294.4	40,291.4
- Fixed deposits with original maturity of less than three months	8,325.7	45,708.5
Balance in EEFC accounts	253.2	956.5
Remittance in transit (including foreign currencies - notes and paid documents)	412.3	490.2
Cheques on hand	1,083.2	1,253.8
Cash on hand (including foreign currencies - Notes and paid documents)	5,605.7	3,980.9
<b>Total</b>	<b>74,974.5</b>	<b>92,681.3</b>

## 8(e) Bank balances other than cash and cash equivalents

Particulars	March 31, 2019	March 31, 2018
Fixed deposits with maturity of less than 12 months*	28,404.1	16,548.7
Unclaimed dividend	38.9	32.8
<b>Total</b>	<b>28,443.0</b>	<b>16,581.5</b>

\* Includes lien as per terms of contract with moneygram, western union and with airport authorities and others Rs. 320.0 lakhs (Previous year Rs. 1,896.7 lakhs)

## 8(f) Loans

Particulars	Non-current March 31, 2019	Current March 31, 2019	Non-current March 31, 2018	Current March 31, 2018
<b>Unsecured, considered good</b>				
Loans to employees	-	117.4	-	121.5
Others	1,150.1	-	-	-
Security deposits:				
Considered good	2,388.3	469.3	1,898.8	3,027.6
Considered doubtful	37.0	-	81.0	-
Less : Provision for doubtful deposits	(37.0)	-	(81.0)	-
<b>Total</b>	<b>3,538.4</b>	<b>586.7</b>	<b>1,898.8</b>	<b>3,149.1</b>



# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 8(g) Other financial assets

Particulars	Non-current	Current	Non-current	Current
	March 31, 2019	March 31, 2019	March 31, 2018	March 31, 2018
Fixed deposits with maturity of more than 12 months*	2,464.2	-	391.5	-
Security deposits	1,677.8	4,866.2	1,266.0	3,364.4
Accrued revenue	-	10,432.7	-	5,619.2
Insurance claim receivable	-	96.6	-	111.6
Interest accrued on bank deposits	3.8	678.0	-	370.4
Interest receivable on trade receivables	-	12.6	-	34.4
Receivable on sale of fixed assets (Refer Note 38)	597.6	-	597.6	-
Derivative assets	-	121.0	-	198.4
Others	0.3	3,375.4	-	3,304.7
<b>Total</b>	<b>4,743.7</b>	<b>19,582.5</b>	<b>2,255.1</b>	<b>13,003.1</b>

\* Includes lien as per terms of contract with moneygram and with airport authorities Rs. 1,659.7 lakhs (Previous year Rs. 261.9 lakhs)

## 9(a) Other non-current assets

Particulars	March 31, 2019	March 31, 2018
Capital advances	427.7	437.0
Gratuity fund	16.3	185.3
Prepaid expenses	1,161.5	561.5
Claim receivables	116.1	116.1
Unamortised expenses	7,372.7	-
Others	1.0	-
<b>Total</b>	<b>9,095.3</b>	<b>1,299.9</b>

## 9(b) Other current assets

Particulars	March 31, 2019	March 31, 2018
Advance to suppliers:		
Unsecured considered good	64,284.0	52,148.9
Unsecured considered doubtful	590.5	151.8
Less: Allowance for credit impaired	(590.5)	(151.8)
Gratuity fund	3.0	-
Advance to employees:		
Unsecured considered good	552.8	731.3
Unsecured considered doubtful	92.7	141.7
Less: Allowance for doubtful advances (net)	(92.7)	(141.7)
Prepaid expenses	3,846.1	4,539.4
Others	1,093.1	-
Export benefit receivable	3,358.2	1,986.9
Unamortised expenses	380.7	-
Balances with Government authorities	4,713.6	4,063.1
<b>Total</b>	<b>78,231.5</b>	<b>63,469.6</b>

## 10 Inventories

Particulars	March 31, 2019	March 31, 2018
Food and beverages	49.0	46.7
Raw material, consumables and other supplies	1,527.3	62.5
<b>Total</b>	<b>1,576.3</b>	<b>109.2</b>

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 11 Non-current tax assets

Particulars	March 31, 2019	March 31, 2018
Non current tax assets (TDS and advance tax)	10,525.5	9,295.0
<b>Total</b>	<b>10,525.5</b>	<b>9,295.0</b>

## 12(a) Equity share capital

Particulars	Equity Share capital #	
	Number of shares (In Lakhs)	Amount
<b>Authorised</b>		
As at March 31, 2018	13,350.0	13,350.0
Movement during the year	-	-
<b>As at March 31, 2019</b>	<b>13,350.0</b>	<b>13,350.0</b>

# 1,335,000,000 (Previous year 1,335,000,000) Equity Shares of Re. 1 each

### (i) Issued, subscribed and fully paid-up capital

Particulars	Equity share capital	
	Number of shares (In Lakhs)	Amount
<b>As at April 1, 2017</b>	3,667.6	3,667.6
Add: Addition on account of stock options allotment	34.5	34.5
<b>As at March 31, 2018</b>	3,702.1	3,702.1
Add: Addition on account of stock options allotment	5.2	5.2
<b>As at March 31, 2019</b>	<b>3,707.3</b>	<b>3,707.3</b>

### (ii) Terms and rights attached equity shares

The Company has one class of equity shares having a par value of Re. 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution to preference shareholders of all preferential amounts, in proportion to their shareholding.

#### Shares reserved for issue under options

Information relating to Thomas Cook India Limited's Employee Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in Note 32.

### (iii) Shares of the company held by the Subsidiaries of the ultimate holding company

Particulars	March 31, 2019		March 31, 2018	
	No. of Shares (In Lakhs)	Amount	No. of Shares (In Lakhs)	Amount
<b>Equity Shares</b>				
Fairbridge Capital (Mauritius) Limited	2,481.5	2,481.5	2,481.5	2,481.5

### (iv) Shareholding Pattern (Shareholders holding 5% or more shares in the Company)

Category of Shareholder	March 31, 2019		March 31, 2018	
	Number of Shares (In Lakhs)	% of Holding	Number of Shares (In Lakhs)	% of Holding
<b>Equity Shares</b>				
Fairbridge Capital (Mauritius) Limited	2,481.5	66.9%	2,481.5	67.0%
ICICI Prudential Mutual Fund & Groups	-	-	242.0	6.5%
Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Tax Relief 96	281.4	7.6%	-	-

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

**(v) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date**

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
Equity shares issued as consideration for acquisition of Subsidiary in financial year 2014-15	-	-	-

Particulars	March 31, 2016	March 31, 2015
Equity shares issued as consideration for acquisition of Subsidiary in financial year 2014-15	-	48,657,929

**12(b) Reserves and surplus**

Particulars	March 31, 2019	March 31, 2018
Capital Reserve	1,894.7	1,894.7
Capital Redemption Reserve	12,500.0	12,500.0
Debenture Redemption Reserve	367.7	2,887.5
Share Option Outstanding Account	2,794.1	3,544.9
Securities Premium Account	180,457.3	177,973.9
General Reserves	8,907.8	5,502.7
Retained Earnings	631,737.0	658,378.3
Currency Translation Reserve	2,457.1	709.7
Revaluation Reserve	44,503.2	-
<b>Total</b>	<b>885,618.9</b>	<b>863,391.7</b>

**(i) Capital reserve**

Particulars	March 31, 2019	March 31, 2018
Opening Balance	1,894.7	2,916.8
Add: Increase during the year	-	21.6
Less: Decrease due to change in Stake in subsidiary	-	(1,043.7)
<b>Closing balance</b>	<b>1,894.7</b>	<b>1,894.7</b>

**(ii) Capital redemption reserve**

Particulars	March 31, 2019	March 31, 2018
Opening Balance	12,500.0	2,380.9
Add: Transfer from retained earnings	-	10,119.1
<b>Closing balance</b>	<b>12,500.0</b>	<b>12,500.0</b>

**(iii) Debenture redemption reserve**

Particulars	March 31, 2019	March 31, 2018
Opening Balance	2,887.5	2,650.2
Add: Transfer from retained earnings	813.6	1,095.2
Less: Decrease due to change in stake in subsidiary	-	(24.6)
Less: Transfer to general reserves	(3,333.4)	(833.3)
<b>Closing balance</b>	<b>367.7</b>	<b>2,887.5</b>

**(iv) Share option outstanding account**

Particulars	March 31, 2019	March 31, 2018
Opening Balance	3,544.9	3,507.7
Add: Charge to options	1,251.3	2,919.5
Less: Transfer to securities premium on exercise of stock options	(1,930.4)	(2,647.0)
Less: Decrease due to change in stake in subsidiary	-	(11.8)
Less: Transfer to general reserve	(71.7)	(223.5)
<b>Closing balance</b>	<b>2,794.1</b>	<b>3,544.9</b>

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (v) Securities premium account

Particulars	March 31, 2019	March 31, 2018
Opening Balance	177,973.9	116,845.2
Add: Addition on account of stock options allotment and IPO proceeds	553.0	66,633.6
Add: Transfer from share option outstanding account	1,930.4	2,647.0
Less: Decrease due to change in stake in subsidiary	-	(4,841.7)
Less: Share issue expense	-	(3,310.2)
<b>Closing balance</b>	<b>180,457.3</b>	<b>177,973.9</b>

## (vi) General reserve

Particulars	March 31, 2019	March 31, 2018
Opening Balance	5,502.7	4,516.7
Add: Transfer from debenture redemption reserve	3,333.4	833.3
Add: Transfer from share options outstanding reserve upon cancellation	71.7	178.7
Less: Decrease due to change in stake in subsidiary	-	(26.0)
<b>Closing Balance</b>	<b>8,907.8</b>	<b>5,502.7</b>

## (vii) Retained earnings

Particulars	March 31, 2019	March 31, 2018
Opening Balance	658,378.3	15,571.8
Share of profit for the year	8,481.8	596,800.5
Share of comprehensive (expense) / income for the year	(374.4)	254.0
Dividends including dividend distribution tax	(1,675.0)	(1,655.6)
Effect of adoption of accounting policy as per Ind AS 115	(30,259.9)	-
Depreciation transfer for fixed assets	1.0	296.0
Share of change in other net assets of associates accounted for using equity method	55.4	-
Decrease due to change in stake in subsidiary	(2,056.6)	(4,223.3)
Transfer to capital redemption reserve	-	(10,119.1)
Transfer to debenture redemption reserve	(813.6)	(1,381.9)
Sale of partial stake in subsidiary	-	62,835.9
<b>Closing Balance</b>	<b>631,737.0</b>	<b>658,378.3</b>

## (viii) Other comprehensive income - foreign currency translation reserve

Particulars	March 31, 2019	March 31, 2018
Opening Balance	709.7	526.7
Add/(Less) : Increase/(Decrease) during the year	1,437.7	(169.3)
Share of change in foreign currency translation reserve of equity accounted investees	309.7	-
Less: Decrease due to change in stake in subsidiary	-	352.3
<b>Closing Balance</b>	<b>2,457.1</b>	<b>709.7</b>

## (ix) Other comprehensive income - revaluation reserve

Particulars	March 31, 2019	March 31, 2018
Opening Balance	-	-
Add: Increase during the year	44,503.2	-
<b>Closing Balance</b>	<b>44,503.2</b>	<b>-</b>

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 13(a) Non-current borrowings

Particulars	March 31, 2019	March 31, 2018
<b>Secured:</b>		
Obligations under finance lease [Refer note (a)]	122.6	39.1
Term loans from banks [Refer note (c)]	23,265.3	13,908.6
<b>Unsecured:</b>		
9.37% Redeemable non-convertible debentures [Refer note (b)]	-	6,700.0
Term loans from banks [Refer note (d)]	900.0	2,700.0
	<b>24,287.9</b>	<b>23,347.7</b>
Less: Issue expenses	173.9	248.6
<b>Total</b>	<b>24,114.0</b>	<b>23,099.1</b>

### (a) Nature of security and terms of repayment for secured borrowings

#### Nature of security

Finance lease obligations and vehicle Loan are secured by hypothecation of assets underlying the leases.

#### Terms of repayment

Monthly payment of Equated Monthly Instalments beginning from the month of taking the lease.

### (b) Secured / Unsecured non-convertible debentures:

1,000 Debentures of face value Rs. 10.0 each aggregating to Rs. 10,000.0 lakhs were issued and allotted on April 15, 2013; carrying a coupon rate of 10.52% p.a., payable annually. These debentures are redeemable equally at the end of the 3rd, 4th and 5th year from the date of allotment. Maturity date of the same was April 15, 2018. During the year, the Company redeemed the balance debentures aggregating to Rs. 3,334.0 lakhs.

1,000 Debentures of face value Rs. 10.0 each aggregating to Rs. 10,000.0 lakhs were issued and allotted on August 31, 2015; carrying a coupon rate of 9.37% p.a., payable annually. These debentures are redeemable equally at the end of the 3rd, 4th and 5th year from the date of allotment. Maturity date of the same is August 31, 2020. Pursuant to the terms of issue of Non-Convertible Debentures, the Company on August 31, 2018 redeemed Non Convertible Debentures (under Series I) aggregating to Rs. 3,300.0 lakhs. Further, the Company on September 24, 2018, made early redemption of the balance Non-Convertible Debentures (under Series II and Series III) aggregating to Rs. 6,700.0 lakhs.

### (c) Term loan from banks - secured

- Loan amounting to Rs. 4,950.0 lakhs (net of processing fees) from HDFC Bank Limited is secured by way of hypothecation of movable fixed assets acquired through the term loan at resorts namely Mussoorie, Manali, Darjeeling, Ooty Fern Hill and Kodai Valley View and by way of pledge of immovable properties at Mussoorie and Yercaud and is repayable in 24 equal quarterly instalments including a moratorium of 12 months from the date of loan (January 4, 2016). The loan amount outstanding as at year end is Rs. 3,216.7 lakhs (March 31, 2018: Rs. 3,989.5 lakhs).
- Loan amounting to Rs. 2,500.0 lakhs from HDFC Bank Limited is repayable in 44 monthly installments commencing from August 24, 2015 along with an interest rate of base rate + 1.55% p.a.. The loan is secured by way of assignment of receivables amounting to Rs. 4,439.28 lakhs with 100% recourse to the Sterling. The loan amount outstanding as at year end is Rs. 22.3 lakhs (March 31, 2018: Rs. 514.3 lakhs).
- Loan amounting to Rs. 350.0 lakhs from HDFC Bank Limited is repayable in 20 quarterly installments commencing from February 25, 2018 along with an interest rate of 8.75% linked to 1 year MCLR with annual reset. The loan is secured by way of exclusive charge on the movable fixed assets of sterling financed out of the loan and further secured by extension of existing mortgage at Mussoorie and negative lien on property at Yercaud. The loan amount outstanding as at year end is Rs. 262.5 lakhs (March 31, 2018: Rs. 332.5 lakhs).
- Loan amounting to Rs. 800.0 lakhs from HDFC Bank was secured by way of (a) An exclusive charge on current assets and movable fixed assets of Sterling (b) A lien on debt mutual funds (liquid plus fund) of Rs. 770.0 lakhs owned by Sterling and is repayable in 24 quarterly instalments including a moratorium of 12 months from the date of loan (January 31, 2017). Interest was payable at monthly rests at the rate of 10% per annum. The loan has been fully repaid during the year. The loan amount outstanding as at year end is Rs. Nil (March 31, 2018: Rs. 779.2 lakhs).
- Loan amounting to Rs. 6.6 lakhs from HDFC Bank is secured by way of hypothecation of the underlying vehicles and is repayable in 48 equated monthly instalments starting from the date of the loan (August 28, 2017) along with interest at the rate of 8.46% per annum. The loan amount outstanding as at year end is Rs. 4.9 lakhs (March 31, 2018: Rs. 6.1 lakhs).
- Loan amounting to Rs. 911.6 lakhs (March 31, 2018: Rs. 105.7 net of processing fees) from Yes Bank is secured by way of (a) An exclusive charge on land and building of Durshet and Kundalika owned by the Nature Trails Resorts Private Limited (b) An exclusive charge on current assets and movable fixed assets of the Nature Trails Resorts Private Limited (c) A letter of

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Comfort from the Sterling Group and (d) A negative lien on the assets of the Nature Trails Resorts Private Limited on which the bank is not creating security and is repayable as :- 32 quarterly installments of Rs. 6.83 lakhs, 31 quarterly installments of Rs. 0.25 lakhs, 30 quarterly installments of Rs. 1.88 lakhs, 22 quarterly installments of Rs. 103.60 lakhs is from the date of loan . Interest is payable at monthly rests at the rate of 9.65% per annum. The loan amount outstanding as at year end is Rs. 891.2 lakhs (March 31, 2018: Rs. 105.7).

- vii) Loan amounting to Rs. 4.8 Lakhs from Mahindra Finance is secured by way of hypothecation of the underlying vehicle and is repayable in 48 equated monthly instalments from the date of the loan (October 31, 2015) along with interest at the rate of 14% per annum. The loan amount outstanding as at year end is Rs. 0.7 lakhs (March 31, 2018: Rs. 2.1 lakhs).
- viii) Loan amounting to Rs. 1,600.0 lakhs taken by Travel Corporation (India) Limited from HDFC Bank is backed / secured by a Corporate Guarantee from the Company. The loan is repayable in 6 equal half yearly installments beginning from the half year subsequent to taking the loan (December 2017) along with monthly interest which is 6m MCLR i.e 7.95% per annum. The loan amount outstanding as at year end is Rs. 800 lakhs (March 31, 2018: 1,333.3).
- ix) Loan amounting to US\$ 10.0 million taken by Travel Circle International (Mauritius) Limited from Axis Bank Limited is backed/ secured by corporate guarantee from the Company. The loan is repayable in 16 equal quarterly installments beginning from June 2020 and carries interest at the rate of 6M LIBOR+135 bps, payable on a quarterly basis. The loan amount outstanding as at March 31, 2019 is Rs. 6,915.5 lakhs (USD 10 million) (March 31, 2018: Nil) .
- x) Loan amounting to US\$ 10.0 million taken by Travel Circle International (Mauritius) Limited from Standard Chartered Bank is backed/secured by corporate guarantee from the Company. The loan is repayable in 16 equal quarterly installments beginning from June 2020 and carries interest at the rate of 6M LIBOR+178 bps, payable on a quarterly basis. The loan amount outstanding as at March 31, 2019 is Rs. 6,915.5 lakhs (USD 10 million) (March 31, 2018: Nil) .
- xi) Loan amounting to AED 5.0 million taken by Digiphoto Entertainment Imaging LLC from National Bank of Abu Dhabi is secured by pledged of Point of Sale (POS) assets. The loan is repayable in 48 equated monthly installments beginning from March 2016 and carries interest at the rate of 13% p.a., payable on monthly basis. Maturity date of loan is March 30, 2020. The loan amount outstanding as at March 31, 2019 is Rs. 253.7 lakhs (AED 1.35 million) (March 31, 2018: Nil). Digiphoto Entertainment Imaging LLC is acquired by the Group during the year.
- xii) Loan amounting to AED 13.0 million taken by Digiphoto Entertainment Imaging LLC from First Gulf Bank is secured by hypothecation of inventory and irrevocable personal guarantee of Mr. Ramakrishnan Kalapathy Shankar and Ms. Sanghamitra Ramakrishnan Kalapathy . The loan is repayable in 36 equated monthly installments beginning from June 2016 and carries interest at the rate of 11% p.a., payable on monthly basis. Maturity date of loan is June 25, 2019. The loan amount outstanding as at March 31, 2019 is Rs. 144.4 lakhs (AED 0.77 million) (March 31, 2018: Nil). Digiphoto Entertainment Imaging LLC is acquired by the Group during the year.
- xiii) Rs. 8,281.4 lakhs (HKD 940 lakhs) outstanding as at March 31, 2019 pertains to loan availed by Travel Circle International Limited from SBI Hong Kong and backed by a charge on current assets of Travel Circle International Limited. The same is repayable in 13 equal six monthly installments of HKD 140 lakhs and last instalment of HKD 180 Lakhs beginning from May 6, 2016 along with six-monthly interest which is 6M HIBOR + 2.5%.

## (d) Term loans from banks - unsecured

- i) Loan amounting to Rs. 5,400.0 lakhs availed by SOTC Travel Limited from HDFC Bank Ltd is repayable in 36 monthly instalments commencing from July 1, 2017. This loan carries interest at the bank's 6 months MCLR rate which is currently 8.55%, computed at monthly rest on the actual amount utilised. The loan amount outstanding as at March 31, 2019 are Rs. 2,700.0 lakhs (March 31, 2018: 4,500.0 lakhs).

## 13(b) Current borrowings

Particulars	March 31, 2019	March 31, 2018
<b>Secured</b>		
Bank overdrafts [Refer note (a)]	1,453.2	967.5
Loans from banks [Refer note (b)]	1,224.0	-
Working capital loan [Refer note (c)]	1,000.0	1,000.0
<b>Unsecured</b>		
Bank overdrafts	1,309.7	1,740.3
Loans from banks [Refer note (d)]	691.2	2,933.1
<b>Total</b>	<b>5,678.1</b>	<b>6,640.9</b>



# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

a) Secured Bank Overdraft

- i) Bank overdraft of Rs. 770.5 lakhs (March 31, 2018 Rs. 918.3 lakhs) from Kotak Mahindra Bank with an interest rate of 10.8% is secured by first and exclusive charge on immovable property being land situated at Wayanad, Kerala and further secured by first and exclusive hypothecation charge on all existing and future inventory and receivables relating to resorts.
- ii) Short term borrowing of Rs. Nil (March 31, 2018: Rs. 49.2 lakhs) from HDFC bank was secured by way of (a) an exclusive charge on current assets and movable fixed assets of Sterling (b) a lien on debt mutual funds (liquid plus fund) of Rs. 770.0 lakhs owned by Sterling Holiday Resorts Limited.
- iii) Short-term borrowing of Rs. 682.9 lakhs (March 31, 2018: Nil) taken by Asian Trails Limited from Deutsche bank with an interest rate of 8.25% is secured/backed by corporate guarantee from the Company.

b) Short term loans from bank

- i) Horizon Travel Services has availed a short-term loan of USD 1.80 million from HDFC Bank for working capital purpose and backed by a Corporate Guarantee from the Company. The loan carries interest rate of 6M LIBOR + 225 bps, payable on monthly. The loan amount outstanding as at March 31, 2019 is Rs. 553.2 lakhs (USD 0.80 million) (March 31, 2018: Nil).
- ii) Horizon Travel Services has availed a short-term revolving loan of USD 0.97 million from HDFC Bank for working capital purpose and backed by corporate guarantee from the Company. The loan carries interest rate of 3M LIBOR + 245 bps, payable on monthly. The loan amount outstanding as at March 31, 2019 is Rs. 670.8 lakhs (USD 0.97 million) (March 31, 2018: Nil).

c) Working capital loan

Short-term borrowing of Rs. 1,000.0 lakhs (March 31, 2018: Rs. 1,000 lakhs) from HDFC Bank with an interest rate of 8.75% p.a. is secured by charge on current and movable fixed assets and further secured by extension of collateral property at Mussoorie and negative lien on property located at Yercaud.

d) Loans from banks

Desert Adventures Tourism LLC has availed a short-term loan of USD 6.5 million from IndusInd Bank. The loan carries interest rate of 3m LIBOR + 250 bps, payable on a quarterly basis. The loan amount outstanding as at March 31, 2019 is Rs. 691.2 lakhs (USD 1.0 million) {March 31, 2018: Rs. 2,933.1 Lakhs (USD 4.5 million)}.

## 13(c) Other financial liabilities

Particulars	March 31, 2019		March 31, 2018	
	Non-Current	Current	Non-Current	Current
Current maturities of long term borrowings (Refer Note 13(a) above)	-	6,243.5	-	12,716.8
Current maturities of finance lease obligations (Refer Note 13(a) above)	-	69.4	-	14.1
Deposits received	-	3,048.8	-	2,965.3
Unpaid dividend	-	38.9	-	32.8
Interest accrued	-	259.8	-	1,260.4
Liabilities against expense	-	4,908.7	12.3	14,216.9
Liabilities against fixed assets	18.9	1,010.7	59.6	1,790.2
Forward contract	-	-	-	240.2
Contingent consideration payable for acquisition of business (Refer note 51)	-	10.0	610.8	-
Derivative liabilities	-	3.7	-	-
Contingent liabilities recognised on business combination	-	3,283.0	-	3,283.0
Book overdraft	-	294.9	-	161.9
Others	-	2,313.9	163.2	1,330.7
<b>Total</b>	<b>18.9</b>	<b>21,485.3</b>	<b>845.9</b>	<b>38,012.3</b>

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 13(d) Trade payables

Particulars	March 31, 2019	March 31, 2018
Dues of micro enterprises and small enterprises	90.4	8.4
Dues of creditors other than micro enterprises and small enterprises		
- Other *	181,904.6	148,393.1
<b>Total</b>	<b>181,995.0</b>	<b>148,401.5</b>

\* Includes:

- Book overdrafts aggregating to Rs. 1,144.3 lakhs (Previous year Rs. 1,190.1 lakhs).

- Rs. 48,339.6 lakhs secured by bank guarantee of USD 17,100,000 (Rs. 11,825.5 lakhs), Previous year Rs. 34,405.6 lakhs secured by bank guarantee of USD 17,100,000 (Rs. 11,144.9 lakhs)

## 14 Provisions

Particulars	March 31, 2019			March 31, 2018		
	Non-Current	Current	Total	Non-Current	Current	Total
Provision for fringe benefit tax	-	74.4	74.4	-	74.4	74.4
Provision for stamp duty *	-	2,139.2	2,139.2	-	2,139.2	2,139.2
Provision for litigation and disputes	109.7	50.3	160.0	99.7	60.0	159.7
Provision for expenses	-	683.5	683.5	-	738.3	738.3
<b>Total</b>	<b>109.7</b>	<b>2,947.4</b>	<b>3,057.1</b>	<b>99.7</b>	<b>3,011.9</b>	<b>3,111.6</b>

Pursuant to the Composite scheme of arrangement and amalgamation, the immovable properties of the demerged undertaking (Timeshare & Resorts business) is being transferred to the Sterling. The Sterling has immovable properties in various states. As per the laws prevalent in the respective states, stamp duty is applicable on such transfer of property. Hence, on the basis of legal opinion, the Sterling has maintained a provision as on March 31, 2019 amounting to Rs. 2,139.2 lakhs (March 31, 2018: Rs. 2,139.2 lakhs) for the stamp duty liability that may arise.

### (i) Movement in provisions

Particulars	Provision for taxes	Provision for fringe benefit tax	Provision for stamp duty	Provision for litigation and disputes	Provision for expenses
As at April 1, 2017	14,555.0	74.4	2,139.2	1,167.1	769.3
Increase /(decrease) during the year	(14,555.0)	-	-	(1,007.4)	(31.0)
<b>As at March 31, 2018</b>	<b>-</b>	<b>74.4</b>	<b>2,139.2</b>	<b>159.7</b>	<b>738.3</b>
Increase /(decrease) during the year	-	-	-	0.3	(54.8)
<b>As at March 31, 2019</b>	<b>-</b>	<b>74.4</b>	<b>2,139.2</b>	<b>160.0</b>	<b>683.5</b>

## 15 Employee benefit obligations

Particulars	March 31, 2019			March 31, 2018		
	Non-Current	Current	Total	Non-Current	Current	Total
Compensated absences	435.3	1,051.6	1,486.9	217.5	1,001.5	1,219.0
Gratuities & other retirement benefit obligations	3,614.5	134.1	3,748.6	2,124.2	283.3	2,407.5
Employee benefits payable	13.5	4,682.9	4,696.4	-	3,628.2	3,628.2
<b>Total</b>	<b>4,063.3</b>	<b>5,868.6</b>	<b>9,931.9</b>	<b>2,341.7</b>	<b>4,913.0</b>	<b>7,254.7</b>

Particulars	March 31, 2019	March 31, 2018
Advance to gratuity fund: Non-current	16.3	185.3
Advance to gratuity fund: Current	3.0	-

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (I) Employee benefit obligations (Foreign subsidiaries)

Particulars	March 31, 2019			March 31, 2018		
	Non-Current	Current	Total	Non-Current	Current	Total
Compensated absences	322.6	525.8	848.4	74.2	478.2	552.4
Gratuities & other retirement benefit obligations	2,144.5	-	2,144.5	1,090.5	-	1,090.5
Employee benefits payable	13.5	1,042.6	1,056.1	-	400.4	400.4
<b>Total</b>	<b>2,480.6</b>	<b>1,568.4</b>	<b>4,049.0</b>	<b>1,164.7</b>	<b>878.6</b>	<b>2,043.3</b>

Particulars	March 31, 2019	March 31, 2018
Advance to gratuity fund: Non-current	-	172.6
Advance to gratuity fund: Current	-	-

### (i) Post employment obligations

The company makes contributions to a defined benefit retirement plan which covers 9% of the company's employees and provides pension benefits for employees upon retirement. The plan is administered by an independent trustee with its assets held separately from those of the company.

### (ii) Defined contribution Plans

The Group also has certain defined contribution plans. Contributions are made to various employee-related social security funds/schemes as applicable in respective countries. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The expense recognised during the year towards defined contribution plan is Rs. 1,187.4 lakhs (Previous year Rs. 724.3 lakhs) in the consolidated statement of profit and loss for the year ended March 31, 2019 under defined contribution plan.

### Balance Sheet amounts - Gratuities and other retirement benefits

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	Present value of obligation	Fair value of plan assets	Net amount
<b>Balance as on April 1, 2017</b>	2,271.4	2,098.6	172.8
Additions through business combinations	862.5	-	862.5
<b>Amounts recognised in statement of profit and loss:</b>			
Current service cost	227.7	-	227.7
Past service cost	-	-	-
Interest expense/(income)	43.0	32.6	10.4
Administrative expense	-	(15.7)	15.7
<b>Total amount recognised in statement of profit and loss</b>	<b>270.7</b>	<b>16.9</b>	<b>253.8</b>
<b>Amounts recognised in other comprehensive income:</b>			
<i>Remeasurements</i>			
(Deficit)/Return on plan assets, excluding amount included in interest expense/(income)	(116.4)	230.4	(346.8)
(Gain)/loss from change in demographic assumptions	8.3	-	8.3
(Gain)/loss from change in financial assumptions	(0.6)	-	(0.6)
Experience (gains)/losses	13.0	-	13.0
Foreign currency translation reserve	(0.9)	(8.1)	7.2
<b>Total amount recognised in other comprehensive income</b>	<b>(96.6)</b>	<b>222.3</b>	<b>(318.9)</b>
Employer contributions	20.3	72.6	(52.2)
Benefit payments	-	-	-
<b>Balance as on March 31, 2018</b>	<b>3,328.3</b>	<b>2,410.4</b>	<b>917.9</b>

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>Balance as on April 1, 2018</b>	3,328.3	2,410.4	917.9
Additions through business combinations	738.9	-	738.9
<b>Amounts recognised in statement of profit and loss:</b>			
Current service cost	224.3	-	224.3
Interest expense/(income)	46.6	44.5	2.1
Administrative expense	-	(15.1)	15.1
<b>Total amount recognised in statement of profit and loss</b>	<b>270.9</b>	<b>29.4</b>	<b>241.5</b>
<b>Amounts recognised in other comprehensive income:</b>			
<i>Remeasurements</i>			
Return on plan assets, excluding amount included in interest expense/(income)	-	(202.2)	202.2
(Gain)/loss from change in demographic assumptions	(5.4)	-	(5.4)
(Gain)/loss from change in financial assumptions	44.4	-	44.4
Experience (gains)/losses	35.2	-	35.2
Foreign currency translation reserve	219.1	149.6	69.5
<b>Total amount recognised in other comprehensive income</b>	<b>293.3</b>	<b>(52.6)</b>	<b>345.9</b>
Employer contributions	22.3	35.7	(13.4)
Benefit payments	(215.7)	(129.4)	(86.3)
<b>Balance as on March 31, 2019</b>	<b>4,438.0</b>	<b>2,293.5</b>	<b>2,144.5</b>

The net liability disclosed above relates to funded and unfunded plans as follows:

Particulars	March 31, 2019	March 31, 2018
Present value of funded obligations	2,448.2	2,237.8
Fair value of plan assets	2,293.5	2,410.4
<b>Deficit / (Surplus) of funded plan</b>	<b>154.7</b>	<b>(172.6)</b>
Unfunded plans	1,989.8	1,090.5
<b>Deficit of gratuity plan</b>	<b>2,144.5</b>	<b>917.9</b>

## Significant estimates: Actuarial assumptions and sensitivity for gratuity

The significant actuarial assumptions were as follows:

Particulars	March 31, 2019	March 31, 2018
<b>Discount rate:</b>		
- Chinese Subsidiary (Travel Circle International Limited)	1.80%	1.79%
- Lankan Subsidiaries (TC Lanka (Private) Limited & Luxe Asia Private Limited)	11.00%	10.50%
- Mauritius Subsidiaries (Thomas Cook (Mauritius) Operations Company Limited & Thomas Cook (Mauritius) Holidays Limited)	6.00%	5.50%
<b>Salary growth rate:</b>		
- Chinese Subsidiary (Travel Circle International Limited)	3.50%	3.00%
- Lankan Subsidiaries (TC Lanka (Private) Limited & Luxe Asia Private Limited)	10.00%-12.00%	10.00%
- Mauritius Subsidiaries (Thomas Cook (Mauritius) Operations Company Limited & Thomas Cook (Mauritius) Holidays Limited)	4.40%	4.00%

## Sensitivity analysis for significant foreign components

The gratuities and retirement obligations are lump sum plans and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarises the impact in percentage terms on the reported defined benefit obligation of each significant foreign components at the end of the reporting period arising on account of an increase or decrease in the reported key actuarial assumptions for such components.

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumptions of respective significant foreign component	Impact on defined benefit obligation of respective significant foreign component	
		Increase in assumptions	Decrease in assumptions
	March 31, 2019	March 31, 2019	March 31, 2019
<u>Chinese Subsidiary (Travel Circle International Limited)</u>			
Discount rate [1.80% on March 31, 2019]	25 Basis Points	-2.1%	1.6%
Salary growth rate [3.50% on March 31, 2019]	25 Basis Points	3.8%	-3.3%
<u>Mauritius Subsidiaries (Thomas Cook (Mauritius) Operations Company Limited &amp; Thomas Cook (Mauritius) Holidays Limited)</u>			
Discount rate [6.00% on March 31, 2019]	100 Basis Points	-11.38% to -18.84%	13.48% to 21.74%
Salary growth rate [4.40% on March 31, 2019]	100 Basis Points	9.39% to 12.50%	-7.85% to -10.29%

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

The major categories of plans assets for gratuities & other retirement benefit plans are as follows:

Particulars	March 31, 2019				March 31, 2018			
	Quoted	Unquoted	Total	In %	Quoted	Unquoted	Total	In %
Equity securities	1,627.0	-	1,627.0	70.94%	1,685.6	-	1,685.6	69.93%
Fixed income / cash	-	597.0	597.0	26.03%	-	649.8	649.8	26.96%
Alternatives	-	69.5	69.5	3.03%	-	75.0	75.0	3.11%
	<b>1,627.0</b>	<b>666.5</b>	<b>2,293.5</b>	<b>100.00%</b>	<b>1,685.6</b>	<b>724.8</b>	<b>2,410.4</b>	<b>100.00%</b>

## Risk exposure for gratuity & other retirement benefit plans

Through its defined benefit plans, the group is exposed to a number of risks, the most significant of which are detailed below:

- Asset volatility - The plan liabilities are calculated using a discount rate set with reference to bond yields, if the plan assets underperform this yield, this will create a deficit. Further any decrease in the bond yields will increase the plan liabilities. The plan assets investments are in unquoted securities which are subject to interest rate risks and the fund manages the interest rate risks to an acceptable low level.
- Salary growth & Demographic assumptions - The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lumpsum in nature the plan is not subject to any longevity risks.

## Defined benefit liability and employer contributions for gratuities & other retirement benefit plans:

The group has agreed that it will aim to eliminate the deficit in defined benefit pension and gratuity plan over the next nine years. Funding levels are monitored on an annual basis. The group considers that the contribution rates set at the last valuation date are sufficient to eliminate the deficit over the agreed period and that regular contributions, which are based on service costs, will not increase significantly.

## (II) Employee benefit obligations (Indian subsidiaries)

Particulars	March 31, 2019			March 31, 2018		
	Non-Current	Current	Total	Non-Current	Current	Total
Compensated absences	112.7	525.8	638.5	143.3	523.3	666.6
Gratuity	1,470.0	134.1	1,604.1	1,033.7	283.3	1,317.0
Employee benefits payable	-	3,640.3	3,640.3	-	3,227.8	3,227.8
<b>Total</b>	<b>1,582.7</b>	<b>4,300.2</b>	<b>5,882.9</b>	<b>1,177.0</b>	<b>4,034.4</b>	<b>5,211.4</b>

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	March 31, 2019	March 31, 2018
Advance to gratuity fund: Non-current	16.3	12.7
Advance to gratuity fund: Current	3.0	-

**(i) Leave obligations - compensated absences:**

The leave obligations cover the company's liability for sick and earned leave. Based on past experience, the group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is expected to be taken or paid within the next 12 months.

Particulars	March 31, 2019	March 31, 2018
Current leave obligations expected to be settled within next 12 months	525.8	523.3

**(ii) Post employment obligations**

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the group makes contributions to recognised funds in India. The group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

Some of the entities in the group have Defined Benefit Plan for other long-term Employee Benefits in the form of Provident Fund. Provident Fund contributions are made to a Trust administered by the Holding Company. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. Any short fall / excess based on an independent actuarial valuation is accounted for in the Statement of Profit and Loss in the relevant year.

**(iii) Defined contribution Plans**

The Group, other than entities mentioned above, has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The group also makes contributions towards Employee's Pension Scheme, Employee's State Insurance, Labour Welfare Fund, Superannuation, National Pension Scheme and other defined contribution plans. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The expense recognised during the year towards defined contribution plan is Rs. 2,125.5 lakhs (Previous Year Rs. 37,724.4 lakhs) in the Consolidated Statement of Profit and Loss for the year ended March 31, 2019 under defined contribution plan.

**Balance Sheet amounts - Gratuity**

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>Balance as on April 1, 2017</b>	<b>8,823.2</b>	<b>4,065.1</b>	<b>4,758.1</b>
Additions through business combinations	1,841.0	652.5	1,188.5
<b>Amounts recognised in statement of profit and loss:</b>			
Current service cost	1,919.8	-	1,919.8
Past service cost	27.4	-	27.4
Interest expense/(income)	438.6	128.5	310.1
<b>Total amount recognised in statement of profit and loss</b>	<b>2,385.8</b>	<b>128.5</b>	<b>2,257.3</b>
<b>Amounts recognised in other comprehensive income:</b>			
<i>Remeasurements</i>			
(Deficit)/Return on plan assets, excluding amount included in interest expense/(income)	2.0	56.8	(54.8)
(Gain)/loss from change in demographic assumptions	169.7	-	169.7
(Gain)/loss from change in financial assumptions	(141.0)	-	(141.0)
Effect of asset ceiling	-	26.6	(26.6)
Experience (gains)/losses	279.6	(13.7)	293.3
<b>Total amount recognised in other comprehensive income</b>	<b>310.3</b>	<b>69.7</b>	<b>240.6</b>
Employer contributions	(15.4)	1,179.8	(1,195.2)
Benefit payments	(917.1)	(893.8)	(23.3)
Reduction due to business combinations	(8,651.4)	(2,729.7)	(5,921.7)
<b>Balance as on March 31, 2018</b>	<b>3,776.4</b>	<b>2,472.1</b>	<b>1,304.3</b>



# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>Balance as on April 1, 2018</b>	<b>3,776.4</b>	<b>2,472.1</b>	<b>1,304.3</b>
Additions through business combinations	-	-	-
<b>Amounts recognised in statement of profit and loss:</b>			
Current service cost	455.3	-	455.3
Past service cost	-	-	-
Interest expense/(income)	250.6	167.3	83.3
<b>Total amount recognised in statement of profit and loss</b>	<b>705.9</b>	<b>167.3</b>	<b>538.6</b>
<b>Amounts recognised in other comprehensive income:</b>			
<i>Remeasurements</i>			
Return on plan assets, excluding amount included in interest expense/(income)	-	14.2	(14.2)
(Gain)/loss from change in demographic assumptions	(1.5)	-	(1.5)
(Gain)/loss from change in financial assumptions	5.3	-	5.3
Effect of asset ceiling	-	(6.8)	6.8
Experience (gains)/losses	143.7	-	143.7
<b>Total amount recognised in other comprehensive income</b>	<b>147.5</b>	<b>7.4</b>	<b>140.1</b>
Employer contributions	(61.3)	371.7	(433.0)
Benefit payments	(463.7)	(498.5)	34.8
Reduction due to business combinations	-	-	-
<b>Balance as on March 31, 2019</b>	<b>4,104.8</b>	<b>2,520.0</b>	<b>1,584.8</b>

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	March 31, 2019	March 31, 2018
Present value of funded obligations	3,939.6	3,511.8
Fair value of plan assets	2,520.0	2,472.1
<b>Deficit of funded plan</b>	<b>1,419.6</b>	<b>1,039.7</b>
Unfunded plans	165.2	264.6
<b>Deficit of gratuity plan</b>	<b>1,584.8</b>	<b>1,304.3</b>

## Significant estimates: Actuarial assumptions and sensitivity for gratuity

The significant actuarial assumptions were as follows:

Particulars	March 31, 2019	March 31, 2018
Discount rate	7% - 7.6%	6% - 7.8%
Salary growth rate - Qess & Subsidiaries	-	6% - 12%
Salary growth rate - Others	4% - 7%	5% - 7%

## Sensitivity analysis for Significant Indian Components:

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation of each significant Indian component at the end of the reporting period arising on account of an increase or decrease in the reported key actuarial assumptions for such components.

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumptions of each significant Indian component		Impact on defined benefit obligation of respective significant Indian component			
			Increase in assumptions		Decrease in assumptions	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Thomas Cook (India) Limited - Discount rate	50 basis point	50 basis point	-2.22%	-2.19%	2.32%	2.29%
Thomas Cook (India) Limited - Salary growth rate	50 basis point	50 basis point	2.33%	2.30%	-2.25%	-2.22%
Sterling Holiday Resorts Limited & its subsidiaries - Discount rate	100 basis points	100 basis points	-5.10%	-10.18%	5.87%	10.81%
Sterling Holiday Resorts Limited & its subsidiaries - Salary growth rate	100 basis points	100 basis points	5.21%	8.08%	-4.65%	-7.91%
SOTC Travel Limited - Discount rate	50 basis point	100 basis points	-2.45%	-7.16%	2.57%	8.18%
SOTC Travel Limited - Salary growth rate	50 basis point	100 basis points	2.52%	6.82%	-2.43%	-6.29%
Travel Corporation India Limited - Discount rate	50 basis point	50 basis point	-2.36%	-9.20%	2.47%	8.78%
Travel Corporation India Limited - Salary growth rate	50 basis point	50 basis point	2.48%	9.28%	-2.39%	-8.94%

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

The major categories of plans assets for gratuity are as follows:

Particulars	March 31, 2019				March 31, 2018			
	Quoted	Unquoted	Total	In %	Quoted	Unquoted	Total	In %
Insurer managed funds	-	2,520.0	2,520.0	100.0%	-	2,472.1	2,472.1	100.0%

## Risk exposure for gratuity

Through its defined benefit plans, the group is exposed to a number of risks, the most significant of which are detailed below:

- Asset volatility - The plan liabilities are calculated using a discount rate set with reference to bond yields, if the plan assets underperform this yield, this will create a deficit. Further any decrease in the bond yields will increase the plan liabilities. The plan assets investments are in unquoted securities which are subject to interest rate risks and the fund manages the interest rate risks to an acceptable low level.
- Salary growth & Demographic assumptions - The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lumpsum in nature the plan is not subject to any longevity risks.

## Defined benefit liability and employer contributions for gratuity

The group has agreed that it will aim to eliminate the deficit in defined benefit pension and gratuity plan over the next nine years. Funding levels are monitored on an annual basis and the current agreed contribution rate is 12% of the basic salaries in India. The group considers that the contribution rates set at the last valuation date are sufficient to eliminate the deficit over the agreed period and that regular contributions, which are based on service costs, will not increase significantly. Expected contribution to post employment benefit plans for the year ending March 31, 2020 is Rs. 632.4 lakhs. The weighted average duration of the defined benefit obligation is 4.54 - 5.21 years (Previous year 4.45 - 5.73 years).

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## Balance Sheet amounts - Provident fund

The amounts recognised in the balance sheet and the movements in provident fund over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>Balance as on April 1, 2017</b>	<b>9,179.6</b>	<b>9,179.6</b>	-
Current service cost	376.4	-	376.4
Interest expense/(income)	657.6	657.6	-
<b>Total amount recognised in statement of profit and loss</b>	<b>1,034.0</b>	<b>657.6</b>	<b>376.4</b>
<i>Remeasurements</i>			
Experience (gains)/losses	155.1	155.1	-
<b>Total amount recognised in other comprehensive income</b>	<b>155.1</b>	<b>155.1</b>	-
Employees contributions	687.0	687.0	-
Employer contributions	-	376.4	(376.4)
Liabilities assumed/(settled)	41.6	41.6	-
Benefit payments	(718.3)	(718.3)	-
<b>Balance as on March 31, 2018</b>	<b>10,379.0</b>	<b>10,379.0</b>	-

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>Balance as on April 1, 2018</b>	<b>10,379.0</b>	<b>10,379.0</b>	-
Current service cost	409.8	-	409.8
Interest expense/(income)	769.4	769.4	-
<b>Total amount recognised in statement of profit and loss</b>	<b>1,179.2</b>	<b>769.4</b>	<b>409.8</b>
<i>Remeasurements</i>			
Experience (gains)/losses	134.7	134.7	-
<b>Total amount recognised in other comprehensive income</b>	<b>134.7</b>	<b>134.7</b>	-
Employees contributions	755.2	755.2	-
Employer contributions	-	409.8	(409.8)
Liabilities assumed/(settled)	(58.5)	(58.5)	-
Benefit payments	(678.7)	(678.7)	-
<b>Balance as on March 31, 2019</b>	<b>11,710.9</b>	<b>11,710.9</b>	-

The net liability disclosed above relates to funded and unfunded plans as follows:

Particulars	March 31, 2019	March 31, 2018
Present value of funded obligations	11,710.9	10,379.0
Fair value of plan assets	11,710.9	10,379.0
<b>Deficit of funded plan</b>	-	-
Unfunded plans	-	-
<b>Deficit of provident fund plan</b>	-	-

## Significant estimates: Actuarial assumptions and sensitivity for provident fund

The significant actuarial assumptions were as follows:

Particulars	March 31, 2019	March 31, 2018
Discount rate	7.00%	7.35%
Salary growth rate	8.41% - 8.85%	8.65% - 8.82%

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumptions		Impact on defined benefit obligation			
			Increase in assumptions		Decrease in assumptions	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Difference between rate earned & guaranteed rate	100 basis point	100 basis point	1.38%	0.18%	-	-

Major categories of plans assets for provident fund are as follows:

Particulars	March 31, 2019				March 31, 2018			
	Quoted	Unquoted	Total	In %	Quoted	Unquoted	Total	In %
Equities & Related Investments	475.3	-	475.3	4.06%	352.8	-	352.8	3.40%
Government of India Securities	4,993.8	-	4,993.8	42.64%	4,254.0	-	4,254.0	40.98%
Other debt instruments	4,903.6	650.4	5,554.0	47.43%	4,382.8	730.4	5,113.2	49.27%
Others	-	405.3	405.3	3.46%	-	359.3	359.3	3.46%
Investment in Provident Fund	-	282.5	282.5	2.41%	-	299.7	299.7	2.89%
<b>Total</b>	<b>10,372.7</b>	<b>1,338.2</b>	<b>11,710.9</b>	<b>100.00%</b>	<b>8,989.6</b>	<b>1,389.4</b>	<b>10,379.0</b>	<b>100.00%</b>

## Risk exposure for provident fund

Through its defined benefit plans, the group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility- The plan liabilities are calculated using a discount rate set with reference to bond yields, if the plan assets underperform this yield, this will create a deficit. Further any decrease in the bond yields will increase the plan liabilities.

## 16 Deferred tax assets/ (liabilities)

### (a) Deferred tax asset

The balance comprises of temporary differences attributable to:

Particulars	March 31, 2019	March 31, 2018
<b>Deferred tax assets</b>		
On provisions allowable for tax purpose when paid	1,846.1	1,220.8
On provision for doubtful debts and advances	1,911.1	1,385.2
On rent escalation	107.2	19.0
On property, plant and equipment	60.9	-
On unabsorbed business losses	9,408.4	1,377.0
On Unused tax credit	10,791.4	11,553.4
On others	69.1	56.1
<b>Less: Deferred tax liabilities</b>		
On fiscal allowances on fixed assets	5,625.6	1,182.4
On NCD issue expenses	-	10.7
On account of land valuation	3,399.9	-
<b>Net deferred tax assets</b>	<b>15,168.7</b>	<b>14,418.4</b>

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (b) Deferred tax liabilities

Particulars	March 31, 2019	March 31, 2018
<b>Deferred tax liabilities</b>		
On fiscal allowances on fixed assets	619.6	380.7
On provisions allowable for tax purpose when paid	13.2	-
On provision for doubtful debts and advances	0.7	-
On undistributed profit	9,783.7	8,641.2
On account of intangible assets	622.1	-
On account of land valuation	116.7	116.7
On account of brand valuation	2,009.5	2,009.5
<b>Less: Deferred tax assets</b>		
On provisions allowable for tax purpose when paid	9.0	95.5
On provision for doubtful debts and advances	-	252.3
Unused tax credit	79.7	-
On unabsorbed business losses	4.6	6.8
On others	-	8.2
<b>Net deferred tax liabilities</b>	<b>13,072.2</b>	<b>10,785.3</b>

### Movement in deferred tax assets / (liabilities), Net

For the year ended March 31, 2019	Opening balance	(Charged)/ credited in profit or loss	(Charged)/ credited to other comprehensive income	Additions through business combinations	On account of deconsolidation of subsidiary	On account of FCTR	Closing balance
On fiscal allowances on fixed assets	(1,563.1)	(4,622.4)	-	(622.1)	-	1.2	(6,806.4)
On provisions allowable for tax purpose when paid	1,316.3	498.8	41.9	-	-	(15.2)	1,841.8
On provision for doubtful debts and advances	1,637.5	265.6	-	-	-	7.3	1,910.4
On unabsorbed business losses	1,383.8	7,989.8	-	-	-	39.4	9,413.0
On undistributed profit	(8,641.2)	(1,142.5)	-	-	-	-	(9,783.7)
On brand valuation	(2,009.5)	-	-	-	-	-	(2,009.5)
On customer relationship	-	-	-	-	-	-	-
On unused tax credit	11,553.4	(762.0)	-	-	-	79.7	10,871.1
On goodwill	-	-	-	-	-	-	-
On land valuation	(116.7)	-	(3,399.9)	-	-	-	(3,516.6)
Other items	72.6	103.6	-	-	-	0.2	176.4
<b>Total</b>	<b>3,633.1</b>	<b>2,330.9</b>	<b>(3,358.0)</b>	<b>(622.1)</b>	<b>-</b>	<b>112.6</b>	<b>2,096.5</b>

For the year ended March 31, 2018	Opening balance	(Charged)/ credited in profit or loss	(Charged)/ credited to other comprehensive income	Additions through business combinations	On account of deconsolidation of subsidiary	On account of FCTR	Closing balance
On fiscal allowances on fixed assets	(1,928.8)	140.6	-	(596.1)	894.1	(72.9)	(1,563.1)
On provisions allowable for tax purpose when paid	2,158.4	(42.0)	196.8	186.7	(1,338.8)	155.2	1,316.3
On provision for doubtful debts and advances	3,410.7	(431.9)	-	271.9	(1,646.3)	33.1	1,637.5
On unabsorbed business losses	695.6	(390.4)	-	1,045.1	-	33.5	1,383.8
On undistributed profit	(12,003.8)	3,343.7	18.9	-	-	-	(8,641.2)
On brand valuation	(2,001.4)	(8.1)	-	-	-	-	(2,009.5)
On customer relationship	(2,081.0)	1,491.3	-	-	589.7	-	-
On unused tax credit	2,475.4	15,022.3	-	-	(5,685.4)	(258.9)	11,553.4
On goodwill	(2,392.3)	(2,945.1)	-	-	5,337.4	-	-
On land valuation	(116.7)	-	-	-	-	-	(116.7)
Other items	792.6	9,395.6	-	1.3	(10,169.0)	52.1	72.6
<b>Total</b>	<b>(10,991.3)</b>	<b>25,576.0</b>	<b>215.7</b>	<b>908.9</b>	<b>(12,018.3)</b>	<b>(57.9)</b>	<b>3,633.1</b>

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 17 Current tax liabilities

Particulars	March 31, 2019	March 31, 2018
Provision for tax	1,873.7	577.3
<b>Total</b>	<b>1,873.7</b>	<b>577.3</b>

## 18(a) Other non-current liabilities

Particulars	March 31, 2019	March 31, 2018
Income received in advance	73,185.8	32,933.4
Rent equalisation reserve	300.0	44.7
Others	392.3	297.5
<b>Total</b>	<b>73,878.1</b>	<b>33,275.6</b>

## 18(b) Other current liabilities

Particulars	March 31, 2019	March 31, 2018
Income received in advance	16,732.5	13,627.5
Advance receipts from customers for which value is still to be given	58,152.0	56,815.9
Statutory dues	7,917.0	9,491.1
Rent equalisation reserve	96.9	22.5
Fractional entitlement on bonus share refund accounts	0.5	0.5
Others	194.0	13.8
<b>Total</b>	<b>83,092.9</b>	<b>79,971.3</b>

## 19 Revenue from operations

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>Sale of product</b>		
- Food and beverages	5,800.0	5,459.9
<b>Sale of services</b>		
- Foreign exchange and travel related services	617,380.8	515,976.6
- Education and training revenue	335.3	303.5
- Facility management and food services	-	93,841.9
- Staffing and recruitment	-	398,212.4
- Training services	-	8,938.8
- Operation and maintenance	-	18,908.6
- Software sales and maintenance	-	24,146.3
- BPO services	-	19,033.3
- Commission income	1,334.0	1,186.5
- Income from sale of vacation ownership	9,174.9	10,810.5
- Income from resorts	10,671.8	9,825.1
- Interest income on trade receivable (Instalment plan)	134.6	811.1
<b>Other operating revenue</b>		
- Other travel services	-	137.2
- Marketing fees and other incentive income	5,768.9	5,649.7
- Service charges	329.5	315.5
- Miscellaneous receipts	9,395.2	11,277.3
<b>Total</b>	<b>660,325.0</b>	<b>1,124,834.2</b>

Refer note 30 (f) for segment wise breakup of revenue from operations.



# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 20(a) Other income

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest income		
- On bank deposits	1,446.6	2,330.0
- On others	311.5	228.7
- On loan to related parties	-	357.4
- On income tax refund	494.4	542.8
Dividend income		
- From investments	0.2	317.0
Gain on sale of current investments (net)	843.2	1,681.3
Rental income	4.3	5.6
Change in fair value of contingent consideration	-	1,228.2
Scrap sales	4.1	5.5
Export incentives	3,824.2	2,478.6
Miscellaneous income	2,725.5	4,209.2
<b>Total</b>	<b>9,654.0</b>	<b>13,384.3</b>

## 20(b) Other gains (net)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit on sale of property, plant and equipment	21.6	824.4
Exchange gain other than in the normal course of business as an authorised foreign exchange dealer	1,245.3	129.9
Net gain on financial assets measured at FVTPL	22.7	1,982.7
Gain on change in fair value of provision	600.8	-
<b>Total</b>	<b>1,890.4</b>	<b>2,937.0</b>

## 21 Employee benefits expense

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Salaries wages and bonus	64,712.9	477,413.8
Contribution to provident and other funds	3,312.9	38,448.7
Gratuity and other defined benefit schemes	780.1	2,511.2
Employees share based payment	1,251.3	3,153.4
Staff welfare expenses	3,874.0	5,605.0
Compensated absences	30.8	482.9
Staff training, recruitment and other costs	806.6	793.7
Incentives to staff	2,347.2	1,812.1
<b>Total</b>	<b>77,115.8</b>	<b>530,220.8</b>

## 22 Depreciation and amortisation expense

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation on tangible assets [Refer note 4(a)]	5,419.1	8,261.2
Amortisation on intangible assets [Refer note 6(a)]	1,304.2	5,411.1
<b>Total</b>	<b>6,723.3</b>	<b>13,672.3</b>

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 23 Other expenses

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Rent	14,459.7	19,427.4
Stores and tools consumed	367.4	1,283.7
Electricity	1,182.6	1,130.7
Power and fuel	1,956.1	3,438.7
Repairs to building	227.5	1,160.9
Repairs to plant and machinery	406.4	1,033.2
Repairs to others	3,954.7	8,687.8
Insurance	625.4	1,049.7
Rates and taxes	697.6	1,377.0
Sub-contractor charges	-	16,245.5
Guest supplies	402.4	414.5
Laundry expenses	286.6	263.8
Licence fees	269.3	469.6
Security services	1,187.7	1,019.3
Travelling expenses	4,682.2	11,043.4
Vehicle running and maintenance expenses	204.2	203.2
Directors sitting fees	169.1	76.3
Commission to directors	119.1	95.6
Recruitment and training	186.7	4,269.3
Legal and professional charges	12,764.6	13,398.6
Printing and stationery	1,549.6	2,169.5
Water charges	184.5	198.8
Sales commission	1,184.7	1,252.1
Subscription fees	136.7	135.7
Equipment hire charges	29.6	1,605.3
Database access charges	-	407.8
Communication expenses	1,652.6	3,371.8
Exchange loss other than in the normal course of business as an authorised foreign exchange dealer	413.4	550.4
Freight currency shipment	339.2	337.5
Bad debts and advances written off	872.1	1,247.1
Provisions for doubtful debts and advances (net)	907.6	1,584.2
Expenditure towards corporate social responsibilities	95.1	193.1
Donations	35.9	6.6
Loss on sale of property, plant and equipment	90.8	84.7
Airline inventory losses	648.1	687.7
Miscellaneous expenses	3,472.6	5,360.3
<b>Total</b>	<b>55,761.8</b>	<b>105,280.8</b>

## 24 Finance cost

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest and finance charges on financial liabilities at amortised cost	2,376.4	10,474.9
Other finance charges	4,920.7	4,425.3
<b>Total</b>	<b>7,297.1</b>	<b>14,900.2</b>

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 25 Advertisement and sales promotion expenses

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Advertisement and publicity expenses	9,798.9	9,844.1
Sales promotion	2,387.6	2,500.8
<b>Total</b>	<b>12,186.5</b>	<b>12,344.9</b>

## 26 Income tax expense

### (a) Income tax expense

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<i>Current tax</i>		
Current tax on profits for the year	4,356.0	18,486.0
Adjustments for tax of prior periods *	120.0	(5,827.2)
<b>Total current tax expense</b>	<b>4,476.0</b>	<b>12,658.8</b>
<i>Deferred tax</i>		
(Decrease) in deferred tax assets	1,439.9	(16,714.2)
Adjustments for tax of prior periods	(3,770.8)	-
<b>Total Deferred tax (credit) / charged</b>	<b>(2,330.9)</b>	<b>(16,714.2)</b>
<b>Income tax expense</b>	<b>2,145.1</b>	<b>(4,055.4)</b>

\* includes Rs. Nil (Previous year Rs. 8,861.8 lakhs) towards deferred tax credited related to earlier years

### (b) The reconciliation of tax expense and the accounting profit multiplied by India's tax rate :

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit before income tax expense and after exceptional items	11,028.7	609,083.9
<b>Tax at the Indian tax rate of 34.944%</b> (Previous year 34.608%)	<b>3,853.9</b>	<b>210,791.7</b>
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non-deductible expenses	733.0	(3,293.2)
Tax exempt income	(1,635.1)	(640.0)
Unrecognised tax losses	1,937.2	1,874.5
Deferred tax credit for earlier periods	(3,511.0)	(1,223.1)
Difference in enacted tax rate	(7.7)	16.2
Entities in the group taxed at different rate	(468.5)	(284.7)
Utilisation of tax losses	(170.1)	-
Tax on undistributed income	1,023.1	(3,854.9)
Excess provisions relating to earlier years	54.8	(5,885.9)
Tax effect on fair valuation of associate	-	(201,645.9)
Other items	335.5	89.9
<b>Income tax expense</b>	<b>2,145.1</b>	<b>(4,055.4)</b>

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 27 Fair value measurements:

### Financial instruments by category:

Particulars	March 31, 2019			March 31, 2018		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
<b>Financial assets</b>						
Investments - equity instruments	11.0	-	-	11.3	-	-
Investment in The Government of Mauritius Treasury Bills	-	-	444.2	-	-	936.5
Investments - mutual funds	9,908.5	-	-	13,584.6	-	-
Loans	-	-	4,125.1	-	-	5,047.9
Security deposits	-	-	6,544.0	-	-	4,630.4
Deposits with banks with more than 12 months maturity	-	-	2,464.2	-	-	391.5
Trade receivable	-	-	84,073.1	-	-	88,816.4
Cash and cash equivalents	-	-	74,974.5	-	-	92,681.3
Bank balance other than cash & cash equivalents	-	-	28,443.0	-	-	16,581.5
Derivative assets	121.0	-	-	-	-	-
Others	-	-	15,197.1	-	-	10,236.3
<b>Total financial assets</b>	<b>10,040.5</b>	<b>-</b>	<b>216,265.2</b>	<b>13,595.9</b>	<b>-</b>	<b>219,321.8</b>
<b>Financial liabilities</b>						
Borrowings	-	-	36,105.1	-	-	42,470.9
Trade Payable	-	-	181,995.0	-	-	148,401.5
Others	3.7	-	15,187.5	240.2	-	25,887.1
<b>Total financial liabilities</b>	<b>3.7</b>	<b>-</b>	<b>233,287.6</b>	<b>240.2</b>	<b>-</b>	<b>216,759.5</b>

### (i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value as at March 31, 2019	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Financial investments at FVTPL				
Mutual funds-growth plan	9,908.5	-	-	9,908.5
Equity instruments	1.4	9.6	-	11.0
Derivative assets	-	121.0	-	121.0
<b>Total financial assets</b>	<b>9,909.9</b>	<b>130.6</b>	<b>-</b>	<b>10,040.5</b>
Other financial liabilities	3.7	-	-	3.7
<b>Total financial liabilities</b>	<b>3.7</b>	<b>-</b>	<b>-</b>	<b>3.7</b>

Financial assets and liabilities which are measured at amortised cost as at 31 March 2019	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Security Deposits	-	6,544.0	-	6,544.0
<b>Total Financial Assets</b>	<b>-</b>	<b>6,544.0</b>	<b>-</b>	<b>6,544.0</b>
Borrowings	-	36,105.1	-	36,105.1
Others	-	18.9	-	18.9
<b>Total Financial Liabilities</b>	<b>-</b>	<b>36,124.0</b>	<b>-</b>	<b>36,124.0</b>

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Financial assets and liabilities measured at fair value as at March 31, 2018	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Financial investments at FVTPL				
Mutual funds-growth plan	13,584.6	-	-	13,584.6
Equity instruments	1.7	9.6	-	11.3
<b>Total financial assets</b>	<b>13,586.3</b>	<b>9.6</b>	<b>-</b>	<b>13,595.9</b>
Other financial liabilities	-	240.2	-	240.2
<b>Total financial liabilities</b>	<b>-</b>	<b>240.2</b>	<b>-</b>	<b>240.2</b>

Financial assets and liabilities which are measured at amortised cost as at March 31, 2018	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Security deposits	-	4,630.4	-	4,630.4
<b>Total Financial Assets</b>	<b>-</b>	<b>4,630.4</b>	<b>-</b>	<b>4,630.4</b>
Borrowings	-	42,470.9	-	42,470.9
Others	-	235.0	-	235.0
<b>Total financial liabilities</b>	<b>-</b>	<b>42,705.9</b>	<b>-</b>	<b>42,705.9</b>

The carrying amounts of Advance recoverable in cash, receivables from related parties, trade payables, payable for fixed assets, employees benefits payables, cash and cash equivalents and other bank balances are considered to be the same as their fair values due to their short-term nature. The fair value of long term debt and others in the above table are materially the same.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices in an active market. This includes listed equity instruments and mutual funds that have quoted price / declared NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

## Reconciliation of Level 3 fair values

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values:

Particulars	Fair value through other comprehensive income Other non-current investments (unquoted)	Fair value through profit and loss Contingent consideration	Financial liability towards put option	Forward liability
<b>Balance as at 1 April 2017</b>	<b>365.5</b>	<b>(2,615.9)</b>	<b>-</b>	<b>-</b>
Assumed/ arising in a business combination	-	-	(18,804.2)	-
Purchases / disposal	(67.7)	-	-	-
Net change in fair value (unrealised)	-	1,137.4	-	(1,719.1)
Transferred to consideration payable	-	136.1	-	-
Decrease on account of deconsolidation of subsidiary	(297.8)	1,342.4	18,804.2	1,719.1
<b>Balance as at March 31, 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Assumed in a business combination	-	-	-	-
Purchases / disposal	-	-	-	-
Net change in fair value (unrealised)	-	-	-	-
Transferred to consideration payable	-	-	-	-
Decrease on account of deconsolidation of subsidiary	-	-	-	-
<b>Balance as at March 31, 2019</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices for quoted instruments
- the fair value of the remaining financial assets is determined using discounted cash flow analysis.
- the foreign exchange forward contracts are marked to market using forward FEDAI rates pertaining to the date of maturity of the contract at the balance sheet date.
- Discount rates to fair value of financial assets and liabilities at amortised cost is based on general lending rate.
- Use of NAV for valuation of mutual fund investment
- The fair value of contingent consideration is determined by using a discount rate that reflects the likely amount to be paid out over the years as earn out which has been calculated using pre-tax cash flow projections based on financial budgets approved by management covering a five-year period.

## (iii) Inter level transfers

There are no transfers between levels 1 and 2 and also between levels 2 and 3 during the year.

## 28 Financial risk management

The group's activities expose it to credit risk, market risk and liquidity risk.

The Group has an overall enterprise risk management policy, approved by the Audit Committee of the Board of Directors. Risks are managed by the individual business units, or the support services' unit, entering into the base transactions, which give rise to the risks. The Executive Committee (comprising the Chairman & Managing Director, the Chief Financial Officer, and the heads of the business units and support services' units) has the overall responsibility for the risk management framework and its effectiveness, with the respective heads of business units/ support services units, being responsible for its implementation and day-to-day monitoring.

### (A) Credit Risk

The Group is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Group. The Group's exposure to credit risk is influenced mainly by its customer. To manage this, the company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, analysis of historical bad debts and ageing of accounts receivable as of different reporting periods.

Credit risk on cash and cash equivalents and other bank balances and bank deposits is limited as the Group generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. Investments comprises of investment in mutual funds invested with mutual fund institutions having high credit ratings assigned by domestic credit rating agencies. The loan represents security deposits given to suppliers, employees and others. The credit risk associated with such deposits is relatively low.

#### Trade receivables

The Group's exposure to credit risk is influenced mainly by its customers. However, the management also considers the factors that may influence the credit risk of its customer base. The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

Based on industry practices and the business environment in which the entity operates, the management considers that trade receivables are in default (credit impaired) if the payments are due for more than specific number of days. Loss allowances are based on actual credit loss experience over the past years. Refer note 8(c) for loss allowances provided.

### (B) Market risk

#### (i) Foreign currency risk (Exposure in different currencies converted to functional currency)

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of the Group companies. The functional currency for large number of Group companies is Indian Rupees ("INR"). The currency risks of the respective group companies are managed by the local management of these companies. The currency risk arising out of foreign currency transactions in the foreign exchange business is monitored by a central dealing room, which then hedges the positions transactions entered into at individual locations across the country, through deals in the interbank market, or through forward contracts, thereby ensuring that there are minimal open positions. In the leisure travel outbound business, package prices are denominated partly in the functional currency of the Company and partly in foreign currencies. The portion of customer collection in foreign currencies, which is parked in Nostro bank accounts, is used to pay off vendor liabilities, denominated in foreign currencies, thereby creating a natural hedge. As a result, the risk related to foreign currency exchange rate fluctuation is insignificant. The exposure of the group companies to foreign currency risk at the end of the reporting period, are as follows -



# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (a) Foreign currency risk exposure:

Particulars	March 31, 2019				March 31, 2018			
	EUR	GBP	USD	Others	EUR	GBP	USD	Others
Cash and cash equivalents	21,530.2	5,632.1	36,659.8	8,301.9	2,779.4	3,489.3	18,446.1	2,992.9
Trade and other financial assets	(1,455.6)	678.0	9,522.4	4,301.4	4,019.2	634.7	11,538.6	3,600.0
	<b>20,074.6</b>	<b>6,310.1</b>	<b>46,182.2</b>	<b>12,603.3</b>	<b>6,798.6</b>	<b>4,124.0</b>	<b>29,984.7</b>	<b>6,592.9</b>
Trade payables and other financial liabilities	16,151.3	6,026.8	34,736.1	16,560.0	15,519.7	5,854.5	32,526.4	11,822.9
<b>Gross Exposure</b>	<b>3,923.3</b>	<b>283.3</b>	<b>11,446.1</b>	<b>(3,956.7)</b>	<b>(8,721.1)</b>	<b>(1,730.5)</b>	<b>(2,541.7)</b>	<b>(5,230.0)</b>
Forward contracts, net	3,214.7	1,022.8	(5,255.3)	4,341.7	4,433.9	750.6	(2,411.4)	6,853.7
Net Exposure	7,138.0	1,306.1	6,190.8	385.0	(4,287.2)	(979.9)	(4,953.1)	1,623.7
<b>Net exposure (in Rs. Lakhs)</b>	<b>7,138.0</b>	<b>1,306.1</b>	<b>6,190.8</b>	<b>385.0</b>	<b>(4,287.2)</b>	<b>(979.9)</b>	<b>(4,953.1)</b>	<b>1,623.7</b>
<b>Net exposure (in Rs. Lakhs)</b>				<b>15,019.9</b>				<b>(8,596.5)</b>

## (b) Sensitivity:

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and from foreign forward exchange contracts.

Particulars	Impact on profit			
	March 31, 2019		March 31, 2018	
	Strengthening	Weakening	Strengthening	Weakening
<b>Effect in INR</b>				
<b>1% movement*</b>				
EUR		71.4	(42.9)	42.9
GBP		13.1	(9.8)	9.8
USD		61.9	(49.5)	49.5

\*Holding all other variables constant

## (ii) Interest rate risk exposure

The exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	March 31, 2019	March 31, 2018
Variable rate borrowings	<b>27,632.4</b>	<b>19,203.3</b>

As at the end of the reporting period, the group had the following variable rate borrowings:

Particulars	March 31, 2019		March 31, 2018	
	Balance	% of total loans	Balance	% of total loans
Variable rate borrowings	27,632.4	76.5%	19,203.3	45.2%
<b>Net exposure to cash flow due to interest rate risk</b>	<b>27,632.4</b>		<b>19,203.3</b>	

## Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Changes in interest rate are based on historical movement.

Particulars	Impact on profit	
	March 31, 2019	March 31, 2018
Interest rates - increase by 70 to 100 basis points *	(242.6)	(129.3)
Interest rates - decrease by 70 to 100 basis points *	242.6	129.3

\* Holding all other variables constant

## (iii) Price risk exposure

The group's exposure to equity securities price risk arises from investments held by the group and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss. Since the group does not have material equity investments, the group does not have a material price risk exposure as of reporting period.

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (C) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding to meet obligations when due and to close out market positions. Respective group company's treasury department maintains flexibility in funding by maintaining sufficient cash and bank balances available to meet the working capital requirements.

Management monitors rolling forecasts of the company's liquidity position (comprising the unused cash and bank balances along with temporary investments in fixed deposits and/or liquid mutual funds) on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the group in accordance with the practice and limits set by the group.

### (i) Financing arrangements

	March 31, 2019	March 31, 2018
Floating rate		
- expiring within one year (bank overdraft and other facilities)	7,673.7	5,417.6
- expiring beyond one year (bank loans)	476.1	-
	<b>8,149.8</b>	<b>5,417.6</b>

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Refer note 13(b) for various financing arrangements.

### (ii) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity based on their contractual maturities.

Contractual maturities of financial liabilities	< 1 year	Between 1 and 2 years	> 2 years	Total
<b>March 31, 2019</b>				
Borrowings	11,991.0	8,259.7	15,854.4	36,105.1
Trade payables	181,995.0	-	-	181,995.0
Other financial liabilities	15,172.4	18.9	-	15,191.3
<b>Total liabilities</b>	<b>209,158.4</b>	<b>8,278.6</b>	<b>15,854.4</b>	<b>233,291.4</b>

Contractual maturities of financial liabilities	< 1 year	Between 1 and 2 years	> 2 years	Total
<b>March 31, 2018</b>				
Borrowings	19,371.8	9,080.0	14,019.0	42,470.8
Trade payables	148,401.5	-	-	148,401.5
Other financial liabilities	25,281.4	845.9	-	26,127.3
<b>Total liabilities</b>	<b>193,054.7</b>	<b>9,925.9</b>	<b>14,019.0</b>	<b>216,999.6</b>

## 29 Capital management

### (a) Risk management

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the balance sheet) less cash and cash equivalent. Total "equity" is as shown in the balance sheet (including non-controlling interest).

Particulars	March 31, 2019	March 31, 2018
Net debt*	-	-
Total equity	<b>895,484.4</b>	<b>868,447.4</b>
<b>Net debt to equity ratio</b>	<b>-</b>	<b>-</b>

\* As at March 31, 2019 and March 31, 2018, cash and cash equivalents exceeds total borrowings and hence net debt as at March 31, 2019 and March 31, 2018 has been considered zero for the purpose of calculation of net debt to equity ratio.

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (b) Proposed Dividends

	March 31, 2019	March 31, 2018
Equity shares		
Final dividend paid during the year Rs. 0.375 per fully paid share (March 31, 2018 of Rs. 0.375 per fully paid share)	1,389.4	1,374.3
<b>Dividends not recognised at the end of the reporting period</b>		
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of Rs. 0.375 per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	1,390.2	1,388.3

## 30 Segment information

### (a) Description of segments and principal activities

The group's strategic steering committee, consisting of the chief executive officer, the chief financial officer and the manager for corporate planning, examines the group's performance both from a product and geographic perspective and has identified five reportable segments of its business:

<b>Financial Services</b>	Includes wholesale and retail purchase and sale of foreign currencies and paid documents
<b>Travel and related services</b>	Includes tour operations, travel management, visa services and travel insurance and related services
<b>Human resource services</b>	Includes staffing services, facilities management services, selection services, training fees, food service and engineering service
<b>Vacation ownership and resorts business</b>	Include the time share holidays' business
<b>Digipho imaging services</b>	Includes turnkey imaging solutions and related services

### (b) Segment result

Particulars	March 31, 2019	March 31, 2018
Financial services	8,354.8	7,034.8
Travel and related services	18,175.3	13,571.7
Human resource services	133.4	29,540.0
Vacation ownership and resorts business	(4,453.2)	(1,818.7)
<b>Total</b>	<b>22,210.3</b>	<b>48,327.8</b>
Less: Unallocated corporate expenditure	9,183.5	8,563.1
<b>Operating profit</b>	<b>13,026.8</b>	<b>39,764.7</b>
Less: Interest expense	7,297.1	14,900.2
<b>Profit before exceptional item, share of net profits of investments accounted for using equity method and tax</b>	<b>5,729.7</b>	<b>24,864.5</b>

### (c) Segment revenue

Particulars	March 31, 2019	March 31, 2018
Financial services	27,637.8	26,523.6
Travel and related services	606,241.1	507,703.9
Human resource services	335.3	563,384.6
Vacation ownership and resorts business	26,110.8	27,222.1
<b>Total</b>	<b>660,325.0</b>	<b>1,124,834.2</b>

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

Revenue from external customers	March 31, 2019	March 31, 2018
India	374,911.7	843,987.9
Rest of the world	285,413.3	280,846.3
<b>Total</b>	<b>660,325.0</b>	<b>1,124,834.2</b>

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## Revenue from external customers

No single customer contributes more than 10% of the Group's total revenue for the years ended March 31, 2019 and March 31, 2018.

### (d) Segment assets

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

Particulars	March 31, 2019	March 31, 2018
Financial services	84,288.9	55,919.6
Travel and related services	255,298.5	244,107.1
Human resource services	730,459.7	725,145.0
Vacation ownership and resorts business	122,275.4	69,406.4
Digiphot imaging services	29,876.3	-
<b>Total</b>	<b>1,222,198.8</b>	<b>1,094,578.1</b>
Unallocated	91,482.8	125,844.8
<b>Total assets as per the balance sheet</b>	<b>1,313,681.6</b>	<b>1,220,422.9</b>

The total of non-current assets other than financial instruments, investments accounted for using equity method and deferred tax assets, broken down by location of the assets, is shown below:

Particulars	March 31, 2019	March 31, 2018
India	220,427.6	148,484.1
Rest of the world	40,637.0	35,731.7
<b>Total non current assets</b>	<b>261,064.6</b>	<b>184,215.8</b>

### (e) Segment liabilities

Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment.

Particulars	March 31, 2019	March 31, 2018
Financial services	61,878.1	52,151.4
Travel and related services	231,813.9	215,615.6
Human resource services	559.8	526.5
Vacation ownership and resorts business	93,654.1	54,441.0
Digiphot imaging services	13,013.2	-
<b>Total</b>	<b>400,919.1</b>	<b>322,734.5</b>
Unallocated	17,278.1	29,241.0
<b>Total liabilities as per the balance sheet</b>	<b>418,197.2</b>	<b>351,975.5</b>

### (f) Segment-wise breakup of revenue from operation as per Ind AS 115

	March 31, 2019	March 31, 2018
<b>Financial services</b>		
Sale of services	26,140.2	25,389.5
Other operating revenue	1,497.6	1,134.1
<b>Travel and related services</b>		
Sale of services	592,574.7	491,773.8
Other operating revenue	13,666.4	15,930.1
<b>Human resource services</b>		
<b>Sale of services</b>		
- Education and training revenue	335.3	303.5
- Facility management and food services	-	93,841.9
- Staffing and recruitment	-	398,212.2
- Training services	-	8,938.8
- Operation and maintenance	-	18,908.6

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

	March 31, 2019	March 31, 2018
- Software sales and maintenance	-	24,146.3
- BPO services	-	19,033.3
<b>Vacation ownership and resorts business</b>		
<b>Sale of product</b>		
- Food and beverages	5,800.0	5,459.9
<b>Sale of services</b>		
- Income from sale of vacation ownership	9,174.9	10,810.5
- Income from resorts	10,671.8	9,825.1
- Interest income on trade receivable (Instalment plan)	134.6	811.1
<b>Other operating revenue</b>		
- Service charges	329.5	315.5
	<b>660,325.0</b>	<b>1,124,834.2</b>

## 31 Related party transactions

### (a) Parent Entities

The Company is controlled by the following entity:

Name	Place of Incorporation	Ownership Interest (%)	
		March 31, 2019	March 31, 2018
Fairbridge Capital (Mauritius) Limited, Mauritius ("FCML") (FCML is wholly owned and controlled by Fairfax Financial Holdings Limited, Canada, the ultimate holding company.)	Mauritius	66.9%	67.0%

### (b) Name of the related party and related party relationship:

Sr. No.	Name of Entity	Note	Place of Business/ Country of Incorporation	Relationship
1	Fairfax (US) Inc.		USA	Fellow Subsidiary
2	HWIC Asia Fund		India	Fellow Subsidiary
3	Fairbridge Capital Private Limited		India	Fellow Subsidiary
4	National Collateral Management Service Ltd		India	Fellow Subsidiary
5	Qess Corp Limited		India	Associate Company w.e.f. March 1, 2018
6	Terrier Security Services (India) Private Limited	i	India	Associate Company
7	Simpliance Technologies Private Limited	i	India	Associate Company
8	Trimax Smart Infraprojects Private Limited	i	India	Associate Company
9	Heptagon Technologies Private Limited	i	India	Associate Company
10	TCL-Go Vacation India Private Limited	ii	India	Associate Company
11	TravelJunkie Solutions Private Limited	iii	India	Associate Company
12	Thomas Cook In Destination Management (Thailand) Limited	iv	Thailand	Associate Company
13	Centreq Business Services Private Limited	v	India	Associate Company
14	Aravon Services Private Limited	v	India	Associate Company
15	Co-Achieve Solutions Private Limited	v	India	Associate Company
16	Fairfax India Charitable Foundation		India	Charitable Trust
17	Divekar Wallstable Schnieder Precision Seals Private Limited		India	Other entities where relationship exists
18	Pugmarks Eco Tours Private Limited		India	Other entities where relationship exists
19	Net Resources Investment Private Limited		India	Other entities where relationship exists
20	Styracorp Management Services (Sole proprietorship firm)		Dubai	Other entities where relationship exists
21	Go Digit General Insurance Limited		India	Other entities where relationship exists
22	Go Digit Infoworks Services Private Limited		India	Other entities where relationship exists
23	Cedar Management Consulting Private Limited		India	Other entities where relationship exists

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Notes:

- (i) Associates of Qess Corp Limited
- (ii) Associate of Travel Corporation (India) Limited
- (iii) Associate of TC Tours Limited
- (iv) Joint Venture of Asian Trails Holding
- (v) Subsidiaries of Qess Corp Limited (Associate for the group)

**(c) Key Management Personnel:**

Madhavan Menon  
Mahesh Iyer  
Brijesh Modi  
Amit Parekh

**(d) Senior Management Personnel:**

R. R. Kenkare  
Debasis Nandy  
Rajeev Kale  
Amit Madhan  
Mona Cheriyan  
Abraham Alapatt  
Indiver Rastogi

**(e) Non-Executive Directors:**

Kishori Udeshi  
Nilesh S. Vikamsey  
Sunil B. Mathur  
Pravir Vohra

**(f) Relatives of key management personnel:**

Lili Menon

**(g) Balances and transactions with related parties:**

The following are the balances and transactions with related parties:

Sr. No.	Particulars	Ultimate Holding Company	Holding Company	Fellow subsidiaries	Associates /Joint Venture	Key / Senior Management Personnel / Non-Executive Director	Relative of Key Management Personnel	Other Related Parties
<b>March 31, 2019</b>								
<b>1</b>	<b>Sale of services</b>							
	Thomas Cook In Destination Management (Thailand) Limited	-	-	-	1,063.5	-	-	-
	Qess Corp Limited	-	-	-	268.4	-	-	-
	TCI Go Vacation India Private Limited	-	-	-	380.5	-	-	-
	Cedar Management Consulting Private Limited	-	-	-	-	-	-	76.6
	Fairbridge Capital (Mauritius) Limited	-	2.3	-	-	-	-	-
	Fairfax Financials Holdings Limited	221.0	-	-	-	-	-	-
	Fairbridge Capital Private Limited	-	-	0.1	-	-	-	-
<b>2</b>	<b>Facilities and support services provided</b>							
	TCI Go Vacation India Private Limited	-	-	-	258.4	-	-	-



# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Sr. No.	Particulars	Ultimate Holding Company	Holding Company	Fellow subsidiaries	Associates /Joint Venture	Key / Senior Management Personnel / Non-Executive Director	Relative of Key Management Personnel	Other Related Parties
March 31, 2019								
<b>3</b>	<b>Services availed</b>							
	Quess Corp Limited	-	-	-	85.7	-	-	-
	Terrier Security Services (India) Private Limited	-	-	-	4.7	-	-	-
	Co-Achieve Solutions Private Limited	-	-	-	10.8	-	-	-
<b>4</b>	<b>Other professional charges</b>							
	Quess Corp Limited	-	-	-	1,782.6	-	-	-
	Terrier Security Services (India) Private Limited	-	-	-	372.8	-	-	-
	Co-Achieve Solutions Private Limited	-	-	-	12.2	-	-	-
<b>5</b>	<b>Rent expenses</b>							
	Lili Menon	-	-	-	-	-	19.3	-
<b>6</b>	<b>Other expenses</b>							
	Centreq Business Services Private Limited	-	-	-	3.2	-	-	-
	Co-Achieve Solutions Private Limited	-	-	-	44.7	-	-	-
	Quess Corp Limited	-	-	-	24.9	-	-	-
<b>7</b>	<b>Reimbursement received</b>							
	Fairfax Financials Holdings Limited	25.3	-	-	-	-	-	-
	TCI Go Vacation India Private Limited	-	-	-	1.6	-	-	-
<b>8</b>	<b>Reimbursement paid</b>							
	TCI Go Vacation India Private Limited	-	-	-	19.6	-	-	-
	Fairfax India Charitable Foundation	-	-	13.0	-	-	-	-
<b>9</b>	<b>Dividend remitted</b>							
	Fairbridge Capital (Mauritius) Limited	-	930.6	-	-	-	-	-
<b>10</b>	<b>Remuneration (Key Management Personnel)</b>							
	Madhavan Menon	-	-	-	-	611.0	-	-
	Mahesh Iyer	-	-	-	-	352.1	-	-
	Brijesh Modi	-	-	-	-	145.6	-	-
	Amit Parekh	-	-	-	-	54.2	-	-
<b>11</b>	<b>Remuneration (Senior Management Personnel)</b>							
	Debasis Nandy	-	-	-	-	216.5	-	-
	R. R. Kenkare	-	-	-	-	189.1	-	-
	Mona Cheriyan	-	-	-	-	182.5	-	-
	Rajeev Kale	-	-	-	-	181.0	-	-
	Abraham Alapatt	-	-	-	-	160.6	-	-
	Amit Madhan	-	-	-	-	152.2	-	-
	Indiver Rastogi	-	-	-	-	168.5	-	-
<b>12</b>	<b>Sitting fees to Non-Executive Director</b>							
	Kishori Udeshi	-	-	-	-	35.9	-	-
	Nilesh S. Vikamsey	-	-	-	-	29.5	-	-
	Sunil B. Mathur	-	-	-	-	31.1	-	-
	Pravir Vohra	-	-	-	-	33.8	-	-
<b>13</b>	<b>Advances given</b>							
	Fairfax Financials Holdings Limited	37.9	-	-	-	-	-	-
<b>14</b>	<b>Deposit receivable</b>							
	Lili Menon	-	-	-	-	-	165.0	-

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Sr. No.	Particulars	Ultimate Holding Company	Holding Company	Fellow subsidiaries	Associates /Joint Venture	Key / Senior Management Personnel / Non-Executive Director	Relative of Key Management Personnel	Other Related Parties
March 31, 2019								
<b>15</b>	<b>Trade receivables</b>							
	Thomas Cook In Destination Management (Thailand) Limited	-	-	-	902.6	-	-	-
	TCL Go Vacation India Private Limited	-	-	-	213.7	-	-	-
	Fairfax Financials Holdings Limited	83.3	-	-	-	-	-	-
	Quess Corp Limited	-	-	-	9.8	-	-	-
	Fairfax India Charitable Foundation	-	-	2.0	-	-	-	-
	Fairbridge Capital Private Limited	-	-	0.5	-	-	-	-
<b>16</b>	<b>Trade payable</b>							
	Co-Achieve Solutions Private Limited	-	-	-	81.8	-	-	-
	Quess Corp Limited	-	-	-	57.8	-	-	-
	Terrier Security Services (India) Private Limited	-	-	-	7.5	-	-	-

Sr. No.	Particulars	Ultimate Holding Company	Holding Company	Fellow subsidiaries	Associates /Joint Venture	Key / Senior Management Personnel / Non-Executive Director	Relative of Key Management Personnel	Other Related Parties
March 31, 2018								
<b>1</b>	<b>Sale of services</b>							
	Quess Corp Limited	-	-	-	55.6	-	-	-
	TCL Go Vacation India Private Limited	-	-	-	99.0	-	-	-
	Divekar Wallstable Schnieder Precision Seals Pvt. Ltd.	-	-	-	-	-	-	3.9
	Pugmarks Eco Tours Pvt. Ltd.	-	-	-	-	-	-	36.0
	Fairfax Financials Holdings Limited	14.8	-	-	-	-	-	-
	National Collateral Management Services Ltd.	-	-	1,997.4	-	-	-	-
	Fairbridge Capital Private Limited	-	-	5.3	-	-	-	-
	Terrier Security Services (India) Private Limited	-	-	-	277.3	-	-	-
	Trimax Smart Infraprojects Private Limited	-	-	-	748.3	-	-	-
	Go Digit General Insurance Limited	-	-	-	-	-	-	50.5
	Go Digit Infoworks Services Private Limited	-	-	-	-	-	-	72.0
<b>2</b>	<b>Facilities and support services provided</b>							
	TCL Go Vacation India Private Limited	-	-	-	182.2	-	-	-
<b>3</b>	<b>Interest income</b>							
	Trimax Smart Infraprojects Private Limited	-	-	-	251.7	-	-	-
	Styracorp Management Services	-	-	-	-	-	-	18.5
<b>4</b>	<b>Services availed</b>							
	Quess Corp Limited	-	-	-	136.9	-	-	-
	Centreq Business Services Private Limited	-	-	-	1.2	-	-	-
	Co-Achieve Solutions Private Limited	-	-	-	2.8	-	-	-
	Fairbridge Capital Private Limited	-	-	2.8	-	-	-	-
<b>5</b>	<b>Other professional charges</b>							
	Terrier Security Services (India) Private Limited	-	-	-	29.6	-	-	-
<b>6</b>	<b>Rent expenses</b>							
	Lili Menon	-	-	-	-	-	19.3	-

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Sr. No.	Particulars	Ultimate Holding Company	Holding Company	Fellow subsidiaries	Associates /Joint Venture	Key / Senior Management Personnel / Non-Executive Director	Relative of Key Management Personnel	Other Related Parties
March 31, 2018								
<b>7</b>	<b>Finance cost</b>							
	Fairfax Financials Holdings Limited	12.4	-	-	-	-	-	-
	Fairfax (US) Inc.	-	-	94.3	-	-	-	-
<b>8</b>	<b>Other expenses</b>							
	Terrier Security Services (India) Private Limited	-	-	-	315.5	-	-	-
	Net Resources Investment Private Limited	-	-	-	-	-	-	0.1
<b>9</b>	<b>Availment of loan</b>							
	Fairfax Financials Holdings Limited	25.6	-	-	-	-	-	-
<b>10</b>	<b>Loan given</b>							
	Trimax Smart Infraprojects Private Limited	-	-	-	13,890.8	-	-	-
<b>11</b>	<b>Consideration paid</b>							
	Fairfax Financials Holdings Limited	356.9	-	-	-	-	-	-
<b>12</b>	<b>Reimbursement received</b>							
	Fairfax Financials Holdings Limited	74.9	-	-	-	-	-	-
	TCI Go Vacation India Private Limited	-	-	-	40.5	-	-	-
<b>13</b>	<b>Reimbursement paid</b>							
	Trimax Smart Infraprojects Private Limited	-	-	-	505.2	-	-	-
<b>14</b>	<b>Dividend remitted</b>							
	Fairbridge Capital (Mauritius) Limited	-	930.6	-	-	-	-	-
<b>15</b>	<b>Remuneration (Key Management Personnel)</b>							
	Madhavan Menon	-	-	-	-	513.4	-	-
	Mahesh Iyer	-	-	-	-	296.9	-	-
	Brijesh Modi	-	-	-	-	113.6	-	-
	Amit Parekh	-	-	-	-	55.9	-	-
<b>16</b>	<b>Remuneration (Senior Management Personnel)</b>							
	Debasis Nandy	-	-	-	-	204.0	-	-
	R. R. Kenkare	-	-	-	-	195.5	-	-
	Mona Cheriyan	-	-	-	-	173.9	-	-
	Rajeev Kale	-	-	-	-	161.9	-	-
	Abraham Alapatt	-	-	-	-	163.3	-	-
	Amit Madhan	-	-	-	-	139.1	-	-
<b>17</b>	<b>Sitting fees to Non-Executive Director</b>							
	Kishori Udeshi	-	-	-	-	12.9	-	-
	Nilesh S. Vikamsey	-	-	-	-	6.5	-	-
	Sunil B. Mathur	-	-	-	-	12.8	-	-
	Pravir Vohra	-	-	-	-	16.1	-	-
<b>18</b>	<b>Redemption of NCCRPS</b>							
	HWIC Asia fund	-	-	12,500.0	-	-	-	-
<b>19</b>	<b>Preference Share dividend remitted</b>							
	HWIC Asia Fund	-	-	786.9	-	-	-	-
<b>20</b>	<b>Repayment/adjustment of loans taken</b>							
	From Fairfax (US) Inc.	-	-	80.9	-	-	-	-
	Styracorp Management Services	-	-	-	-	-	-	631.1
<b>21</b>	<b>Intangible assets under development</b>							
	Heptagon Technologies Private Limited	-	-	-	133.4	-	-	-

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Sr. No.	Particulars	Ultimate Holding Company	Holding Company	Fellow subsidiaries	Associates / Joint Venture	Key / Senior Management Personnel / Non-Executive Director	Relative of Key Management Personnel	Other Related Parties
March 31, 2018								
22	<b>Investment in equity shares</b>							
	TCL Go Vacation India Private Limited	-	-	-	98.0	-	-	-
23	<b>Deposit receivable</b>							
	Lili Menon	-	-	-	-	-	165.0	-
24	<b>Advances given</b>							
	Fairfax Financials Holdings Limited	15.1	-	-	-	-	-	-
25	<b>Trade receivable</b>							
	Co-Achieve Solutions Private Limited	-	-	-	3.7	-	-	-
	TCL Go Vacation India Private Limited	-	-	-	77.0	-	-	-
	Fairfax Financials Holdings Limited	56.1	-	-	-	-	-	-
	Qess Corp Limited	-	-	-	26.7	-	-	-
	Fairfax India Charitable Foundation	-	-	2.0	-	-	-	-
	Fairbridge Capital Private Limited	-	-	0.4	-	-	-	-
	Aravon Services Private Limited	-	-	-	0.1	-	-	-
	Divekar Wallstable Schnieder Precision Seals Pvt. Ltd.	-	-	-	-	-	-	0.5
	Pugmarks Eco Tours Pvt. Ltd.	-	-	-	-	-	-	3.3
26	<b>Trade payable</b>							
	Co-Achieve Solutions Private Limited	-	-	-	5.4	-	-	-
	Qess Corp Limited	-	-	-	199.8	-	-	-
	Centreq Business Services Private Limited	-	-	-	5.6	-	-	-

## 32 Share based payments

### (I) Thomas Cook (India) Limited

#### Employee option plan/tradable options

##### Thomas Cook Employees Stock Option Plan - 2007

The Company has established an employee stock option plan called -"Thomas Cook Employees Stock Option Plan - 2007". The same has been approved by a special resolution passed by the shareholders by a postal ballot on March 23, 2007. The Scheme is in accordance with the provisions of Securities and Exchange Board of India (SEBI) - (Employee Stock Option Scheme and employee Stock Purchase Scheme) Guidelines, 1999. The exercise price is as governed by the guidelines issued by SEBI.

The objectives of this plan are :

- Motivate talent in the organisation with a view to achieve long term business goals.
- Retain key talent in the organization
- Foster ownership and motivation.

The grant of options to employees under the stock option scheme is on the basis of their performance and other eligibility criteria. Each option will entitle the participant to one equity share of Thomas Cook (India) Limited. The unvested options shall vest with the participant in 3 equal annual instalments on each of the anniversaries from the grant date.

##### Thomas Cook Save As You Earn (SAYE) - 2010

Further to the Thomas Cook Employees Stock Option Plan - 2007, the Company has established a Thomas Cook Save As You Earn (SAYE), Scheme - 2010. The SAYE scheme has been approved by a Special Resolution passed on December 14, 2010, by the shareholders as at and for the year ended March 31, 2016 Thomas Cook (India) Limited of a Postal Ballot and shall be effective from that date. SAYE is a monthly savings contribution scheme available to all employees of Thomas Cook (India) Limited and its subsidiaries provided that they have completed at least 6 months in the organization.

The objectives of the SAYE Scheme - 2010 are same as Thomas Cook Employees Stock Option Plan - 2007.

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

SAYE allows employees to save a part of their net pay every month which gets deposited with a bank in a recurring deposit account carrying fixed rate of interest. At the end of 3 years, employees have the option to either purchase specific number of equity shares of Thomas Cook (India) Limited at the predetermined exercise price or withdraw the monthly savings contributions along with interest accrued. Each option will entitle the participant to one equity share of Thomas Cook (India) Limited. The maximum number of options granted per participant per grant will not exceed 200,000 (Two Lakh) equity shares. The maximum number of equity shares that may be issued/transferred pursuant to the exercise of options granted under the SAYE scheme shall not exceed 3,000,000 (Thirty Lakh) equity shares.

Vesting under the scheme is linked to the continued association with the Group. The options would vest only when an employee has completed the committed 36 monthly contributions. The exercise period would not be more than one month from the date of vesting.

## **Thomas Cook Employees Stock Option Plan - 2013**

The Company has established an employee stock option plan called - "Thomas Cook Employees Stock Option Plan - 2013". The same has been approved by a special resolution passed by the shareholders by a postal ballot on 25 October 2013. The Scheme is in accordance with the provisions of Securities and Exchange Board of India (SEBI) - (Employee Stock Option Scheme and employee Stock Purchase Scheme) Guidelines, 1999. The exercise price is in accordance with the guidelines issued by SEBI.

The objectives of this plan are:

- a) to reward the senior employees of the company for their performance
- b) to motivate them to contribute to the growth and profitability of the company and
- c) to retain talent in the organization

The grant of options to employees under the stock option scheme is on the basis of their performance and other eligibility criteria. Each option will entitle the participant to one equity share of Thomas Cook (India) Limited. The unvested options shall vest with the participant after 4 years but not later than 7 years from the date of grant of such options. Vesting of options would be subject to continued employment with the company and certain performance parameters. The attainment of such performance parameters would be a mandatory condition for vesting of options as determined by the Recruitment & Remuneration Committee from time to time.

## **Sterling Holiday Resorts (India) Limited Employee Stock Options Scheme 2012 - ("SHRIL ESOS 2012")**

The purpose of the ESOS is to provide the employees with an additional incentive in the form of Options to receive the equity shares of the Company at a future date. The ESOS is aimed at further motivating and retaining the employees and thereby increasing the profitability of the Company.

Vesting Schedule :

### Grant I dated January 24, 2013:

Each option will entitle the participant to one equity share. The unvested options shall vest with the participant in 3 tranches which is 40%, 30%, 30% on each of the anniversaries from the grant date.

### Grant II dated July 30, 2014:

Each option will entitle the participant to one equity share. The unvested options shall vest with the participant in 4 tranches which is 25%, 25%, 25%, 25% on each of the anniversaries from the Grant Date. Grant Date means the date on which the Options are granted to the eligible employees by the Company/Committee under the Scheme.

Exercise Price :

Exercise price shall not be less than the par value of the Equity Shares of the Company and shall not be more than the price prescribed under Chapter VII of SEBI ICDR Regulation 2009 or the Market price (as defined in the Guidelines), whichever is more.

- The Exercise price of Rs. 96.00 for Grant I was fixed by the Board of Directors of Sterling Holiday Resorts (India) Limited at its meeting held on January 24, 2013.
- The Exercise price of Rs. 130.15 for Grant II was fixed by the Board of Directors of Sterling Holiday Resorts (India) Limited at its meeting held on July 30, 2014.
- As per clause 15.3.2 of the Composite Scheme of Arrangement and Amalgamation between Sterling Holiday Resorts (India) Ltd. (SHRIL) and Thomas Cook Insurance Services (India) Ltd (TCISIL), and Thomas Cook (India) Ltd. (TCIL) the SHRIL ESOS 2012 became a part of the company's schemes and Stock Options which had been granted but not exercised as of the Record Date, by such SHRIL employees shall lapse and in lieu of the Lapsed Options of SHRIL, TCIL shall grant 120 options for every 100 options of SHRIL. The revised Exercise Price for Grant I was Rs. 80.00 and for Grant II was Rs. 108.46. Subject to the terms of the Scheme and SEBI ESOP Guidelines, the option holder will have a period of 5 years from the date of which the Options have vested, within which the vested options can be exercised.

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## **Thomas Cook Employees Stock Scheme 2018 - Management (ESOP 2018 – Management)**

The Company has established an Employee Stock Option Scheme called -“Thomas Cook Employees Stock Scheme 2018 - Management (ESOP 2018 – Management)”. The Scheme of Thomas Cook (India) Limited has been approved by the special resolution passed on April 11, 2018 through Postal ballot by the shareholders. The Scheme is regulated by the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time and includes all regulations, clarifications and statutory modifications issued there under and also any new regulations on the matter of share based employee benefits.

The Exercise price of the Vested Option shall be 50% of the Market price as defined under the SEBI Regulations.

The purpose of this Scheme is to reward and retain the employees of the Subsidiary Companies of Thomas Cook under its control for high levels of individual performance and for exceptional efforts to improve the financial performance of the respective subsidiary companies, which will ultimately contribute to the success of Thomas Cook. This purpose is sought to be achieved through the grant of Options, for and on behalf of, and at the behest of the subsidiary companies to their employees.

The maximum number of Shares that may be issued pursuant to Exercise of Options Granted to the Participant under this Scheme shall not exceed 36,72,000 Shares of Thomas Cook. All Options that have lapsed (including those having lapsed by way of forfeiture) shall be added back to the number of Options that are pending to be granted or Shares pending to be allotted. The Company may Grant such Options within the overall limit i.e. 36,72,000

The grant of options to employees under the stock option scheme is on the basis of their performance and other eligibility criteria. Each option will entitle the participant to one equity share of Thomas Cook (India) Limited. The unvested options shall vest with the participant after 3 years date of grant of such options. Vesting of options would be subject to continued employment with the Company and certain performance parameters.

## **Thomas Cook Employees Stock Scheme 2018 - Execom**

The Company has established an Employee Stock Option Scheme called -“Thomas Cook Employees Stock Scheme 2018 - Execom”. The Scheme of Thomas Cook (India) Limited has been approved by the special resolution passed on April 11, 2018 through Postal ballot by the shareholders. The Scheme is regulated by the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time and includes all regulations, clarifications and statutory modifications issued there under and also any new regulations on the matter of share based employee benefits.

The Exercise Price shall be equal to face value of shares i.e. Re. 1 per option.

The objective of the ESOP 2018 - Execom is to reward the Execom Employees of the Company for their performance and to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this Scheme to retain talent in the organization. The Company views Employee Stock Options as instruments that would enable the Employees to share the value they create for the Company and align individual objectives of employees with objectives of the Company in the years to come.

The maximum number of Shares that may be issued pursuant to Exercise of Options Granted to the Participant under this Scheme shall not exceed 17,54,458 Shares of Thomas Cook. All Options that have lapsed (including those having lapsed by way of forfeiture) shall be added back to the number of Options that are pending to be granted or Shares pending to be allotted. The Company may Grant such Options within the overall limit i.e. 17,54,458.

The Scheme shall be applicable to the Execom and Employees of the Company, its Subsidiary companies in India and abroad, as determined by the Committee on its own discretion from time to time.

Options granted under ESOP 2018 - Execom would Vest only at the end of 5 years from the date of grant of such options. Vesting of options would be subject to continued employment with the Company and certain performance parameters. The specific performance parameters will be decided by the Committee from time to time and will be communicated to the employees. The attainment of such performance parameters would be determined by the Committee from time to time which shall be a mandatory condition for vesting of options.



# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

The details pertaining to number of options, weighted average price and assumptions considered for fair value are disclosed below:

Particulars	March 31, 2019		March 31, 2018	
	Weighted Average Exercise price	Number of options	Weighted Average Exercise price	Number of options
Options outstanding at the beginning of the year	73.68	2,131,539	40.32	5,809,982
Options granted during the year	66.37	3,830,196	-	-
Exercised during the year	107.15	520,934	13.24	3,447,777
Forfeited during the year	97.77	378,995	136.92	230,666
<b>Options outstanding at the end of the year</b>	<b>62.90</b>	<b>5,061,806</b>	<b>73.68</b>	<b>2,131,539</b>
<b>Options vested and exercisable at the end of the year</b>	<b>123.9</b>	<b>693,288</b>	<b>131.38</b>	<b>709,999</b>

The average share price at the date of exercise of options exercised during the year ended March 31, 2019 was Rs. 244.57 (March 31, 2018: Rs. 235.65)

Share options outstanding at the end of the year have the following expiry date and exercise prices

Grant Date	Expiry Date	Exercise price (Rs.)	March 31, 2019	March 31, 2018
			Share options	Share options
July 10, 2008	July 8, 2018	77.62	-	40,000
September 5, 2013	September 3, 2023	49.32	68,350	131,850
August 25, 2015	August 22, 2025	165.92	448,804	810,695
November 7, 2016	November 1, 2040	1.00	746,448	802,868
October 8, 2014	October 2, 2038	1.00	100,000	229,906
January 24, 2013	January 22, 2021	80.00	9,234	24,570
July 30, 2014	July 28, 2022	108.46	66,900	91,650
June 13, 2018	June 10, 2031	137.93	1,465,400	-
September 1, 2018	August 29, 2031	125.10	221,008	-
October 5, 2018	September 29, 2043	1.00	1,703,697	-
January 23, 2019	January 17, 2043	1.00	231,965	-
<b>Total</b>			<b>5,061,806</b>	<b>2,131,539</b>
<b>Weighted average remaining contractual life of options outstanding at end of year</b>			<b>19.0 Years</b>	<b>16.7 Years</b>

## Fair value of options granted

The fair value at grant date is determined using the Black-Scholes Model which takes into account the exercise price, expected volatility, option's life, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

The inputs for the options granted during the year ended March 31, 2019 included:

Particulars	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019
Scheme	GT23JAN2019	GT05OCT2018	GT01SEP2018	GT13JUN2018
Grant Date	January 23, 2019	October 5, 2018	September 1, 2018	June 13, 2018
Weighted average share price	250.35	256.20	256.72	248.63
Exercise price	1.0	1.00	125.10	137.93
Expected volatility (%)	33.12%	34.06%	30.40%	31.90%
Expected life of the options	5.0	6.0	4.0	4.0
Risk free interest rate(%)	7.35%	8.06%	7.97%	7.93%
Expected dividend (%)	0.18%	0.30%	0.18%	0.18%
Weighted average fair value as on Grant Date	247.41	251.01	165.07	149.36

Weighted average share price of equity shares is the average closing price on the National Stock Exchange for a period of one year up to the Valuation Date. The risk free interest rates are based on the yield on government bonds prevailing as at the valuation date for maturities over a period corresponding to the remaining life of the options. The volatility is a measure of the level of fluctuation in the value of the underlying asset. The volatility is measured as the standard deviation of the underlying asset's returns. Dividend yield based on the average dividend yield generated by the Company over the past period corresponding to the remaining life of the options..

## Modification of share based payment:

In pursuance to the court scheme effective from April 1, 2014, Sterling holiday resorts was merged with Thomas Cook Insurance services, its immediate parent entity. Thomas cook India limited issued options replacing the existing options of Sterling by issuing its own shares in consideration for the merger. Such modification of share based payment arrangements of sterling are accounted for as per Ind AS 102. Accordingly, the incremental cost in the fair value of the options at the initial grant date and the replacement date is taken as expense in the books of Thomas Cook India Limited. Fair value of the replacement options issued by the company are calculated using the inputs disclosed in inputs table.

## Expenses/shares option outstanding account arising from share based payment transactions

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

Particulars	March 31, 2019	March 31, 2018
Employee option plans	1,251.3	3,153.4
Shares option outstanding balance	2,794.1	3,544.9

## 33 Earnings per share

### (a) Basic earnings per share

Particulars	March 31, 2019	March 31, 2018
Basic earnings per equity share after exceptional items	2.29	162.52
Basic earnings per equity share before exceptional items	2.29	3.88

### (b) Diluted earnings per share

Particulars	March 31, 2019	March 31, 2018
Diluted earnings per equity share after exceptional items	2.28	162.10
Diluted earnings per equity share before exceptional items	2.28	3.87

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (c) Reconciliation of earnings used in calculating earnings per share

Particulars	March 31, 2019	March 31, 2018
Profit after tax and exceptional items attributable to equity share holders of the company for basic and diluted EPS	8,481.8	596,800.5
Profit after tax but before exceptional items tax attributable to equity share holders of the company for basic and diluted EPS	8,481.8	14,253.6

Particulars	March 31, 2019 Number of shares	March 31, 2018 Number of shares
Weighted average number of equity shares used as the denominator in calculating basic earning per share (in lakhs)	3,705.1	3,672.2
Adjustments for calculation of diluted earnings per share:		
Effect of dilutive issue of stock options	10.1	9.4
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earning per share (in lakhs)	3,715.1	3,681.6

## (e) Information concerning the classification of securities

Options granted to employees under the ESOP Option Plan are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share. Details relating to the options are set out in Note 32.

## 34 Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	March 31, 2019	March 31, 2018
<b>Current</b>		
<b>Financial assets</b>		
Receivables	897.1	1,090.6
Inventories	1,108.8	4.0
Cash and cash equivalents	4.2	-
Other current assets	49.7	72.0
Other financial assets	13.1	-
Investments	-	770.0
<b>Total current assets pledged as security</b>	<b>2,072.9</b>	<b>1,936.6</b>
<b>Non-current</b>		
Freehold land	8,328.0	2,225.2
Freehold buildings	8,785.7	8,180.1
Moveable assets	4,709.6	5,000.0
<b>Total non-current assets pledged as security</b>	<b>21,823.3</b>	<b>15,405.3</b>
<b>Total assets pledged as security</b>	<b>23,896.2</b>	<b>17,341.9</b>

## 35 Business combination

### A Acquisitions made by the Group in 2018-19

#### (i) Acquisition of DEI Holdings Limited

On February 25, 2019, the Company through its wholly owned subsidiary Travel Circle International (Mauritius) Limited ("TCIM") has entered into Share Purchase Agreement ("SPA") and Share Holders Agreement ("SHA") with DEI Holdings Limited ("DEI") and its shareholders to acquire 51% equity stake in DEI. In accordance with the SPA and SHA, on March 28, 2019 TCIM has acquired 51% stake for a consideration of Rs. 14,099.8 lakhs (US\$ 20.3 million) and thus DEI alongwith its 12 subsidiaries became the subsidiaries of the Group.

DEI is one of the world's leading imaging solutions and services providers with the focus on imaging solutions for the attractions industry. It offers turnkey imaging solutions and services by providing the equipment, software, and talent at partner sites. Its partner attractions encompass water parks, theme parks, aquariums, towers and resorts, including various iconic attractions. DEI is present at more than 250 venues spanning over 14 countries having offices Singapore, UAE, Hong Kong SAR, Macau SAR, China, USA, Malaysia, Thailand, Indonesia, Mauritius, Maldives, Egypt, India and Kuwait with strong network of over 120 partners.

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

As DEI acquisition has been completed towards end of the financial year, the management has decided to avail the one year measurement period available as per Ind AS 103 for completing the purchase price allocation exercise. Accordingly, for the year ended March 31, 2019, the group has provisionally allocated the purchase consideration.

The fair value of net assets acquired on the acquisition date as a part of the transaction amounted to Rs. 5,639.2 lakhs. The excess of purchase consideration over the fair value of net assets acquired has been attributed towards goodwill aggregating to Rs. 11,223.8 lakhs. The goodwill is attributable to value of benefits of expected synergies, future revenue and future market developments. Goodwill is not deductible for income tax purposes.

The purchase price has been provisionally allocated which is as follows:

Particulars	Acquiree's carrying Amount	Fair value adjustments	Purchase price allocated
Property, plant and equipment	1,285.0	-	1,285.0
Intangible assets (including under developments)	1,385.4	4,147.0	5,532.4
Deferred tax liabilities		(622.1)	(622.1)
Net assets (excluding above)	(556.1)	-	(556.1)
<b>Total</b>	<b>2,114.3</b>	<b>3,524.9</b>	<b>5,639.2</b>
<b>Share of the Group at 51.0%</b>			2,876.0
Non-controlling interests			2,763.2
Goodwill			11,223.8
<b>Purchase consideration paid</b>			<b>14,099.8</b>

## (ii) Transactions under common control

- The Company has completed the acquisition of 4.44% stake in Travel Corporation (India) Limited (TCI), i.e. 73,234 equity shares of face value Rs. 10/- each at Rs. 2,279.30 per share from Sterling Holiday Resorts Limited, a wholly owned subsidiary of the Company. Pursuant to the said acquisition, the Company now directly holds 100% stake in TCI.
- The Company has completed the acquisition of 100% stake in TC Travel Services Limited (formerly known as TC Travel and Services Limited) from TC Tours Limited (formerly known as Thomas Cook Tours Limited), a wholly owned subsidiary of the Company.

## B Acquisitions made by the Group in 2017-18

### (i) Acquisition Destination Management Specialists entities (DMS)

On June 26, 2017, Travel Corporation (India) Limited, wholly-owned subsidiary of the Company, incorporated Horizon Travel Services LLC, USA as a wholly owned subsidiary.

On June 27, 2017, SOTC Travel Limited and Travel Corporation (India) Limited, wholly owned subsidiaries of the Company, completed the subscription of 51% and 49% stake respectively, in Travel Circle International (Mauritius) Limited, Mauritius, a newly incorporated subsidiary entity.

On June 29, 2017, Travel Circle International (Mauritius) Limited acquired stake in the global network (21 entities) of Destination Management Specialists (DMS) of the Kuoni Group (located in 17 countries) from Kuoni Travel Investments Limited, Zurich, Switzerland and / or its affiliates. (Refer note 3 for list of subsidiaries under DMS group)

On June 29, 2017 Horizon Travel Services LLC) acquired identified assets and liabilities of Allied T Pro business from Kuoni DMS USA.

The acquisition represents an important milestone for a rapidly growing Group expanding its business to Asia Pacific region with an enhanced global footprint across 4 continents and 21 countries. This will also lead to enhancement and integration of end to end service delivery capabilities and target strategic benefits across Group's Inbound, Outbound, MICE and Corporate Travel businesses – helping deliver superior products, service and value to its stakeholders.

The excess of purchase consideration over the fair value of net assets acquired has been attributed towards goodwill of Rs. 13,620.8 lakhs.

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

The purchase price has been allocated based on Management's estimates as follows:

Particulars	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Property, plant and equipment	632.7	-	632.7
Intangible assets	902.4	-	902.4
Net assets (excluding above)	316.4	(15,367.6)	(15,051.2)
Recognition of brand	-	2,642.1	2,642.1
<b>Total</b>	<b>1,851.5</b>	<b>(12,725.5)</b>	<b>(10,874.0)</b>
Non-controlling interests			(908.1)
Goodwill			13,620.8
<b>Purchase consideration paid</b>			<b>1,838.7</b>

## (ii) Acquisition TC Forex Services Limited (formerly known as Tata Capital Forex Limited)

On October 30, 2017, the Company has acquired 100% equity interest in TC Forex Services Limited from Tata Capital Limited for a consideration of Rs. 1,200.0 lakhs. The excess of purchase consideration over the fair value of net assets acquired has been attributed towards goodwill of Rs. 1,181.7 lakhs. The acquisition will enable to strengthen the Group's leadership position and simultaneously reiterates its strong focus on the Foreign Exchange sector.

The purchase price has been allocated based on Management's estimates as follows:

Particulars	Acquiree's carrying Amount	Fair value adjustments	Purchase price allocated
Property, plant and equipment	62.0	-	62.0
Net assets (excluding above)	(43.7)	-	(43.7)
<b>Total</b>	<b>18.3</b>	<b>-</b>	<b>18.3</b>
Goodwill			1,181.7
<b>Purchase consideration paid</b>			<b>1,200.0</b>

## (iii) Acquisition TC Travel and Services Limited

On October 30, 2017, The Company has acquired 100% equity interest in TC Travel and Services Limited through its wholly owned subsidiary TC Tours Limited (formerly known as Thomas Cook Tours Limited) for a consideration of Rs. 300.0 lakhs from Tata Capital Limited. The excess of purchase consideration over the fair value of net assets acquired has been attributed towards goodwill of Rs. 63.7 lakhs. The acquisition of TC Travel represents an important milestone for a rapidly growing Group making it one of the largest travel service provider networks headquartered in APAC region. The acquisition creates clear opportunities, including a significant increase in scale and network reach, volume/buying advantages, all resulting in stronger customer service and stakeholder value.

The purchase price has been allocated based on Management's estimates as follows:

Particulars	Acquiree's carrying Amount	Fair value adjustments	Purchase price allocated
Property, plant and equipment	54.1	-	54.1
Intangible assets	34.2	-	34.2
Net assets (excluding above)	148.0	-	148.0
<b>Total</b>	<b>236.3</b>	<b>-</b>	<b>236.3</b>
Goodwill			63.7
<b>Purchase consideration paid</b>			<b>300.0</b>

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

**(iv) Acquisition of Identified business of Manipal Integrated Services, including two of its subsidiaries namely Master Staffing Solutions Private Limited and Golden Star Facilities & Services Private Limited**

During the previous year ended March 31, 2017, Quess Corp Limited ("Quess") had entered into definitive agreement with Manipal Integrated Services Private Limited ("MIS") dated November 28, 2016 to demerge the Facility Management Business and Catering Business (together means "Identified Business" or "Merged Business") of MIS through the Scheme of Arrangement ("the Scheme") at a consideration of Rs. 70,846.5 lakhs. The Board of Quess vide its meeting dated November 28, 2016 had approved the draft Scheme of Arrangement and filed the Scheme with BSE and NSE. Quess in the previous year had received the approval from BSE and NSE dated March 23, 2017 and March 27, 2017 respectively.

During the year, Quess has obtained approval from the National Company Law Tribunal ("NCLT") dated November 30, 2017, to merge Identified Business of MIS. The scheme has been filed with Registrar of Companies ('ROC') on December 13, 2017. The appointed date of the scheme is December 1, 2016 which is the effective date of merger approved by NCLT. The NCLT order override the requirements under Ind AS 103, Business Combinations, and hence Quess has considered the date of acquisition as December 1, 2016.

The identified business includes two subsidiaries namely Master Staffing Solutions Private Limited ("MSSP") (100% owned) and Golden Star Facilities & Services Private Limited ("GSFS") (60% owned). Quess has a contractual commitment to acquire the non-controlling interest in Golden Star Facilities & Services Private Limited, of which, 10% was acquired during the year. During the year, Quess has completed the purchase price allocation and has recognised assets and liabilities of the acquired business at its fair value including intangible assets. Post allocation of purchase price, Quess Group has recorded a goodwill of Rs. 60,055.1 lakhs.

The goodwill is attributable to value of benefits of expected synergies, future revenue and future market developments. Goodwill of identifiable business of MIS is deductible for income tax purposes and that of MSSP and GSFS is not deductible for income tax purposes. This acquisition is expected to provide with an increased share of Integrated facility management segment through access to the customer base. The Group also expects to reduce costs through economies of scale.

For the four months ended March 31, 2017, MSSP and GSFS contributed revenue of Rs. 9,219.4 lakhs and profit of Rs. 626.7 lakhs to the Group's results. Management estimates that if the acquisition had occurred on April 1, 2016, consolidated revenue and consolidated profit for the year would have been increased by Rs. 26,341.0 lakhs and Rs. 786.4 lakhs, respectively. The proforma amounts are not necessarily indicative of results that would have occurred if the acquisition had occurred on dates indicated or that may result in the future.

The fair value of purchase consideration is Rs. 70,846.5 lakhs. The details are as follows:

Nature of consideration and terms of payment	Amount	Fair Value
1. Preference share capital	22,000.0	22,000.0
2. Shares to be issued pursuant to merger	46,030.5	46,030.5
3. Financial liability	3,177.0	2,816.0
<b>Total purchase consideration</b>	<b>71,207.5</b>	<b>70,846.5</b>

The purchase price has been allocated based on the report of a valuer which is as follows:

Particulars	Acquiree's carrying Amount	Fair value adjustments	Purchase price allocated
Property, plant and equipment	625.0	-	625.0
Intangible assets	22.9	11,480.0	11,502.9
Deferred tax assets	1,135.1	(460.0)	675.1
Net assets (excluding above)	(2,011.6)	-	(2,011.6)
<b>Total</b>	<b>(228.5)</b>	<b>11,020.0</b>	<b>10,791.5</b>
Goodwill			60,055.1
<b>Purchase consideration paid</b>			<b>70,846.5</b>

**(v) Acquisition of Vedang Cellular Services Private Limited**

On November 10, 2017, Quess Corp Limited has entered into Share Purchase Agreement ("SPA") and Share Holders Agreement ("SHA") dated October 25, 2017 with Vedang Cellular Services Private Limited ("Vedang") and its shareholders to acquire 100% equity stake in Vedang. In accordance with the SPA and SHA, during the year Quess has acquired 70% stake for a consideration of Rs. 3,990.0 lakhs and thus Vedang has become the subsidiary of the Quess. Quess has a contractual commitment to acquire the non-controlling interest. Vedang is engaged in the business of telecom network optimisation and installation of active components in telecom network in India.



# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

As Vedang acquisition has been completed towards end of the financial year, the management has decided to avail the one year measurement period available as per Ind AS 103 for completing the purchase price allocation exercise. Accordingly, for the year ended March 31, 2018, the group has provisionally allocated the purchase consideration.

The fair value of net assets acquired on the acquisition date as a part of the transaction amounted to Rs. 3,243.4 lakhs. The excess of purchase consideration over the fair value of net assets acquired has been attributed towards goodwill aggregating to Rs. 2,531.8 lakhs. The goodwill is attributable to value of benefits of expected synergies, future revenue and future market developments. Goodwill is not deductible for income tax purposes.

The fair value of purchase consideration is Rs. 5,775.18 lakhs. The details are as follows:

Nature of consideration and terms of payment	Amount	Fair Value
1. Upfront cash consideration	3,990.0	3,990.0
2. Financial liability	2,677.7	1,785.2
<b>Total purchase consideration</b>	<b>6,667.7</b>	<b>5,775.2</b>

The purchase price has been provisionally allocated which is as follows:

Particulars	Acquiree's carrying Amount	Fair value adjustments	Purchase price allocated
Property, plant and equipment	477.2	-	477.2
Intangible assets	-	1,834.4	1,834.4
Deferred tax liabilities	-	(635.0)	(635.0)
Net assets (excluding above)	1,566.8	-	1,566.8
<b>Total</b>	<b>2,044.0</b>	<b>1,199.4</b>	<b>3,243.4</b>
Goodwill			2,531.8
<b>Purchase consideration paid</b>			<b>5,775.2</b>

## (vi) Acquisition of Conneqt Business Solutions Limited

On November 27, 2017, Qess Corp Limited has entered into Share Purchase Agreement ("SPA") and Share Holders Agreement ("SHA") dated November 20, 2017 with Tata Business Support Services Limited ("TBSS") and its shareholders to acquire 100% equity stake in TBSS at an estimated consideration of Rs. 32,166.7 lakhs. In accordance with the SPA and SHA, during the year Qess has acquired 51% stake for consideration of Rs. 15,272.8 lakhs and thus TBSS has become the subsidiary of the Qess. Qess has a contractual commitment to acquire the non-controlling interest. TBSS offers Customer Life Cycle Management (CLM) and Business Process Management (BPM) services to a wide range of customers.

The name of Tata Business Support Services Limited has been changed to Conneqt Business Solutions Limited w.e.f. January 9, 2018.

As the acquisition has been completed towards end of the financial year, the management has decided to avail the one year measurement period available as per Ind AS 103 for completing the purchase price allocation exercise. Accordingly, for the year ended March 31, 2018, the group has provisionally allocated the purchase consideration.

The fair value of net assets acquired on the acquisition date as a part of the transaction amounted to Rs. 25,217.6 lakhs. The excess of purchase consideration over the fair value of net assets acquired has been attributed towards goodwill aggregating to Rs. 6,949.1 lakhs. The goodwill is attributable to value of benefits of expected synergies, future revenue and future market developments. Goodwill is not deductible for income tax purposes.

The fair value of purchase consideration is Rs. 32,166.7 lakhs. The details are as follows:

Nature of consideration and terms of payment	Amount	Fair Value
1. Upfront cash consideration	14,772.8	14,772.8
2. Consideration payable	500.0	500.0
3. Financial liability	46,765.9	16,893.9
<b>Total purchase consideration</b>	<b>62,038.7</b>	<b>32,166.7</b>

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

The purchase price has been provisionally allocated based on the report of a valuer which is as follows:

Particulars	Acquiree's carrying Amount	Fair value adjustments	Purchase price allocated
Property, plant and equipment	7,560.4	4,700.0	12,260.4
Intangible assets	-	6,425.3	6,425.3
Deferred tax liabilities	-	(2,223.7)	(2,223.7)
Net assets (excluding above)	8,755.6	-	8,755.6
<b>Total</b>	<b>16,316.0</b>	<b>8,901.6</b>	<b>25,217.6</b>
Goodwill			6,949.1
<b>Purchase consideration paid</b>			<b>32,166.7</b>

**(vii) Acquisition of Monster.com (India) Private Limited, Monster.com.SG PTE Limited, Monster.com.HK Limited and Monster Malaysia SDN. BHD.**

On February 8, 2018, the Quess Corp Limited along with its wholly owned subsidiary Quesscorp Holdings Pte Ltd ("QHPL") has entered into an arrangement with Monster Group (Monster Emerging Markets LLC, Monster.Com Asia Ltd. and Monster Worldwide, Inc.) and Randstad Holding NV to acquire controlling stake in certain entities of Monster Group, namely, Monster.com (India) Private Limited, Monster.com.SG PTE Limited, Monster.com.HK Limited and Monster Malaysia SDN. BHD at an estimated consideration of Rs. 14,478.0 lakhs. These entities are engaged in providing online and mobile employment and recruitment solutions to its customers.

As the acquisition has been completed towards end of the financial year, the management has decided to avail the one year measurement period available as per Ind AS 103 for completing the purchase price allocation exercise. Accordingly, for the year ended March 31, 2018, the group has provisionally allocated the purchase consideration.

The fair value of net assets acquired on the acquisition date as a part of the transaction amounted to Rs. 6,971.0 lakhs. The excess of purchase consideration over the fair value of net assets acquired has been attributed towards goodwill aggregating to Rs. 7,507.0 lakhs. The goodwill is attributable to value of benefits of expected synergies, future revenue and future market developments. Goodwill is not deductible for income tax purposes.

The fair value of purchase consideration of Rs. 14,478.0 lakhs comprise of upfront cash consideration of Rs. 14,050.7 lakhs and deferred consideration of Rs. 427.3 lakhs.

The purchase price has been allocated based on the report of a valuer which is as follows:

Particulars	Acquiree's carrying Amount	Fair value adjustments	Purchase price allocated
Property, plant and equipment	582.8	-	582.8
Intangible assets	-	3,509.6	3,509.6
Net assets (excluding above)	2,878.6	-	2,878.6
<b>Total</b>	<b>3,461.4</b>	<b>3,509.6</b>	<b>6,971.0</b>
Goodwill			7,507.0
<b>Purchase consideration paid</b>			<b>14,478.0</b>

**(viii) Acquisition of business assets of CAARPUS Technology Services Limited**

Quess has entered into an Asset Transfer Agreement with CAARPUS Technology Services Limited ("Transferor") and its founder Mr. L Bharani Raj dated September 30, 2016 to purchase the business asset (copyright and trademarks for using E-catalogue software and other intangibles). The transferor is engaged in the business of providing technology based solutions for material management, coding, catalogue, inventory management etc. The total consideration paid is Rs. 50.0 lakhs. In accordance with Ind AS 103, the consideration paid requires to be allocated across identifiable assets acquired, at their respective fair values. Accordingly, the Group has recognised intangible assets aggregating Rs. 4.8 lakhs and remaining amount aggregating Rs. 45.2 lakhs is accounted as goodwill. The goodwill is attributable to value of benefits of expected synergies, future revenue and future market developments. {refer note 6(a)}.

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (ix) Transactions under common control

The Composite Scheme of Arrangement and Amalgamation between SOTC Travel Services Private Limited (earlier known as Kuoni Travel (India) Private Limited), Distant Frontiers Tours Private Limited, SITA Beach Resorts Private Limited, SITA Destination Management Private Limited, SITA Holidays (India) Private Limited, SITA Holidays Resorts Private Limited, SITA Incoming (India) Private Limited, SOTC Travel Private Limited (formerly known as SITA Travels Private Limited) and Travel Corporation (India) Limited (the Scheme) was approved by the National Company Law Tribunal (NCLT) at its hearing held on April 19, 2017. The Scheme has been filed with the Registrar of Companies on June 1, 2017 in pursuance of which it has become operative on and from June 1, 2017, the Effective Date. Accounting has been done as per the scheme approved by NCLT.

During the previous year, the Company has acquired SOTC Travel Management Private Limited (formerly known as SITA Travels and Tours Private Limited) from its subsidiary SOTC Travel Limited for a consideration of INR 1.0 Lakhs.

## 36 Interests in other entities

### (a) Non-controlling interest ("NCI")

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised balance Sheet	Asian Trails Holding Limited	DEI Holdings Limited	SITA World Travel (Nepal) Pvt Ltd
	March 31, 2019		
Current assets	19,337.9	9,650.9	2,747.1
Current liabilities	25,193.8	11,621.7	1,970.7
<b>Net current assets</b>	<b>(5,855.9)</b>	<b>(1,970.8)</b>	<b>776.4</b>
Non-current assets	17,527.0	4,854.5	414.6
Non-current liabilities	760.2	769.4	34.1
<b>Net non-current assets</b>	<b>16,766.8</b>	<b>4,085.1</b>	<b>380.5</b>
<b>Net assets</b>	<b>10,910.9</b>	<b>2,114.3</b>	<b>1,156.9</b>
<b>Accumulated NCI</b>	<b>2,948.7</b>	<b>2,763.2</b>	<b>430.0</b>

Summarised balance Sheet	Asian Trails Holding Limited	DEI Holdings Limited	SITA World Travel (Nepal) Pvt Ltd
	March 31, 2018		
Current assets	21,353.0	-	2,290.4
Current liabilities	18,718.0	-	1,556.9
<b>Net current assets</b>	<b>2,635.0</b>	<b>-</b>	<b>733.5</b>
Non-current assets	15,777.1	-	278.1
Non-current liabilities	7,851.7	-	30.8
<b>Net non-current assets</b>	<b>7,925.4</b>	<b>-</b>	<b>247.3</b>
<b>Net assets</b>	<b>10,560.4</b>	<b>-</b>	<b>980.8</b>
<b>Accumulated NCI</b>	<b>941.5</b>	<b>-</b>	<b>365.4</b>

Summarised statement of profit and loss	Quess Corp Limited	Asian Trails Holding Limited	DEI Holdings Limited	SITA World Travel (Nepal) Pvt Ltd
	March 31, 2019			
Revenue	-	60,269.6	-	3,019.1
Profit for the year	-	266.6	-	176.2
Other comprehensive income	-	(127.0)	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>139.6</b>	<b>-</b>	<b>176.2</b>
<b>Profit allocated to NCI</b>	<b>-</b>	<b>337.2</b>	<b>-</b>	<b>64.6</b>

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Summarised statement of profit and loss	Qess Corp Limited	Asian Trails Holding Limited	DEI Holdings Limited	SITA World Travel (Nepal) Pvt Ltd
	March 31, 2018			
Revenue	569,764.6	48,043.2	-	2,228.2
Profit for the year	27,992.3	(941.6)	-	133.3
Other comprehensive income	(275.6)	(33.0)	-	-
<b>Total comprehensive income</b>	<b>27,716.7</b>	<b>(974.6)</b>	-	<b>133.3</b>
<b>Profit allocated to NCI</b>	<b>15,729.1</b>	<b>420.3</b>	-	<b>48.9</b>

## (b) Interest in associate

- i) During the financial year 2017-18, shareholding of the Company in Qess Corp Limited ("Qess") was reduced to 49.02% from 62.2%. The Board also recognized certain participative rights of Mr. Ajit Isaac and Net Resources Investments Private Limited in day-to-day management and operations of Qess. Accordingly, the results of Qess have been consolidated as a subsidiary upto February 28, 2018 and from the month of March 2018, the share of profit as an associate has been considered. Accordingly, Company's investment in Qess re-classify from a subsidiary to an associate company under Ind AS 110 with effect from March 1, 2018.

The following table summarizes the financial information of Qess as included in its own financial statements, adjusted for fair value adjustments at Qess re-classify from a subsidiary to an associate. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in Qess.

Summarised balance Sheet	March 31, 2019	March 31, 2018
Percentage ownership interest	48.82%	49.02%
Current assets	240,495.1	268,913.2
Current liabilities	175,265.9	191,409.3
<b>Net current assets</b>	<b>65,229.2</b>	<b>77,503.9</b>
Non-current assets	260,672.3	220,950.1
Non-current liabilities	53,033.0	52,219.9
<b>Net non-current assets</b>	<b>207,639.3</b>	<b>168,730.2</b>
<b>Net assets</b>	<b>272,868.5</b>	<b>246,234.1</b>
Non controlling interest of Qess's subsidiaries	309.9	157.8
<b>Net assets net of non controlling interest of Qess's subsidiaries</b>	<b>272,558.6</b>	<b>246,076.3</b>
Group's share of net assets	133,072.2	120,638.7
Share in identifiable intangible assets recognised	87,409.3	94,520.4
Goodwill	509,862.0	509,862.0
<b>Carrying amount of interest in associates</b>	<b>730,343.5</b>	<b>725,021.1</b>
<b>Carrying Value of investment</b>	<b>730,343.5</b>	<b>725,021.1</b>
<b>Summarised statement of profit and loss</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Revenue	852,699.3	52,653.6
Profit for the year	25,654.9	2,983.9
Other comprehensive income	634.7	(110.7)
<b>Total comprehensive income</b>	<b>26,289.6</b>	<b>2,873.2</b>
Group's share of Qess profit for the year	12,535.0	1,462.9
Amortisation of identifiable intangible assets	(7,111.1)	-
Loss on dilution of stake	(466.7)	-
Group's share of other comprehensive income	309.9	(54.3)
<b>Group's share of total comprehensive income</b>	<b>5,267.1</b>	<b>1,408.6</b>

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

- ii) During the financial year 2017-18, Travel Corporation (India) Limited, a wholly owned subsidiary of the Company, has entered into a Joint Venture Agreement with DER Touristik Group and formed a Company 'TCI Go Vacation India Private Limited' operational from Delhi NCR and subscribed 49% of equity share capital of that company.

The following table summarizes the financial information of TCI GO as included in its own financial statements. The table also reconciles the summarized financial information to the carrying amount of the Group's interest in TCI GO.

Summarised balance Sheet	March 31, 2019	March 31, 2018
Percentage ownership interest	49.00%	49.00%
Current assets	5,531.3	3,813.4
Current liabilities	4,338.9	3,268.2
<b>Net-current assets</b>	<b>1,192.4</b>	<b>545.2</b>
Non-current assets	16.7	8.2
Non-current liabilities	14.0	-
<b>Net non-current assets</b>	<b>2.7</b>	<b>8.2</b>
<b>Net assets</b>	<b>1,195.1</b>	<b>553.4</b>
Group's share of net assets	585.6	271.2
<b>Carrying amount of interest in associates</b>	<b>585.6</b>	<b>271.2</b>
<b>Value of investment</b>	<b>585.6</b>	<b>271.2</b>

Summarised statement of profit and loss	March 31, 2019	March 31, 2018
Revenue	7,555.7	6,020.7
Profit for the year	641.7	353.4
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>641.7</b>	<b>353.4</b>
Group's share of profit (49%)	314.4	173.2
<b>Group's share of total comprehensive income</b>	<b>314.4</b>	<b>173.2</b>

- iii) During the year ended March 31, 2019, the Company through TC Tours Limited, a wholly owned subsidiary of the Company, has entered into an Share Subscription and Shareholders' Agreement ("SSSA") dated November 16, 2018 with a travel start up called Traveljunkie Solutions Private Limited ("TravelJunkie"), promoters and other seed investors to acquire 24% stake for a consideration of Rs. 400.0 lakhs in 3 tranches as per the terms of the SSSA. In accordance with SSSA, the Group has acquired 15.57% stake for a consideration of 199.9 lakhs (First Tranche). Considering provisions of the SSSA, the Group has classified investment in Traveljunkie as associate as per Ind AS 28, Investment in Associates

The following table summarizes the financial information of Traveljunkie as included in its own financial statements. The table also reconciles the summarized financial information to the carrying amount of the Group's interest in Traveljunkie.

Summarised balance Sheet	March 31, 2019	March 31, 2018
Percentage ownership interest	15.57%	-
Current assets	57.4	-
Current liabilities	34.9	-
<b>Net current assets</b>	<b>22.5</b>	<b>-</b>
Non-current assets	5.7	-
Non-current liabilities	-	-
<b>Net non-current assets</b>	<b>5.7</b>	<b>-</b>
<b>Net assets</b>	<b>28.2</b>	<b>-</b>
Group's share of net assets	4.4	-
Goodwill	173.5	-
<b>Carrying amount of interest in associates</b>	<b>177.9</b>	<b>-</b>
<b>Value of investment</b>	<b>177.9</b>	<b>-</b>

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Summarised statement of profit and loss	March 31, 2019	March 31, 2018
Revenue	7.0	-
Profit for the year	(142.0)	-
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>(142.0)</b>	-
Group's share of profit (15.57%)	(22.1)	-
<b>Group's share of total comprehensive income</b>	<b>(22.1)</b>	-

Summarised balance Sheet	March 31, 2019	March 31, 2018
Percentage ownership interest	34.00%	-
Current assets	2,217.5	-
Current liabilities	1,720.9	-
<b>Net current assets</b>	<b>496.6</b>	-
Non-current assets	173.4	-
Non-current liabilities	-	-
<b>Net non-current assets</b>	<b>173.4</b>	-
<b>Net assets</b>	<b>670.0</b>	-
Group's share of net assets	227.8	-
<b>Carrying amount of interest in associates</b>	<b>227.8</b>	-
<b>Value of investment</b>	<b>227.8</b>	-

Summarised statement of profit and loss	March 31, 2019	March 31, 2018
Revenue	2,866.3	-
Profit for the year	145.7	-
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>145.7</b>	-
Group's share of profit (34%)	49.5	-
<b>Group's share of total comprehensive income</b>	<b>49.5</b>	-

- v) The Group has recognised Terrier Security Services (India) Private Limited (49%), Heptagon Technologies Private Limited (46%), Trimax IT Infrastructure & Services (51%) and Quess Recruit, Inc. (25%) as equity accounted investments till February 28, 2019 through its then subsidiary Quess. The following table analyses the Group's interests in these associates and joint venture in the share of profit and other comprehensive income.

Summarised statement of profit and loss	March 31, 2019	March 31, 2018
Share in profit / (loss) for the year	-	159.8
Share in other comprehensive income	-	31.4
<b>Share in total comprehensive income</b>	<b>-</b>	<b>191.2</b>

- iv) Commitments and contingent liabilities in respect of associates

Particulars	March 31, 2019	March 31, 2018
(a) Share of capital commitments in associates	291.3	348.6
(b) Share of contingent liabilities in associates	3,791.2	4,301.0

## 37 Exceptional item

Particulars	March 31, 2019	March 31, 2018
Fair value gain on loss of control of subsidiary (a)	-	582,656.8
Provision for impairment of property, plant and equipments and intangible assets (b)	-	(9.9)
Penalty (c)	-	(100.0)
<b>Total</b>	<b>-</b>	<b>582,546.9</b>



# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

- (a) During the financial year 2017-18, shareholding of the Company in Quess Corp Limited ("Quess") was reduced to 49.02% from 62.2%. The Board also recognized certain participative rights of Mr. Ajit Isaac and Net Resources Investments Private Limited in day-to-day management and operations of Quess. Consequent to this, the Company accounted the same as loss of control of subsidiary as per the requirement of Ind AS. Accordingly, the results of Quess have been consolidated as a subsidiary upto February 28, 2018 and for the month of March 2018, the share of profit as an associate has been considered. Accordingly, Company's investment in Quess re-classify from a subsidiary to an associate company under Ind AS 110 with effect from March 1, 2018, consequently the Company has recognised fair value gain of Rs. 590,321.6 lakhs (Rs. 582,656.8 lakhs as exceptional item and Rs. 7,664.8 lakhs reversal of deferred tax liability).
- (b) During the financial year 2017-18, Thomas Cook (Lanka) Private Limited, a subsidiary of the Company, has tested for impairment with respect to property plant & equipment and intangible assets and recognised a impairment loss of Rs. 9.9 lakhs.
- (c) Pursuant to Composite Scheme of Arrangement and Amalgamation between Sterling Holiday Resorts (India) Limited ("SHRIL"), Thomas Cook Insurance Services (India) Limited ("TCISIL") and the Company, an Order was passed by Competition Appellate Tribunal (COMPAT) for setting aside the impugned order of Competition Commission of India (CCI). Upon an appeal of CCI, Hon'ble Supreme Court of India by its order dated April 17, 2018 restored the order passed by CCI imposing penalty of Rs. 100.0 lakhs with no costs on the Company. The amount is included in the exceptional items in the statement of profit and loss for the year ended March 31, 2018.

## 38 Property related matters

- (a) During the financial year 2011-12, pursuant to One Time Settlement (OTS) scheme, the Sterling had fully settled the dues of a Financial Institution (FI) and also obtained a 'No Due' certificate. However, the FI has not released the title deeds of the properties given as security for the reason that a Third Party has filed a writ petition against the FI challenging the cancellation of sale of the said property to them. Sterling is also a party to the said writ petition. The said writ petition was disposed off by Hon'ble High Court of Madras, against the Sterling. Sterling has preferred Special Leave Petition (SLP) before the Hon'ble Supreme Court of India and the Court has ordered 'Status quo' in all respects concerning the said properties. The net book value of land and building as at March 31, 2019 in respect of the said property aggregates to Rs. 8,217.1 lakhs (March 31, 2018: Rs. 4,490.3 lakhs). In view of the management and based on the independent legal opinion obtained, Sterling has a fair chance to succeed in the appeal pending before Hon'ble Supreme Court of India.
- (b) Sterling had in the past transferred a property at Goa and part of the sale consideration amounting to Rs. 527.1 lakhs (March 31, 2018: Rs. 527.1 lakhs) (included under "Other financial assets") was retained by the buyer pending compliance of certain conditions. Sterling is confident of recovering this amount as it has taken effective steps for discharge of its obligations. Sterling is also legally advised that it has the right of vendor's lien against the immovable property sold to the extent of amount due. Sterling has filed a suit against the buyer for recovery of the amount. In view of the aforesaid, the above amount is considered good and recoverable by Management. Application for rejection of the plaint by the defendant has been dismissed. The defendant filed a revision before the High Court at Goa and proceedings were stayed.
- (c) Sterling had in the past transferred a property of 7.3 acres out of 10.3 acres land parcel at Chail for consideration and with a condition that the buyer would construct 10 cottages in the 3 acres land retained by Sterling and handover the same. However, the buyer had taken the possession of the entire parcel of land and had not fulfilled the condition. The book value of the land is Rs. 550.0 lakhs (March 31, 2018: Rs. 87.4 lakhs). The title deeds for 3 acres of land are not available with the Sterling. There is an arbitration award in favour of Sterling which Sterling is enforcing in the court of law. Sterling is of the view that it has a fair chance to succeed in its plea. The High Court has ordered status quo on the property. Sterling has filed an application for appointment of the receiver.
- (d) **Other property related matters**

Property	Net carrying amount as on March 31, 2019	Remarks
Kodai Valley view	6,510.0	Title documents submitted with court as part of the plaint filed in response to litigation for title. The trail of our suit has been stayed by the High Court. Steps taken to vacate the stay.
Hubli	5.2	Sale deed was not registered in the name of Sterling. Sterling has paid the entire consideration and taken over possession of the property. Seller company has been liquidated. Sterling needs to file necessary suit to register the title. Suit yet to be filed as the official liquidator office is yet to confirm the procedure.
Peermedu	1,483.2	Sterling is in possession of a leasehold land in Peermedu under finance lease with Srivari Farms Private Limited and Spring Field Holidays. The lease deed relating to this land is yet to be registered by Sterling. Suit filed against both these companies for specific performance of the Agreement. The Court had issued notice to both the parties which was not served on them. The Court has ordered publications in the news papers.

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 39 Contingent liabilities and contingent assets

### Contingent liabilities

Particulars	March 31, 2019	March 31, 2018
Claims against the Group not acknowledged as debts:		
Demand from Bombay Electric Supply and Transport for electricity charges	19.6	19.6
Disputed claims made by clients, vendors, employees and property related matter	2,809.7	2,611.3
Disputed Labour law suits	-	2.1
Direct and Indirect tax matters *	10,463.2	8,348.2
Bank guarantees issued against performance of contract	187.0	109.6
Disputed demand for increase in rent raised by Brihanmumbai Municipal Corporation	754.4	713.1
Luxury tax related demands under appeal	2,107.3	2,093.8

\*excludes show cause notices which have been responded by the Group, stay order obtained and against which no demands have been raised as of date

- It is not practicable for the Group to estimate the timing of cash flows, if any, in respect of the above pending resolution of the respective proceedings.
- The Group does not expect any reimbursement in respect of the above contingent liabilities.
- The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of provident fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, is not ascertainable and consequently no effect has been given in the accounts.

## 40 Commitments

### (a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	March 31, 2019	March 31, 2018
Estimated value of contracts on capital account remaining to be executed	360.0	735.9

### (b) Non-cancellable operating leases

The group leases various offices, warehouses and retail stores under non-cancellable operating leases expiring within eleven months to nine years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

Particulars	March 31, 2019	March 31, 2018
<i>Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:</i>		
Within one year	4,991.4	4,577.9
Later than one year but not later than five years	11,290.8	10,676.9
Later than five years	2,700.9	3,383.4

### Rental expense relating to operating leases

Particulars	March 31, 2019	March 31, 2018
Minimum lease payments	14,459.7	19,427.4

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## (c) Financing leases

Particulars	March 31, 2019	March 31, 2018
(i) Minimum lease payments payable		
Not later than one year	86.6	19.2
Later than one year but not later than five years	145.5	46.5
	<b>232.1</b>	65.7
(ii) Present value of minimum lease payments payable		
Not later than one year	69.4	14.1
Later than one year but not later than five years	122.6	39.1
	<b>192.0</b>	53.2
(iii) Reconciliation of minimum lease payments and their present value		
Minimum lease payments payable as per (i) above	232.1	65.7
Less: Finance charges to be recognised in subsequent years	40.1	12.5
Present value of minimum lease payments payable as per (ii) above	<b>192.0</b>	53.2
(iv) Finance charges recognised in the statement of profit and loss	13.7	15.0

## 41 Adoption of Ind AS 115 Revenue from Contracts with Customers

Pursuant to the notification dated March 28, 2018 of the Ministry of Corporate Affairs, effective April 1, 2018, the Group has adopted Ind AS 115 "Revenue from Contracts with Customers". The adoption of the standard did not have any material impact to the financial results of the Group except Sterling Holiday Resorts Limited and its subsidiaries (collectively referred to as "Sterling") where the impact arises primarily on recognition of the membership fees and incremental costs to obtain and/or fulfill a contract with a customer, as applicable, over the effective membership period based on the cumulative effect method.

The core principle of Ind AS 115 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard establishes a five-step approach to revenue recognition that includes identifying contracts with customers, identifying performance obligations, determining transaction prices, allocating transaction prices to performance obligations and recognizing revenues when or as the performance obligations are satisfied.

Sterling's business is to sell vacation ownership and provide holiday facilities to members for specified period each year, over a number of years, for which membership fee is collected. Sterling has assessed the impact of the accounting changes that has arisen from the adoption of Ind AS 115, which primarily includes recognition of the membership fees and incremental costs to obtain and/or fulfill a contract with a customer, as applicable, over the effective membership period.

The following table summarises the impact, net of tax, if any, of transition to Ind AS 115 on retained earnings (cumulative effect of contracts) as on April 1, 2018.

Impact on adoption of Ind AS 115	As at April 1, 2018
<b>Retained earnings</b>	
Revenue from sale of memberships	(37,296.9)
Deferral of incremental costs to obtain and fulfill a contract	7,037.0
<b>Impact at April 1, 2018</b>	<b>(30,259.9)</b>

The following table summarizes the amount by which each financial statement line item is affected in the current year as a result of applying Ind AS 115.

### Impact on consolidated statement of profit and loss for the year ended March 31, 2019

Particulars	Amounts without adoption of Ind AS 115	Impact of Ind AS 115	As reported
Revenue from operations	662,400.2	(2,075.2)	660,325.0
Total income	673,944.6	(2,075.2)	671,869.4
Total expenses	666,557.0	(417.3)	666,139.7
Profit before tax	12,686.6	(1,657.9)	11,028.7
Profits for the period	10,541.5	(1,657.9)	8,883.6

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## Impact on consolidated balance sheet as at March 31, 2019

Particulars	Amounts without adoption of Ind AS 115	Impact of Ind AS 115	As reported
Non-current assets	1,009,744.5	7,372.7	1,017,117.2
Current assets	295,581.9	982.5	296,564.4
<b>Total assets</b>	<b>1,305,326.4</b>	<b>8,355.2</b>	<b>1,313,681.6</b>
<b>Equity</b>	<b>926,800.5</b>	<b>(31,316.1)</b>	<b>895,484.4</b>
Non-current liabilities	77,080.6	38,175.6	115,256.2
Current liabilities	301,445.3	1,495.7	302,941.0
<b>Total liabilities</b>	<b>378,525.9</b>	<b>39,671.3</b>	<b>418,197.2</b>
<b>Total equity and liabilities</b>	<b>1,305,326.4</b>	<b>8,355.2</b>	<b>1,313,681.6</b>

## 42 Change in accounting policy

During the financial year ended March 31, 2019, Sterling has changed its accounting policy with respect to measurement of freehold and leasehold land from the cost model to revaluation model with effect from April 1, 2018. According to the policy freehold and leasehold land will be revalued and recognised at fair value based on periodic valuation done by external independent valuers, less subsequent amortisation of leasehold land. A revaluation surplus will be recorded in Other Comprehensive Income ("OCI") and credited to the revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognized in profit or loss, the increase is recognized in profit and loss. A revaluation deficit is recognized in the statement of profit and loss, except to the extent that it offsets an existing surplus on the same asset recognized in the revaluation reserve.

Fair value of the land assets was determined by an external independent valuer using the Market comparable method, i.e., the valuations performed by the valuer are based on active market sale prices, adjusted for difference in the nature, location or condition of the specific property. The carrying amounts in sterling books as at March 31, 2019 under cost and revaluation models are given below:

Block of asset	Revaluation model	Cost model
Freehold land	52,227.0	5,500.4
Leasehold land	2,810.0	1,633.5
<b>Total</b>	<b>55,037.0</b>	<b>7,133.9</b>
<b>Revaluation reserve (recognized in OCI)</b>		
<b>As at March 31, 2018</b>		-
Revaluation surplus during the period		47,903.1
Income tax effect		(3,399.9)
<b>As at March 31, 2019</b>		<b>44,503.2</b>

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 43 Statement showing amount of net assets, net assets as a percentage of consolidated assets, amount of share in profit or loss and share in profit or loss as a percentage of consolidated profit and loss

Entity	Percentage consolidated	Net assets	Net assets % to consolidated assets	Share in profit / (loss)	% of Consolidated Share in Profit/(loss)	Share in Other Comprehensive Income	% of Consolidated Other Comprehensive Income	Share in Total Comprehensive Income	% of Consolidated Total Comprehensive Income
<b>Parent</b>									
Thomas Cook (India) Limited	100.0%	171,751.0	19.31%	2,646.8	31.2%	(44.5)	0.1%	2,602.4	4.8%
<b>Subsidiaries - Indian</b>									
Travel Corporation (India) Limited	100.0%	25,594.1	2.88%	4,312.5	50.8%	4.3	0.0%	4,316.8	7.9%
TC Tours Limited	100.0%	2,030.4	0.23%	384.0	4.5%	(15.8)	0.0%	368.2	0.7%
Indian Horizon Marketing Services Limited	100.0%	1.4	0.00%	0.0	0.0%	-	0.0%	0.0	0.0%
TC Visa Services (India) Limited	100.0%	900.9	0.10%	288.3	3.4%	(0.4)	0.0%	287.9	0.5%
Jardin Travel Solutions Limited	100.0%	28.8	0.00%	65.5	0.8%	-	0.0%	65.5	0.1%
Borderless Travel Services Limited	100.0%	(4.9)	0.00%	(0.5)	0.0%	-	0.0%	(0.5)	0.0%
Sterling Holiday Resorts Limited	100.0%	28,773.5	3.24%	(2,363.4)	-27.9%	43,832.9	-95.5%	41,469.5	76.3%
Sterling Holidays (Ooty) Limited	98.0%	(397.6)	-0.04%	42.7	0.5%	1.6	0.0%	44.3	0.1%
Sterling Holidays Resorts (Kodaikannal) Limited	98.0%	(903.5)	-0.10%	(145.2)	-1.7%	4.2	0.0%	(141.0)	-0.3%
Nature Trails Resorts Private Limited	100.0%	2,028.6	0.23%	240.9	2.8%	662.7	-1.4%	903.7	1.7%
SOTC Travel Limited	100.0%	9,646.0	1.08%	(1,133.1)	-13.4%	(28.3)	0.1%	(1,161.4)	-2.1%
SOTC Travel Management Private Limited	100.0%	0.1	0.00%	(0.1)	0.0%	-	0.0%	(0.1)	0.0%
TC Forex Services Limited	100.0%	122.1	0.01%	36.7	0.4%	(7.7)	0.0%	29.0	0.1%
TC Travel Services Limited	100.0%	(117.7)	-0.01%	(228.1)	-2.7%	(3.4)	0.0%	(231.5)	-0.4%
<b>Subsidiaries- Foreign</b>									
Thomas Cook Lanka (Private) Limited	100.0%	1,126.7	0.13%	21.4	0.3%	(52.4)	0.1%	(31.0)	-0.1%
Thomas Cook (Mauritius) Holding Company Limited	100.0%	780.1	0.09%	(3.7)	0.0%	1.4	0.0%	(2.3)	0.0%
Thomas Cook (Mauritius) Operations Company Limited	100.0%	2,434.7	0.27%	(9.0)	-0.1%	(4.1)	0.0%	(13.1)	0.0%
Thomas Cook (Mauritius) Holidays Limited	100.0%	9.4	0.00%	(49.7)	-0.6%	1.3	0.0%	(48.3)	-0.1%
Luxe Asia Private Limited	100.0%	(441.3)	-0.05%	(64.2)	-0.8%	29.5	-0.1%	(34.7)	-0.1%

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Entity	Percentage consolidated	Net assets	Net assets % to consolidated assets	Share in profit /(loss)	% of Consolidated Share in Profit/(loss)	Share in Other Comprehensive Income	% of Consolidated Other Comprehensive Income	Share in Total Comprehensive Income	% of Consolidated Total Comprehensive Income
Travel Circle International Limited, Hongkong	100.0%	8,008.3	0.90%	1,932.7	22.8%	69.6	-0.2%	2,002.3	3.7%
SITA World Travel (Nepal) Pvt Ltd	63.3%	1,156.9	0.13%	176.2	2.1%	(0.0)	0.0%	176.2	0.3%
SITA World Travel Lanka (Pvt) Ltd	100.0%	(125.4)	-0.01%	(24.7)	-0.3%	7.5	0.0%	(17.3)	0.0%
Travel Circle International (Mauritius) Limited	100.0%	20,138.8	2.26%	(408.4)	-4.8%	-	0.0%	(408.4)	-0.8%
Private Safaris (East Africa) Limited	100.0%	1,149.7	0.13%	(133.5)	-1.6%	29.0	-0.1%	(104.5)	-0.2%
Kuoni Private Safaris (Pty.) Limited	100.0%	59.7	0.01%	(289.4)	-3.4%	(46.7)	0.1%	(336.1)	-0.6%
Kuoni Private Safaris Namibia (Pty.) Limited	100.0%	(473.3)	-0.05%	(441.8)	-5.2%	94.6	-0.2%	(347.2)	-0.6%
Desert Adventures Tourism LLC	100.0%	(6,221.5)	-0.70%	(733.2)	-8.6%	(1.0)	0.0%	(734.2)	-1.4%
Desert Adventure Tourism Limited	100.0%	397.8	0.04%	176.2	2.1%	(0.8)	0.0%	175.3	0.3%
Muscat Desert Adventure Tourism LLC	100.0%	176.4	0.02%	(58.9)	-0.7%	0.2	0.0%	(58.7)	-0.1%
Gulf Dunes LLC	100.0%	(489.3)	-0.06%	78.4	0.9%	(0.2)	0.0%	78.2	0.1%
Gulf Dunes Tourism LLC	100.0%	202.5	0.02%	(51.0)	-0.6%	(0.7)	0.0%	(51.7)	-0.1%
Reem Tours & Travel LLC	100.0%	114.6	0.00%	-	0.0%	0.0	0.0%	0.0	0.0%
PT Asian Trails Limited	52.8%	1,350.2	0.15%	570.8	6.7%	-	0.0%	570.8	1.1%
Asian Trails Limited	80.0%	(1,774.8)	-0.20%	156.1	1.8%	(102.4)	0.2%	53.7	0.1%
Asian Trails (Malaysia) SDN BHD	80.0%	18.8	0.00%	(84.9)	-1.0%	(7.3)	0.0%	(92.1)	-0.2%
AT Lao Company Limited	64.0%	91.9	0.01%	(113.3)	-1.3%	-	0.0%	(113.3)	-0.2%
Asian Trails Holding Limited	80.0%	10,900.6	1.23%	177.5	2.1%	-	0.0%	177.5	0.3%
Asian Trails Company Limited	76.0%	256.3	0.03%	(45.9)	-0.5%	-	0.0%	(45.9)	-0.1%
Asian Trails Tours Limited	68.0%	(112.8)	-0.01%	(326.8)	-3.9%	-	0.0%	(326.8)	-0.6%
Asian Trails International Travel Services (Beijing) Limited	80.0%	524.2	0.06%	76.5	0.9%	(30.2)	0.1%	46.3	0.1%
ATC Travel Services (Beijing) Limited	56.0%	-	0.00%	-	0.0%	-	0.0%	-	0.0%
Chang Som Limited	80.0%	201.2	0.02%	14.4	0.2%	12.8	0.0%	27.1	0.0%
Asian Trails (Vietnam) Company Limited	56.0%	1,469.9	0.17%	782.4	9.2%	-	0.0%	782.4	1.4%
Kuoni Australia Holding Pty. Ltd.	100.0%	(3,141.4)	-0.35%	(188.9)	-2.2%	420.4	-0.9%	231.5	0.4%



# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Entity	Percentage consolidated	Net assets	Net assets % to consolidated assets	Share in profit /(loss)	% of Consolidated Share in Profit/(loss)	Share in Other Comprehensive Income	% of Consolidated Other Comprehensive Income	Share in Total Comprehensive Income	% of Consolidated Total Comprehensive Income
Australia Tours Management Pty. Ltd	100.0%	1,651.4	0.19%	402.3	4.7%	(115.3)	0.3%	287.0	0.5%
Horizon Travel Services LLC	100.0%	(541.5)	-0.06%	149.0	1.8%	-	0.0%	149.0	0.3%
DEI Holdings Limited	51.0%	(626.0)	-0.07%	-	0.0%	-	0.0%	-	0.0%
Digipfoto Entertainment Imaging LLC	51.0%	2,057.3	0.23%	-	0.0%	-	0.0%	-	0.0%
Digipfoto Entertainment Imaging SDN. BHD.	51.0%	1,129.5	0.13%	-	0.0%	-	0.0%	-	0.0%
Digipfoto Entertainment Imaging Pte Limited	51.0%	511.6	0.06%	-	0.0%	-	0.0%	-	0.0%
PT. Digipfoto Imaging Indonesia	51.0%	417.2	0.05%	-	0.0%	-	0.0%	-	0.0%
Digipfoto Entertainment Image (Shanghai) Co. Limited	51.0%	(428.8)	-0.05%	-	0.0%	-	0.0%	-	0.0%
Digipfoto Entertainment Imaging Limited	51.0%	(1,050.2)	-0.12%	-	0.0%	-	0.0%	-	0.0%
Digipfoto Imaging (Macau) Limited	51.0%	(244.6)	-0.03%	-	0.0%	-	0.0%	-	0.0%
DEI Solutions Limited	51.0%	(71.2)	-0.01%	-	0.0%	-	0.0%	-	0.0%
Digipfoto SAE	51.0%	(113.5)	-0.01%	-	0.0%	-	0.0%	-	0.0%
Digipfoto Entertainment Imaging Co. Ltd	51.0%	81.4	0.01%	-	0.0%	-	0.0%	-	0.0%
D E I General Trading LLC	51.0%	-	0.00%	-	0.0%	-	0.0%	-	0.0%
Digi Photo Electronics Repairing LLC	51.0%	-	0.00%	-	0.0%	-	0.0%	-	0.0%
<b>Associate - Indian</b>									
Quess Corp Limited	48.8%	133,072.2	14.96%	12,535.0	147.8%	309.9	-0.7%	12,844.8	23.6%
TCI-Go Vacation India Private Limited	49.0%	585.6	0.07%	314.4	3.7%	-	0.0%	314.4	0.6%
Traveljunkie Solutions Private Limited	15.6%	4.4	0.00%	(22.1)	-0.3%	-	0.0%	(22.1)	0.0%
<b>Associate - Foreign</b>									
Thomas Cook In Destination Management (Thailand) Limited	34.0%	227.8	0.03%	49.52	0.6%	-	0.0%	49.5	0.1%
Less: Minority interest in all subsidiaries (net)	-	(6,142.1)	-0.69%	(401.8)	-4.7%	-	0.0%	(401.8)	-0.7%
Adjustment arising out of consolidation	-	481,579.7	54.15%	(9,826.8)	-115.9%	855.5	-1.9%	(8,971.3)	-16.5%
<b>Total</b>		<b>889,342.3</b>		<b>8,481.8</b>		<b>45,876.2</b>		<b>54,358.0</b>	

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 44 Share issue by subsidiary

- (i) During the year ended March 31, 2019, Asian Trails Holding Limited (ATH) has issued 25,000 shares to its employees. Due to this Group's holding in ATH reduced to 80%. Resultant change in minority interest has been recognised.
- (ii) During the year ended March 31, 2018, Quess has completed the Institutional Placement Programme (IPP) and raised a total capital of Rs. 87,392.2 lakhs by issuing 10,924,029 equity share of Rs. 10 each at a premium of Rs. 790 per equity share, consequently the change in minority interest has been recognised. The proceeds from IPP is Rs. 84,754.9 lakhs (net of estimated issue expenses).
- (iii) During the year ended March 31, 2018, Quess has issued 7,149,263 shares as consideration for acquisition of Identified business of Manipal Integrated Services Private Limited. Resultant change in minority interest has been recognised.

## 45 Sale of stake in Quess Corp Limited

During the year ended March 31, 2018, the Company has sold 5.42% equity stake in its subsidiary Quess Corp Limited. The sale of equity in Quess did not result in loss of control, therefore, as per Ind AS 110 gain of Rs. 62,835.9 lakhs (net of relevant selling expenses) on sale of shares have been credited to the consolidated retained earnings. Consequent to this the Company's stake in Quess was reduced to 51.56%.

## 46 Transfer Pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international as well as specified domestic transactions (if applicable) entered into with the associated enterprise during the financial year and expects such records to be in existence latest by the end of the stipulated timeline, as required by law. The Management is of the opinion that its international as well as specified domestic transactions (if any) are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for taxation.

## 47 Scheme of Amalgamation and arrangement

The Board at its meeting held on December 19, 2018 approved the amendments to the Composite Scheme of Arrangement and Amalgamation amongst Thomas Cook (India) Limited ('TCIL'), Quess Corp Limited ('QCL'), Travel Corporation (India) Limited ('TCI'), TC Forex Services Limited (formerly known as Tata Capital Forex Limited) ('TCF'), TC Travel Services Limited (formerly known as TC Travel and Services Limited) ('TCTSL') and SOTC Travel Management Private Limited (formerly known as SITA Travels and Tours Private Limited) ('SOTC TRAVEL') and their respective shareholders ('the Scheme') in accordance with the provisions of Sections 230 to 232 read with Sections 52, 55, and 66 of the Companies Act, 2013. The Scheme inter alia provides:

- i. Demerger of the inbound business of TCI consisting of business of handling inward foreign tourist activity from TCI into SOTC TRAVEL; and
- ii. Amalgamation of residual TCI, TCF and TCTSL with TCIL; and
- iii. Demerger of the Human Resource Services Business of TCIL (including shares in QCL held by TCIL) into QCL. As a part of consideration, QCL will issue its own shares to the shareholders of TCIL.

The Scheme is subject to requisite statutory and regulatory approvals and sanction by the respective shareholders of each of the companies involved in the Scheme, hence no effect of the scheme is given.

- 48 As at March 31, 2019, Trimax Smart Infraprojects Private Limited ("TSIPL"), the associate of Quess Corp Limited which is an associate of the Company, has an outstanding aggregating to Rs. 15,240.1 lakhs in respect of trade receivable, advance receivable, loan and interest receivable from its joint venture partner Trimax IT Infrastructure & Services Limited ("Trimax"). On February 21, 2019, the Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench ordered the commencement of Corporate Insolvency Resolution Process for Trimax based on a petition filed by Corporation Bank which had declared Trimax as an NPA on March 31 2018. As at March 31, 2019, the resolution professional handling the Insolvency process for Trimax, has acknowledged INR 15,100.0 lakhs as debts due to TSIPL. Based on the current facts and circumstances, the Quess considers the amounts outstanding to be eventually recoverable, although such recovery is contingent on the inherent uncertainties over the outcome and timing of the ongoing Insolvency process before the NCLT.

## 49 During the year ended March 31, 2019;

- (i) Travel Corporation (India) Limited ("TCI"), a wholly owned subsidiary of the Company, has entered into Share Purchase Agreement ("SPA") and Share Holders Agreement ("SHA") dated February 25, 2019 with BDC Digiphot Imaging Solutions Private Limited ("DEI India") and its shareholders A Evaluation Leisure Holding Inc. (DEI Seychelles) and others to acquire 51% equity stake in DEI India at an consideration of Rs. 91,800. The transaction is yet to be completed.
- (ii) Horizon Travel Services LLC ("HTL"), a step down subsidiary of the Company, has entered into Operating Agreement and LLC Membership Interest Purchase Agreement dated February 25, 2019 with Digiphot Entertainment Imaging LLC ("DEI USA") and its members A Evaluation Leisure Holding Inc. (DEI Seychelles) and others to acquire 51% equity stake in DEI USA at an consideration of Rs. 69.2 Lakhs (US\$10,000). The transaction is yet to be completed.

# Notes to Consolidated Financial Statements *(Continued)*

for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

## 50 Events occurring after the reporting period

### (i) Declaration of final dividend:

Refer to Note 29(b) for the final dividend recommended by the directors which is subject to the approval of shareholders in the ensuing annual general meeting.

### (ii) Further Investment in TravelJunkie Solutions Private Limited ("TravelJunkie")

In April 2019, TC Tours Limited (formerly known as Thomas Cook Tours Limited), a wholly owned subsidiary of the Company, has invested further Rs. 99.9 Lakhs in TravelJunkie Solutions Private Limited ("TravelJunkie").

**51** As per the Investment Agreement entered into between Sterling Holiday Resorts Limited, Nature Trails Resorts Private Limited (NTRPL) and the erstwhile promoters of NTRPL, the promoters were to be paid a contingent consideration of Rs. 700 lakhs by issuing Redeemable Preference Shares, on achieving certain performance-based targets by March 2019. The Sterling Group had accrued a liability in the books as at April 1, 2018 amounting to Rs. 610.8 lakhs. Since the said targets were not achieved, NTRPL has reduced the liability to Rs. 10 lakhs (disclosed under other current financial liabilities) which is the minimum amount payable to the promoters and recorded a corresponding gain of Rs. 600.8 lakhs.

**52** The figures for the previous year are non comparable with that of the current year on account of acquisitions during the year (Refer note 35).

The above consolidated balance sheet should be read in conjunction with the accompanying notes

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

**Bhavesh Dhupelia**

Partner

Membership No.: 042070

**Madhavan Menon**

Chairman and Managing Director

DIN : 00008542

**Brijesh Modi**

Chief Financial Officer

Mumbai, May 27, 2019

Mumbai, May 27, 2019

For and on behalf of the Board of Directors

**Thomas Cook (India) Limited**

CIN: L63040MH1978PLC020717

**Mahesh Iyer**

Executive Director and Chief Executive Officer

DIN : 07560302

**Amit Parekh**

Company Secretary & Compliance Officer

Membership No.: ACS-13648

# Information Regarding Subsidiary / Associate Companies

## for the year ended March 31, 2019

### Form AOC - I

(All amount in Rs. Lakhs, unless otherwise stated)

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

### Part A: Subsidiaries

Sr. No.	Name of Subsidiary	Reporting Currency	Closing Exchange Rate	Date of Acquisition/ Incorporation	Reporting Period	Issued & subscribed Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Total income	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	Extent of Shareholding (in %)	Country
1	Travel Corporation (India) Limited	INR	1.00	December 28, 2006	March 31, 2019	26,535.9	(941.8)	68,873.3	43,279.2	29,410.6	64,617.3	6,711.6	2,399.2	4,312.5	-	100.0%	India
2	TC Tours Limited	INR	1.00	December 26, 1989	March 31, 2019	300.0	1,730.4	34,638.6	32,608.2	40.0	19,092.7	554.0	170.0	384.0	-	100.0%	India
3	Indian Horizon Marketing Services Limited	INR	1.00	December 26, 1989	March 31, 2019	5.0	(3.6)	27.6	26.2	-	0.6	0.1	0.0	0.0	-	100.0%	India
4	TC Visa Services (India) Limited	INR	1.00	August 30, 2011	March 31, 2019	5.0	895.9	1,702.1	801.3	-	1,228.5	406.6	118.3	288.3	-	100.0%	India
5	Jardin Travel Solutions Limited	INR	1.00	September 1, 2015	March 31, 2019	100.0	(71.2)	258.7	229.8	-	331.8	31.2	(34.3)	65.5	-	100.0%	India
6	Borderless Travel Services Limited	INR	1.00	August 25, 2015	March 31, 2019	0.5	(5.4)	5.4	10.3	-	-	(0.5)	-	(0.5)	-	100.0%	India
7	Thomas Cook Lanka (Private) Limited	LKR	0.39	April 20, 2012	March 31, 2019	424.1	654.1	1,312.6	234.4	192.9	883.5	46.5	26.0	20.4	-	100.0%	Sri Lanka
8	Thomas Cook (Mauritius) Holding Company Limited	USD	69.16	February 9, 2000	March 31, 2019	1,148.0	(20.7)	1,134.1	6.9	1,106.5	13.8	(6.9)	-	(6.9)	-	100.0%	Mauritius
9	Thomas Cook (Mauritius) Operations Company Limited	MUR	1.97	March 10, 2000	March 31, 2019	1,971.4	463.3	3,337.1	902.5	444.1	907.4	(8.3)	0.6	(8.9)	-	100.0%	Mauritius
10	Thomas Cook (Mauritius) Holidays Limited	MUR	1.97	June 14, 2004	March 31, 2019	361.3	(351.9)	431.7	422.3	-	142.1	(48.5)	-	(48.5)	-	100.0%	Mauritius
11	Luxe Asia (Private) Limited	LKR	0.39	July 27, 2015	March 31, 2019	19.7	(461.0)	562.5	1,003.8	-	3,516.5	(42.5)	18.8	(61.3)	-	100.0%	Sri Lanka
12	Travel Circle International Ltd (Formerly Known Kuoni Travel (China) Limited)	HKD	8.81	September 10, 2015	March 31, 2019	5,243.7	2,764.6	30,513.4	22,505.1	-	63,796.7	2,398.1	488.1	1,910.0	-	100.0%	Hong Kong
13	Sterling Holiday Resorts Limited	INR	1.00	August 18, 2015	March 31, 2019	2,905.0	25,868.5	1,20,393.2	91,619.7	2,569.9	23,902.6	(5,386.3)	(3,022.9)	(2,363.4)	-	100.0%	India
14	Sterling Holidays (Ooty) Limited	INR	1.00	August 18, 2015	March 31, 2019	5.0	(402.6)	94.3	491.9	-	1,710.3	50.3	7.6	42.7	-	98.0%	India

(All amount in Rs. Lakhs, unless otherwise stated)

Sr. No.	Name of Subsidiary	Reporting Currency	Closing Exchange Rate	Date of Acquisition/ Incorporation	Reporting Period	Issued & subscribed Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Total income	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	Extent of Shareholding (in %)	Country
15	Sterling Holidays Resorts (Kodakannal) Limited	INR	1.00	August 18, 2015	March 31, 2019	5.0	(908.5)	122.5	1,026.0	-	1,058.2	(145.2)	-	(145.2)	-	98.0%	India
16	TC Forex Services Limited (formerly known as Tata Capital Forex Limited)	INR	1.00	October 30, 2017	March 31, 2019	1,184.5	(1,062.4)	5,033.8	4,911.6	-	1,298.7	36.7	-	36.7	-	100.0%	India
17	TC Travel Services Limited (formerly known as TC Travel and Services Limited)	INR	1.00	October 30, 2017	March 31, 2019	2,500.0	(2,617.7)	3,176.1	3,293.8	-	794.3	(228.1)	-	(228.1)	-	100.0%	India
18	SOTC Travel Limited (formerly known as SOTC Travel Private Limited)	INR	1.00	December 16, 2015	March 31, 2019	1.0	9,645.0	54,902.6	45,256.6	-	1,27,909.6	(1,640.8)	(507.7)	(1,133.1)	-	100.0%	India
19	Travel Circle International (Mauritius) Limited	USD	69.16	June 27, 2017	March 31, 2019	20,774.2	(636.2)	34,238.6	14,100.7	17,565.4	442.6	(5.8)	-	(5.8)	-	100.0%	Mauritius
20	SOTC Travel Management Private Limited (formerly known as SITA Travels and Tours Private Limited)	INR	1.00	March 26, 2018	March 31, 2019	1.0	(0.9)	9.0	8.8	-	10.0	(0.1)	-	(0.1)	-	100.0%	India
21	SITA World Travel (Nepal) Private Limited	NPR	0.62	December 16, 2015	March 31, 2019	14.1	1,142.9	2,734.4	1,577.5	-	427.0	260.3	84.1	176.2	-	63.32%	Nepal
22	SITA World Travel Lanka (Private) Limited	LKR	0.39	December 16, 2015	March 31, 2019	9.8	(135.2)	64.5	189.9	-	100.5	(11.8)	11.9	(23.6)	-	100.0%	Lanka
23	Horizon Travel Services LLC	USD	69.16	June 26, 2017	March 31, 2019	677.7	(1,217.1)	7,060.7	7,600.1	-	28,353.6	(186.7)	(331.9)	145.2	-	100.0%	USA
24	Asian Trails Holding Limited	USD	69.16	June 29, 2017	March 31, 2019	89.9	10,808.9	20,352.3	9,453.5	17,848.9	1,438.4	228.2	55.3	172.9	-	80.0%	Mauritius
25	Asian Trails International Travel Services (Beijing) Ltd (Formerly known as Kuoni Destination Management (Beijing) Limited)	CNY	10.30	June 29, 2017	March 31, 2019	412.0	112.3	1,423.5	899.2	21.6	5,310.8	110.2	34.0	76.2	-	80.0%	China
26	Asian Trails Tours Limited	USD	69.16	June 29, 2017	March 31, 2019	34.6	(145.2)	1,148.0	1,258.6	-	2,669.4	(214.4)	110.6	(325.0)	-	68.0%	Myanmar
27	Asian Trails Co. Limited	USD	69.16	June 29, 2017	March 31, 2019	172.9	83.0	1,556.0	1,300.1	-	4,156.2	0.7	48.4	(47.7)	-	76.0%	Cambodia
28	AT Lao Co. Limited	USD	69.16	June 29, 2017	March 31, 2019	138.3	(48.4)	373.4	283.5	-	1,307.0	(89.9)	20.7	(110.6)	-	64.0%	Laos
29	PT Asian Trails Limited	USD	69.16	June 29, 2017	March 31, 2019	117.6	1,231.0	2,586.4	1,237.9	-	8,125.7	567.1	-	567.1	-	52.8%	Indonesia
30	Asian Trails SDN. BHD.	MYR	16.94	June 29, 2017	March 31, 2019	931.7	(913.1)	1,123.1	1,104.5	-	5,097.2	(84.7)	-	(84.7)	-	80.0%	Malaysia
31	Asian Trails (Vietnam) Co. Limited	USD	69.16	June 29, 2017	March 31, 2019	96.8	1,369.3	4,481.2	3,015.2	-	10,912.7	802.2	27.7	774.5	-	56.0%	Vietnam

(All amount in Rs. Lakhs, unless otherwise stated)

Sr. No.	Name of Subsidiary	Reporting Currency	Closing Exchange Rate	Date of Acquisition/ Incorporation	Reporting Period	Issued & subscribed Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Total income	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	Extent of Shareholding (in %)	Country
32	Kuoni Private Safaris (Pty) Limited	ZAR	4.77	June 29, 2017	March 31, 2019	23.9	24.8	1,970.0	1,921.4	200.3	5,245.1	(267.6)	3.8	(271.4)	-	100.0%	South Africa
33	Kuoni Private Safaris Namibia (Pty) Limited	NAD	4.77	June 29, 2017	March 31, 2019	143.1	(616.3)	446.0	919.2	-	1,497.3	(166.0)	248.5	(414.5)	-	100.0%	Namibia
34	Private Safaris (East Africa) Limited	KES	0.69	June 29, 2017	March 31, 2019	2,445.4	(1,295.7)	2,659.3	1,509.5	-	6,438.6	(174.6)	(42.1)	(132.5)	-	100.0%	Kenya
35	Kuoni Australia Holding Pty. Limited	AUD	49.02	June 29, 2017	March 31, 2019	245.1	(3,549.0)	1,877.5	5,181.4	245.1	-	(205.9)	(24.5)	(181.4)	-	100.0%	Australia
36	Australian Tours Management Pty. Limited	AUD	49.02	June 29, 2017	March 31, 2019	245.1	1,406.9	3,514.7	1,862.8	-	12,451.1	509.8	122.6	387.3	-	100.0%	Australia
37	Nature Trails Resorts Private Limited	INR	1.00	March 15, 2016	March 31, 2019	147.6	1,881.0	4,868.0	2,839.4	-	1,679.8	153.5	(87.5)	240.9	-	100.0%	India
38	Asian Trails Limited	THB	2.18	June 29, 2017	March 31, 2019	523.2	(2,315.8)	5,514.1	7,306.7	130.8	23,396.4	(174.0)	(330.1)	156.1	-	80.00%	Thailand
39	Reem Tours and Travels LLC	AED	18.83	June 29, 2017	March 31, 2019	56.5	58.4	114.8	-	-	-	-	-	-	-	100.0%	UAE
40	Gulf Dunes LLC	AED	18.83	June 29, 2017	March 31, 2019	56.5	(546.0)	1,498.7	1,988.2	-	5,390.3	77.2	-	77.2	-	100.0%	UAE
41	Gulf Dunes Tourism LLC	OMR	179.63	June 29, 2017	March 31, 2019	269.4	(71.9)	341.3	143.7	-	215.6	(35.9)	18.0	(53.9)	-	100.0%	Oman
42	Desert Adventure Tourism LLC	AED	18.83	June 29, 2017	March 31, 2019	56.5	(6,277.1)	10,752.4	16,973.0	271.1	39,279.8	(724.9)	-	(724.9)	-	100.0%	UAE
43	Muscat Desert Adventure Tourism LLC	OMR	179.63	June 29, 2017	March 31, 2019	269.4	(89.8)	485.0	305.4	-	1,041.8	(53.9)	-	(53.9)	-	100.0%	Oman
44	Desert Adventure Tourism Limited	JOD	97.40	June 29, 2017	March 31, 2019	97.4	301.9	2,581.1	2,181.8	-	4,227.2	214.3	39.0	175.3	-	100.0%	Jordan
45	Chang Som Limited	THB	2.18	June 29, 2017	March 31, 2019	130.8	70.4	283.8	82.6	-	489.6	18.1	3.7	14.4	-	80.00%	Thailand
46	Digipho Photo Entertainment Imaging LLC	USD	69.16	March 28, 2019	March 31, 2019	56.5	2,820.7	11,718.0	8,840.8	-	NA	NA	NA	NA	NA	51.00%	UAE
47	Digipho Photo Entertainment Imaging SDN. BHD.	MYR	16.94	March 28, 2019	March 31, 2019	169.4	967.2	3,328.5	2,192.0	-	NA	NA	NA	NA	NA	51.00%	Malaysia
48	Digipho Photo Entertainment Imaging Pte Limited	SGD	51.04	March 28, 2019	March 31, 2019	561.4	(46.3)	5,087.9	4,572.8	-	NA	NA	NA	NA	NA	51.00%	Singapore
49	PT. Digipho Photo Imaging Indonesia	IDR	0.00	March 28, 2019	March 31, 2019	255.2	163.5	1,070.3	651.5	-	NA	NA	NA	NA	NA	51.00%	Indonesia
50	Digipho Photo Entertainment Image (Shanghai) Co. Limited	RMB	10.30	March 28, 2019	March 31, 2019	183.4	(617.3)	828.2	1,262.1	-	NA	NA	NA	NA	NA	51.00%	China
51	Digipho Photo Entertainment Imaging Limited	HKD	8.81	March 28, 2019	March 31, 2019	0.0	(1,048.9)	1,059.7	2,108.6	-	NA	NA	NA	NA	NA	51.00%	Hongkong
52	Digipho Photo Imaging (Macau) Limited	MOP	8.08	March 28, 2019	March 31, 2019	2.0	(232.8)	376.1	606.9	-	NA	NA	NA	NA	NA	51.00%	Macau



Sr. No.	Name of Subsidiary	Reporting Currency	Closing Exchange Rate	Date of Acquisition/ Incorporation	Reporting Period	Issued & subscribed Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Total income	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	Extent of Shareholding (in %)	Country
53	DEI Solutions Limited	MUR	1.97	March 28, 2019	March 31, 2019	1.0	(71.6)	152.5	223.1	-	NA	NA	NA	NA	NA	51.00%	Mauritius
54	Digipphoto SAE	EGP	3.99	March 28, 2019	March 31, 2019	2.5	(117.7)	173.9	289.2	-	NA	NA	NA	NA	NA	51.00%	Egypt
55	Digipphoto Entertainment Imaging Co. Ltd	THB	2.18	March 28, 2019	March 31, 2019	436.0	(353.9)	588.7	506.6	-	NA	NA	NA	NA	NA	51.00%	Thailand
56	DEI Holdings Limited	USD	69.16	March 28, 2019	March 31, 2019	9.4	(635.4)	487.9	1,113.9	196.5	NA	NA	NA	NA	NA	51.00%	UAE
57	D E I General Trading LLC	AED	18.83	March 28, 2019	March 31, 2019	-	-	-	-	-	NA	NA	NA	NA	NA	51.00%	UAE
58	Digi Photo Electronics Repairing LLC	AED	18.83	March 28, 2019	March 31, 2019	-	-	-	-	-	NA	NA	NA	NA	NA	51.00%	UAE

#### Part B: Associate/ joint venture

Sr. No.	Name of the associate/ joint venture	Latest audited Balance Sheet Date	Date on which the Associate or Joint Venture was associated or acquired	Shares of Associate or Joint Ventures held by the company on the year end	Number	Amount of Investment in Associates or Joint Venture	Extent of Holding (in percentage)	Description of how there is significant influence	Reason why the associate / joint venture is not consolidated	Network attributable to shareholding as per latest audited Balance Sheet	Profit or Loss for the year
1	Quess Corp Limited	March 31, 2019	May 14, 2013	7,13,23,496.00	7,13,23,496.00	INR 1,662,494,000	48.82%	More than 20%	No Control	2,72,558.57	12,525.59
											13,129.33

Note: The above list does not include associate(s) and subsidiary(ies) of the associate company(ies); the associate company(ies) of the subsidiary(ies)

For **BSR & Co. LLP**  
Chartered Accountants  
Firm's Registration Number: 101248W/W-100022

**Bhavesh Dhupetia**  
Partner  
Membership No.: 042070

Mumbai, May 27, 2019

For and on behalf of the Board of Directors  
**Thomas Cook (India) Limited**  
CIN: L63040MH1978PLC020717

**Madhavan Menon**  
Chairman and Managing Director  
DIN : 00008542

**Brijesh Modi**  
Chief Financial Officer

Mumbai, May 27, 2019

**Mahesh Iyer**  
Executive Director and Chief Executive Officer  
DIN : 07560302

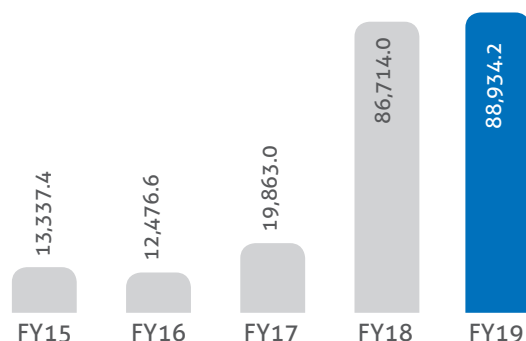
**Amit Parekh**  
Company Secretary & Compliance Officer  
Membership No.: ACS-13648

# Consolidated Five Years' Financial Highlights

Year	Rs. in Million				
	2014-15	2015-16	2016-17	2017-18	2018-19
Total Revenue	32,863.2	61,570.2	88,467.7	114,115.5	67,186.9
Total Expenditure	31,153.3	60,622.5	86,482.9	111,629.1	66,614.0
Ratio	95%	98%	98%	98%	99%
Profit Before Taxation, Prior Period & Exceptional Items	1,709.9	947.8	1,986.1	2,653.7	1,102.9
Profit Before Taxation	1,709.9	9.3	1,986.1	60,908.4	1,102.9
Tax	586.5	594.5	1,125.0	(405.5)	214.5
Profit After Taxation	1,123.4	(585.2)	861.1	61,313.9	888.4
Equity Shareholders' Funds	13,337.4	12,476.6	19,863.0	86,714.0	88,934.2
Earning per Share - Basic	3.56	(1.60)	1.18	162.52	2.29

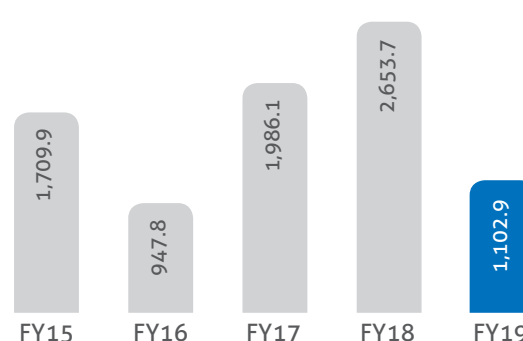
## Equity Shareholders' Fund

Rs. in Million



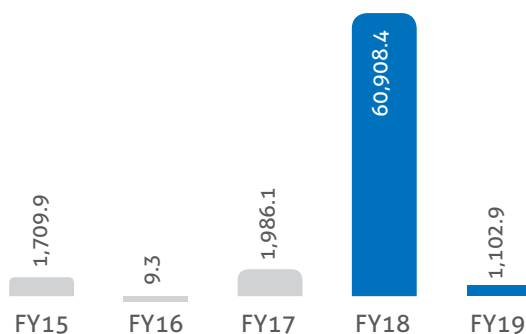
## Profit Before Taxation & Exceptional

Rs. in Million



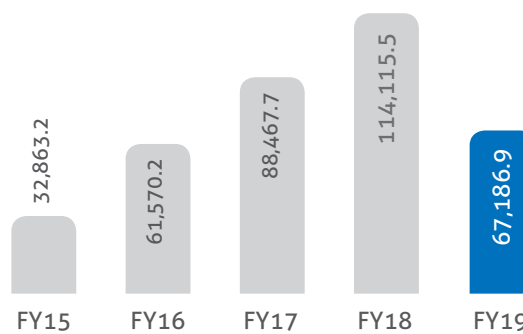
## Profit Before Taxation

Rs. in Million



## Total Revenue

Rs. in Million



[illegible]

# Shareholder Information

## Chief Financial Officer

Brijesh Modi

## Company Secretary & Compliance Officer

Amit J. Parekh

## Auditors

B S R & Co. LLP

## Principal Bankers

(in alphabetical order)

Axis Bank Limited

Bank of America

HDFC Bank Limited

ICICI Bank Limited

IndusInd Bank Limited

Kotak Mahindra Bank Limited

RBL Bank

Standard Chartered Bank

State Bank of India

Yes Bank

## Registrars & Share Transfer Agents

TSR Darashaw Consultants Private Limited

6-10, Haji Moosa Patrawala Indl. Estate

20, Dr. E Moses Road, Mahalakshmi,

Mumbai - 400 011.

Tel: +91 22 6656 8484

Fax: +91 22 6656 8494

Email Id: [csg-unit@tsrdarashaw.com](mailto:csg-unit@tsrdarashaw.com)

Website: [www.tsrdarashaw.com](http://www.tsrdarashaw.com)

## Registered Office

Thomas Cook (India) Limited

CIN: L63040MH1978PLC020717

Thomas Cook Building,

Dr. D. N. Road, Fort,

Mumbai – 400 001

Tel: +91 22 4242 7000

Fax: +91 22 2302 2864

Email id: [sharedept@in.thomascook.com](mailto:sharedept@in.thomascook.com)

Website: [www.thomascook.in](http://www.thomascook.in)

## Forward Looking Statements

Certain statements in this Report regarding our business operations may appear as forward-looking statements. These include all statements other than those of historical fact, regarding the financial position, business strategy, management plans and objectives for future operations. These statements can be identified by words such as 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'plans', 'outlook' and other words of similar meaning in association with a discussion of future operational or financial performance. We cannot guarantee that these forward looking statements will be realised, although we believe to have been prudent in our assumptions. Actual results could differ materially from those projected in any forward-looking statements due to various events, risks, uncertainties and other factors. We neither assume any obligation nor intend to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.



#### Registered Office

Thomas Cook (India) Limited  
CIN: L63040MH1978PLC020717  
Thomas Cook Building, Dr. D N Road, Fort, Mumbai - 400 001, India  
Board: +91 22 4242 7000 Fax: +91 22 2302 2864

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## NOTICE

**NOTICE** is hereby given that the FORTY SECOND ANNUAL GENERAL MEETING of the Members of THOMAS COOK (INDIA) LIMITED will be held at Y. B. Chavan Auditorium, Rangaswar Hall, Chavan Centre, General Jagannath Bhosale Marg, Nariman Point, Mumbai – 400 021 on Friday, August 9, 2019 at 3.30 p.m. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone Audited Financial Statements for the financial year ended March 31, 2019 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, 2019 together with the Report of the Auditors thereon.
2. To declare Dividend on Equity Shares of Re.1/- each for the financial year ended March 31, 2019.
3. To appoint a Director in place of Mr. Mahesh Iyer (DIN: 07560302), who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

4. **Appointment of Mr. Sumit Maheshwari (DIN: 06920646) as a Non Executive Director of the Company.**

To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT**, pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with applicable rules made there under (including any statutory amendment(s) or modification(s) thereto or substitution(s) or re-enactment(s) made thereof for the time being in force) and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on May 27, 2019, Mr. Sumit Maheshwari (DIN: 06920646), who was appointed as an Additional Director by the Board of Directors of the Company w.e.f. September 27, 2018 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of a Director of the Company, be and is hereby appointed as a Non Executive Director of the Company, liable to retire by rotation;

**RESOLVED FURTHER THAT**, any Director or Key Managerial Personnel of the Company be and are hereby severally

authorised to take such steps as may be necessary for obtaining necessary approvals, if any, and to settle all matters arising out of and incidental thereto and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to the said resolution."

5. **Approval for continuation of directorship of Mr. Sunil Mathur (DIN: 00013239) as a Non Executive Independent Director of the Company beyond 75 years of age.**

To consider and if thought fit, to pass, the following Resolution as a Special Resolution:

**"RESOLVED THAT**, in accordance with the resolution passed by the members at the Annual General Meeting of the Company held on September 2, 2016 and pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulation") (including any statutory amendment(s) or modification(s) thereto or substitution(s) or re-enactment(s) made thereof for the time being in force) and subject to such other Laws, Rules, Regulations etc. as may be applicable in this regard, and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors vide resolution dated May 27, 2019, consent of the members be and is hereby accorded to continue with the directorship of Mr. Sunil Mathur (DIN: 00013239), as Non Executive Independent Director of the Company beyond the age of 75 years from the period beginning from October 11, 2019 (being the date on which Mr. Mathur shall complete the age of 75 years) till the expiry of his tenure as a Non Executive Independent Director as per the original terms of appointment i.e. till December 22, 2020;

**RESOLVED FURTHER THAT**, any Directors or Key Managerial Personnel of the Company be and are hereby severally authorised to take such steps as may be necessary for obtaining necessary approvals, if any, and to settle all matters arising out of and incidental thereto and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to the said resolution."



**6. Re-appointment of Mrs. Kishori Udeshi (DIN: 01344073) as a Non Executive Independent Director of the Company**

To consider and if thought fit, to pass, the following Resolution as a Special Resolution:

**"RESOLVED THAT,** pursuant to the provisions of Sections 149,152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with applicable rules made there under, Schedule IV of the Act, Regulation 16 (1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory amendment(s) or modification(s) thereto or substitution(s) or re-enactment(s) made thereof for the time being in force) and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors vide resolution dated May 27, 2019, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing her candidature for the office of a Director of the Company, Mrs. Kishori Udeshi (DIN: 01344073) be and is hereby re-appointed as a Non Executive Independent Director of the Company for a second term effective from September 16, 2019 to September 15, 2024 or till such earlier date to conform with the Company's Policy on Corporate Governance;

**RESOLVED FURTHER THAT,** pursuant to Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory amendment(s) or modification(s) thereto or substitution(s) or re-enactment(s) made thereof for the time being in force), consent of the members be and is hereby accorded to appoint Mrs. Kishori Udeshi (DIN: 01344073) as a Non Executive Independent Director of the Company on account of completing 75 years of age;

**RESOLVED FURTHER THAT,** pursuant to the provisions of Sections 149, 197 and other applicable provisions, in any of the Companies Act, 2013 read with rules made there under (including any statutory amendment(s) or modification(s) thereto or substitution(s) or re-enactment(s) made thereof for the time being in force), Mrs. Kishori Udeshi (DIN: 01344073), be paid such fees and remuneration and profit-related commission as the Board of Directors or the Nomination and Remuneration Committee may approve from time to time which shall however be subject to the limits prescribed in the Act from time to time;

**RESOLVED FURTHER THAT,** any Directors or Key Managerial Personnel of the Company be and are hereby severally authorised to take such steps as may be necessary for obtaining necessary approvals, if any, and to settle all matters arising out of and incidental thereto and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to the said resolution."

**7. To approve payment of remuneration to Mr. Madhavan Menon (DIN: 00008542), Chairman and Managing Director, for the remainder term of his office from September 1, 2019 to February 29, 2020**

To consider and if thought fit, to pass, the following Resolution as a Special Resolution:

**"RESOLVED THAT,** in continuation of the special resolutions passed by the members at the Annual General Meeting of the Company held on August 27, 2015 and August 2, 2017 respectively and pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable rules made there under ("the Act") read with Schedule V of the Act and the Articles of Association of the Company, (including any statutory modification(s) or any amendment(s) thereto, or any substitution(s) or any re-enactment(s) made thereof, for the time being in force) and in terms of the Service Agreement entered between the Company and Mr. Madhavan Menon (DIN: 00008542), Chairman and Managing Director, and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors vide resolution dated May 27, 2019, consent of the members be and is hereby accorded for payment of remuneration to Mr. Madhavan Menon (DIN: 00008542), Chairman and Managing Director, for the remainder term of his office from September 1, 2019 to February 29, 2020 in the manner set out as hereunder:

- a) Base / Basic Salary: Rs. 8,51,429/- (Rupees Eight Lakh Fifty One Thousand Four Hundred and Twenty Nine Only) per month, which shall however be subject to such annual increments as the Nomination and Remuneration Committee and/or the Board of Directors may determine and approve, from time to time.
- b) Other Allowance: Rs. 8,51,429/- (Rupees Eight Lakh Fifty One Thousand Four Hundred and Twenty Nine Only) per month, which shall however be subject to such annual increments as the Nomination and Remuneration Committee and/or the Board of Directors may determine and approve, from time to time.
- c) Performance Bonus: Bonus will be as the Nomination and Remuneration Committee and/or the Board of Directors may in its absolute discretion determine and approve, linked to Mr. Menon's performance as Managing Director of the Company.
- d) Perquisites: In addition to Salary, Other Allowance and Performance Bonus, Mr. Menon shall be entitled to the following perquisites as per the rules of the Company, which will be subject to such annual increments as the Nomination and Remuneration Committee and/or the Board of Directors may determine and approve, from time to time:

- i. Housing: House Rent Allowance (H.R.A.) of Rs.32,46,000/- (Rupees Thirty Two Lakh Forty Six Thousand Only) per annum or Company provided / leased accommodation. In case of Company provided / leased accommodation, the Company shall bear all rental costs, security deposit and local taxes, subject to such rentals, notional interest cost on the security deposit and taxes aggregating to Rs. 32,46,000/- (Rupees Thirty Two Lakh Forty Six Thousand Only) per annum. The provision of residential accommodation by the Company to Mr. Menon is however conditional upon his continuing in employment with the Company as Managing Director and the use and occupation of the same by Mr. Menon shall cease immediately upon his ceasing to be in the employment of the Company as Managing Director for any reason whatsoever. Further, it will be subject to such annual increments as the Nomination and Remuneration Committee and/ or the Board of Directors may determine and approve, from time to time;
  - ii. Car/ Conveyance Allowance: Mr. Menon and his family shall be entitled to conveyance allowance of Rs. 31,39,944/- (Rupees Thirty One Lakhs Thirty Nine Thousand Nine Hundred and Forty Four Only) per annum or the use of a suitable air-conditioned car and all expenses for the maintenance, running and upkeep of such car, subject to such annual increments as the Nomination and Remuneration Committee and/ or the Board of Directors may determine and approve, from time to time.
  - iii. Telephone: Mr. Menon shall be entitled to the use of Mobile Telephone Allowance (company owned telephone line) of Rs. 2,40,000/- (Rupees Two Lakh Forty Thousand Only) per annum at his residence, fax machine, mobile phone, the rent, call charges (including payments for local calls and long distance official calls) and all other outgoings (excluding personal long distance calls) in respect thereof being paid by the Company.
  - iv. Club Fees: Reimbursement of Annual Subscription of club fees of Rs. 70,000/- (Rupees Seventy Thousand Only) per annum or such higher amount as per the Company policy.
  - v. Medical Hospitalization Insurance: Premium of Rs. 1,00,000 (Rupees One Lakh only) together for:
    - a. A suitable medical insurance policy, covering hospitalization of Mr. Menon and his family, and
    - b. Personal Accident Insurance for Mr. Menon only

whilst Mr. Menon is in the employment of the Company
  - vi. Health Check Up: The Company shall bear the cost of an Annual Comprehensive Health checkup for Mr. Menon only;
  - vii. Any other benefit /perquisite as may be determined by the Nomination and Remuneration Committee and/ or the Board of Directors at its discretion from time to time.
  - viii. Retirement Benefits:
 

Company's contribution to Provident Fund as per the Employees Provident Funds and Miscellaneous Provisions Act, 1952 as per Company's policy, Gratuity and Superannuation payable as per the rules of the Company. The value of such benefits shall not be included in the computation of the ceiling on the remuneration or perquisites aforesaid, to the extent these are not taxable under the Income-tax Act, 1961.
  - ix. The expression "family" used in this Agreement, shall mean Mr. Menon's spouse and dependent children as determined by the Company from time to time.
  - x. Income-Tax, if any, on or in respect of the entire remuneration payable to Mr. Menon's shall be borne and paid by him.
  - xi. All the aforementioned remuneration components payable to Mr. Menon shall be subject to such revision or adjustments as per the extant Income Tax law, rules and regulations.
- RESOLVED FURTHER THAT,** notwithstanding anything contained herein, where during the aforesaid period, the Company has no profits or its profits are inadequate, the Company may pay to Mr. Menon the above remuneration as the minimum remuneration by way of salary, perquisites, performance pay, other allowances and benefits as aforesaid;
- RESOLVED FURTHER THAT** the Board of Directors (which includes any committee thereof) be and is hereby authorised to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, as the case may be, is within the overall limits of the managerial remuneration as prescribed under the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time;
- RESOLVED FURTHER THAT,** for the purpose of giving effect to this Resolution, the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary and settle any/or all questions/ matters arising with respect to the above matter, and to execute all such deeds, documents, agreements and writings as may be necessary for the purpose of giving effect to this Resolution, take such further steps in this regard, as may be considered desirable or expedient by the Board of Directors in the best interest of the Company."

**8. To consider revision in terms of remuneration of Mr. Mahesh Iyer (DIN: 07560302), Executive Director and Chief Executive Officer:**

To consider and if thought fit, to pass, the following Resolution as a Special Resolution:

**"RESOLVED THAT,** in partial modification of the resolution passed by the members at the Annual General Meeting of the Company held on September 27, 2018 and pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with applicable rules made there under and Schedule V of the Act (including any statutory modification(s) or amendment(s) thereto or substitution(s) or re-enactment(s) made thereof for the time being in force), Articles of Association of the Company and in terms of the Service Agreement entered between the Company and Mr. Mahesh Iyer, and pursuant to the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors vide resolution dated May 27, 2019, consent of the members be and is hereby accorded for revision in the payment of remuneration to Mr. Mahesh Iyer (DIN: 07560302), Executive Director and Chief Executive Officer of the Company from September 1, 2019 up to May 28, 2021 in the manner as set out hereunder:

- i. Base / Basic Salary: Rs. 4,41,340/- (Rupees Four Lakh Forty One Thousand Three Hundred and Forty Only) per month, which shall however be subject to such annual increments as the Nomination and Remuneration Committee and/or the Board of Directors may determine and approve, from time to time.
- ii. Supplementary Allowance (erstwhile Flexi Benefit Plan): Rs. 5,14,485/- (Rupees Five Lakh Fourteen Thousand Four Hundred and Eighty Five only) per month, which shall however be subject to such annual increments or adjustments as the Nomination and Remuneration Committee and/or the Board of Directors may determine and approve, from time to time.
- iii. Performance Bonus: Bonus at the end of every financial year, as the Nomination and Remuneration Committee and/or the Board of Directors may in its absolute discretion determine and approve, linked to Mr. Iyer's performance as Executive Director and Chief Executive Officer of the Company.
- iv. Perquisites: In addition to Salary, Supplementary Allowance and Performance Bonus, Mr. Iyer shall be entitled to the following perquisites as per the rules of the Company which will be subject to such annual increments as the Nomination and Remuneration Committee and/or the Board of Directors may determine and approve, from time to time:
  - a. Housing: House Rent Allowance (H.R.A.) will be linked to Mr. Iyer's basic salary, and shall be 50% of the basic salary as per company policy, subject

to such annual increments that are commensurate with the basic salary and/or as the Nomination and Remuneration Committee and/or the Board of Directors may determine and approve, from time to time, as per company policy.

- b. Car/ Conveyance Allowance: Mr. Iyer shall be entitled to conveyance allowance of Rs. 1,702,000/- (Rupees Seventeen Lakh Two Thousand Only) per annum or the use of a suitable air-conditioned car and all expenses for the maintenance, running and upkeep of such car as per the Company policy, subject to such annual increments as the Nomination and Remuneration Committee and/or the Board of Directors may determine and approve, from time to time.
- c. Leave Travel Allowance: Mr. Iyer shall be entitled to Leave Travel Allowance of Rs. 1,25,000/- (Rupees One Lakh Twenty Five Thousand only) per annum, as per company policy.
- d. Telephone: Mr. Iyer shall be entitled to the Mobile Telephone Allowance of Rs. 2,40,000/- (Rupees Two Lakh Forty Thousand Only) per annum.
- e. Medical Allowance: Mr. Iyer shall be entitled to the Medical Allowance of Rs. 15,000/- (Rupees Fifteen Thousand Only) per annum, as per company policy.
- f. Meal Allowance: Mr. Iyer shall be entitled to the Meal Allowance of Rs. 26,400/- (Rupees Twenty Six Thousand Four Hundred Only) per annum, as per company policy.
- g. Child Education Allowance: Mr. Iyer shall be entitled to Rs. 2,400/- (Rupees Two Thousand Four Hundred Only) per annum, as per company policy.
- h. Medical Hospitalization Insurance: A suitable medical insurance policy, covering hospitalization of Mr. Iyer and his family, whilst Mr. Iyer is in the employment of the Company.
- i. Personal Accident and Term Life Insurance: A suitable insurance plan for Mr. Iyer only.
- j. Health Check Up: The Company shall bear the cost of an annual comprehensive health checkup for Mr. Iyer only.
- k. Any other benefit/perquisite as may be determined by the Committee and/ or the Board of Directors at its discretion from time to time.
- v. Retirement Benefits:

Company's contribution to Provident Fund as per the Employees Provident Funds and Miscellaneous Provisions Act, 1952 as per Company's policy, Gratuity and Superannuation payable as per the rules of the Company for the time being in force. The value of such benefits shall not be included in the computation of the ceiling on the remuneration or perquisites

aforesaid, to the extent these are not taxable under the Income-tax Act, 1961.

- vi. The expression "family" shall mean Mr. Iyer's spouse and dependent children as determined by the Company from time to time.
- vii. Income-Tax, if any, on or in respect of the entire remuneration payable to Mr. Iyer shall be borne and paid by him.
- viii. All the aforementioned remuneration components payable to Mr. Iyer shall be subject to such revision or adjustments as per the extant Income Tax law, rules and regulations.

**RESOLVED FURTHER THAT**, the above mentioned terms, if approved by the members shall however be subject to and in line with the annual increments in the Basic Salary of Mr. Iyer;

**RESOLVED FURTHER THAT**, notwithstanding anything herein contained, where in any financial year during the tenure of the Executive Director and Chief Executive Officer, the Company has no profits or its profits are inadequate, the Company may subject to receipt of the requisite approvals, including approval of Central Government, if required, pay to the Executive Director and Chief Executive Officer, the above remuneration as the minimum remuneration up to May 28, 2021 by way of salary, perquisites, performance pay, other allowances and benefits as aforesaid;

**RESOLVED FURTHER THAT**, the Board of Directors (which includes any committee thereof) be and is hereby authorised to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, as the case may be, is within the overall limits of the managerial remuneration as prescribed under the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time;

**RESOLVED FURTHER THAT**, for the purpose of giving effect to this Resolution, the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary and settle any/or all questions/matters arising with respect to the above matter, and to execute all such deeds, documents, agreements and writings as may be necessary for the purpose of giving effect to this Resolution, take such further steps in this regard, as may be considered desirable or expedient by the Board of Directors in the best interest of the Company."

**Registered Office:**

Thomas Cook Building, Dr. D. N. Road,  
Fort, Mumbai- 400 001  
CIN: L63040MH1978PLC020717  
Phone: +91-22-4242 7000  
Fax: +91-22-2302 2864  
Website: [www.thomascook.in](http://www.thomascook.in)  
E- mail: [sharedept@in.thomascook.com](mailto:sharedept@in.thomascook.com)

Mumbai  
May 27, 2019

**By Order of the Board**

**Amit J. Parekh**  
Company Secretary and  
Compliance Officer  
ACS – 13648

**NOTES AND INSTRUCTIONS:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("AGM") IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXIES NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE VALID, PROXY FORMS DULY COMPLETE IN ALL RESPECTS, SHOULD BE LODGED WITH THE COMPANY AT ITS REGISTERED OFFICE NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM FOR THE AGM IS ENCLOSED.

A person can act as a proxy on behalf of members not exceeding Fifty (50) and holding in the aggregate not more than ten percent (10%) of the total paid up share capital of the Company carrying voting rights. A member holding more than ten percent of the total paid up share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other member.

2. Statement setting out material facts (Explanatory Statement) pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Business as set out in the Notice is annexed hereto.
3. Members / proxies / authorised representative(s) attending the meeting are requested to bring with them the Attendance Slip enclosed herewith duly filled in and signed and handover the same at the entrance of the hall along with the proof of identity. Members are requested to bring their copies of Annual Report while attending the meeting.
4. Nomination facility for shares is available for members. For members holding shares in physical form, the prescribed format can be obtained from the Company's Registrar and Share Transfer Agent, TSR Darashaw Limited, 6-10, Haji Moosa Patrawala Indl. Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai – 400 011. For members holding shares in electronic form, you are requested to approach your Depository Participant (DP) for the same.
5. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 as well as the Register of Contracts and Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Registered Office of the Company and at the AGM.
6. Route Map to the venue of the meeting is provided on the back side of the Attendance slip.
7. During the period beginning 24 hours before the time fixed for the commencement of meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours at the registered office of the Company, provided that a requisition for the same from a member is received in writing not less than 3 days before the commencement of the meeting.



8. All the documents referred to in the accompanying notice and statement setting of material fact (explanatory statement) are open for inspection at the Registered Office of the Company during the business hours on all working days except Saturdays, Sundays and Public Holidays between 11.00 a.m. to 1.00 p.m. upto the date of AGM and will also be available at the meeting.
  9. Corporate members intending to send their authorised representative(s) to attend the AGM pursuant to Section 113 of the Companies Act, 2013 are requested to send a duly certified copy of the Board Resolution together with their specimen signature(s) authorizing their representative(s) to attend and vote on their behalf at the AGM.
  10. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
  11. Members holding shares in physical form are requested to notify/ send the following to the Company's Registrar and Share Transfer Agent i.e. TSR Darashaw Limited to facilitate better service:
    - (i) details of Income Tax Permanent Account Number (PAN) in case the same is not registered with the Company
    - (ii) any change in their address / mandate / bank details
    - (iii) particulars of their bank account in case the same have not been sent earlier
    - (iv) updation of specimen signature of holders with the Company and
    - (v) share certificate(s) held in multiple folio nos. in identical names or joint accounts in the same order of names for consolidation of such shareholdings into one account.
  12. SEBI has made it mandatory for every participant in the securities/capital market to furnish the details of Income Tax Permanent Account Number (PAN) and complete Bank account details. Accordingly, all the members holding shares in physical form are requested to submit their details of PAN of all the holders along with a photocopy of both sides of the PAN card, duly attested and details of bank account, to the Registrar and Share Transfer Agent of the Company. The members holding shares in electronic form are requested to register their PAN and complete bank details with their respective Depository Participants.
  13. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be printed on the Dividend Warrants as per the applicable regulations of the Depository. The Company will not act on any direct request from such members for change/deletion in such bank details. Further, instructions if any, already given by them in respect of shares held in physical form will not be automatically applicable to the dividend paid on shares held in electronic form. Members may, therefore, give instructions regarding bank accounts in which they wish to receive dividend, to their Depository Participants immediately.
  14. As per Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed Companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings into dematerialized form. Members can contact the Company or Company's Registrar and Share Transfer Agent, TSR Darashaw Limited ("TSRDL") for assistance in this regard. Members may also refer to the Frequently Asked Questions ('FAQs') which are made available on the Company's website at the following link: [https://resources.thomascook.in/downloads/Frequently\\_asked\\_questions\\_on\\_DematerialisationRematerialisation.pdf](https://resources.thomascook.in/downloads/Frequently_asked_questions_on_DematerialisationRematerialisation.pdf)
  15. **As a part of the 'Green Initiative', members who have not yet registered their email addresses are requested to register the same with their Depository Participants ("DPs") in case the shares are held in electronic form and with TSRDL in case the shares are held in physical form.**
  16. Members may please note that pursuant to the provisions of Sections 124, 125 and any other applicable provisions, if any, of the Companies Act, 2013, ("the Act") along with the Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 ("IEPF Rules") as amended from time to time, dividend for the financial year ended 2011 and thereafter, which remains unclaimed for a period of 7 years will be transferred by the Company to the Investor Education and Protection Fund established by the Central Government, as and when the same falls due for such transfer.
- Accordingly, all dividend remaining unclaimed up to the year 2010, has been transferred to IEPF and for the year 2011, dividend for which was declared at the AGM of the members held on June 15, 2012 will be transferred by August 20, 2019 to the IEPF.
- The Act has also provided that all shares in respect of which unpaid or unclaimed dividend has been transferred to IEPF are also required to be transferred to the IEPF Authority. Accordingly, the Company has sent letters dated April 16, 2019 to members whose dividend amounts from the year 2011 to the year 2018 were outstanding as per the Company's records to claim the same before being transferred to the IEPF Authority. An advertisement to this effect was also published in 'The Free Press Journal' and 'Navshakti' newspapers on April 19, 2019. The Company has also uploaded the details of such members and shares due for transfer to the IEPF Authority on its website [www.thomascook.in](http://www.thomascook.in) under the weblink <https://www.thomascook.in/unclaimed-dividend> and under the

drop down titled "Unclaimed Dividend" to enable such members to verify the details of unencashed dividends and the shares liable to be transferred to the IEPF Authority.

Members are requested to note that no claim shall lie against the Company in respect of any shares/ dividend amounts so transferred to the IEPF Authority. The shares transferred to the IEPF can be claimed back by the concerned member(s) from the IEPF Authority after complying with the procedure prescribed under the IEPF Rules.

17. Register of Members and the Share Transfer Register of the Company will remain close from Friday, August 2, 2019 to Friday, August 9, 2019 (both days inclusive) for determining the names of members eligible for dividend on shares, if declared at the meeting.
18. Dividend when declared, will be payable to those members of the Company, holding shares in physical form, whose names appear in the Register of Members of the Company at the close of business hours on Friday, August 9, 2019 and to those members of the Company, holding shares in electronic form, whose names appear in the Benpos (Beneficiary Position) downloaded at the close of business hours on Thursday, August 1, 2019.
19. In accordance with the provisions of Section 101 and other applicable provisions of the Companies Act, 2013, read with Rule 18 of the Companies (Management and Administration) Rules, 2014, as amended, the Notice of AGM, Attendance Slip, Proxy Form and Annual Report are being sent by email to those members who have registered their email addresses with their Depository Participants (in case of shares held in demat form) or with the Company's Registrar and Share Transfer Agent (in case of shares held in physical form), unless any member has requested for a physical copy of the same. For members whose email ids are not registered, physical copies of the Notice of AGM, Attendance Slip, Proxy Form and Annual Report are being sent by permitted mode.
20. Members may also note that the Notice of AGM and Annual Report is available on the Company's website at [www.thomascook.in](http://www.thomascook.in). The Notice of AGM is also available on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com)
21. The Certificate from the Statutory Auditors of the Company certifying that the Company's Employee Stock Option Scheme(s) are being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended and in accordance with the resolutions passed by the members, will be available for inspection by the members at the AGM.
22. Brief resume of Director proposed to be appointed/ re-appointed along with such other details as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and Secretarial Standards on General Meetings (SS-2), are provided in the Corporate Governance Report that forms part of the Annual Report.

23. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 and the Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Company is pleased to provide members facility to cast their votes either for or against each resolutions set forth in the Notice of the AGM using electronic voting system from a place other than the venue of the AGM ('remote e-voting'), provided by Central Depository Services (India) Limited (CDSL) and the business may be transacted through such voting.

The process and manner for remote e-voting are as under:

The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

Click on Shareholders.

Now Enter your User ID

For CDSL: 16 digits beneficiary ID,

For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

Members holding shares in Physical Form should enter Folio Number registered with the Company.

Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

After entering these details appropriately, click on "SUBMIT" tab.

Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password



Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

Click on the EVSN for Thomas Cook (India) Limited i.e. 190704007 in order to cast your vote.

On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.

Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Windows and Apple smart phones. Please follow the instructions as prompted by the mobile app while voting on your mobile.

#### Note for Non – Individual Shareholders and Custodians

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

24. The remote e-voting period commences on Tuesday, August 6, 2019 (9.00 a.m. IST) and ends on Thursday, August 8, 2019 (5.00 p.m. IST). The e-voting module shall be disabled by CDSL for voting thereafter. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date (record date) of Friday, August 2, 2019 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently or cast vote again.
25. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Friday, August 2, 2019
26. Any person, who acquires equity shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as on the cut-off date, may cast their votes by sending request for remote e-voting. The shareholders can send in their request at [helpdesk.evoting@cdsl.com](mailto:helpdesk.evoting@cdsl.com) and obtain the Login ID and Password. However, if you are already registered with CDSL for remote e-voting then you can use your existing User ID and Password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details /Password" option available on [www.evotingindia.com](http://www.evotingindia.com) or contact CDSL at toll free no.: 1800225533
27. In case of any queries/grievances pertaining to e-voting, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or may contact Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, 'A' Wing, 25th Floor, Marathon FutureX, Mafatlal Mills Compounds, N.M. Joshi Marg, Lower Parel (E), Mumbai – 400013 at the designated email ID: [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or at telephone no. 1800225533. Alternatively, members may also write to Mr. Amit J. Parekh, Company Secretary and Compliance Officer at the email id: [sharedept@in.thomascook.com](mailto:sharedept@in.thomascook.com). The Chairperson shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of " e-voting" for all those members

who are present at the AGM but have not cast their votes by availing the remote e-voting facility. Members who have cast their vote by remote e-voting prior to the AGM may attend the meeting but shall not be entitled to cast their vote again at the AGM.

28. Mr. P. N. Parikh (Membership No. FCS: 327) and failing him Mr. Mitesh Dhabliwala (Membership No. FCS: 8331) of M/s. Parikh and Associates, Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the remote e-voting process and votes to be cast at the AGM venue in a fair and transparent manner.
29. The Scrutinizer shall after the conclusion of voting at the AGM, would first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairperson or any director duly authorised by the Board who shall countersign the Scrutinizer's Report. The result shall be declared by the Chairperson or a person as authorised by him in writing.
30. The Results declared along with 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 Chairperson or a person authorised by him in writing. The Result would be communicated to the BSE Limited and the National Stock Exchange of India Limited. The result will also be displayed on the Notice board of the Company at its registered office and the corporate office.

#### Statement Setting out material facts (Explanatory Statement)

[Pursuant to Section 102(2) of the Companies Act, 2013]

The following explanatory statement sets out all material facts relating to Special Business of the accompanying Notice of the 42nd Annual General Meeting ('AGM') to be held on Friday, August 9, 2019:

#### Item No. 4:

In pursuance to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with applicable rules made there under, Articles of Association of the Company, applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as the case may be, and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company vide resolution dated September 27, 2018, appointed Mr. Sumit Maheshwari (DIN: 06920646) as an Additional Non Executive Director to hold the office up to the date of ensuing AGM.

In terms of Section 161 (1) of the Act, Mr. Maheshwari holds office only up to the date of the forthcoming Annual General Meeting but, is eligible for appointment as a Director and whose office shall be liable to retire by rotation. A notice under Section

160 of the Act has been received from a member proposing the candidature of Mr. Maheshwari for the office of a director of the Company.

The Company has received from Mr. Maheshwari (i) a consent in writing to act as a Director in pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and (ii) an intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under the provisions of sub-section (2) of Section 164 of the Companies Act, 2013.

In the opinion of the Nomination and Remuneration Committee and the Board of Directors of the Company, the appointment of Mr. Maheshwari on the Board of Directors of the Company would be beneficial to the overall functioning of the Company considering his experience and knowledge of general business management.

As on date of this notice, Mr. Sumit Maheshwari does not hold any shares in the Company.

Mr. Maheshwari is not related to any of the Directors of the Company.

Mr. Maheshwari's brief profile and the disclosures pursuant to the Secretarial Standards and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Corporate Governance Report which is a part of the Annual Report.

The Board of Directors propose the appointment of Mr. Maheshwari as a Non Executive Director of the Company liable to retire by rotation and recommend the passing of Ordinary Resolution as set out in Item No. 4 of the accompanying Notice for the approval of the members.

Except Mr. Sumit Maheshwari and his relatives, none of the other Directors and Key Managerial Personnel and their respective relatives are in any way, concerned or interested, financially or otherwise, in the resolution mentioned at Item No. 4 of the Notice.

#### Item No. 5:

The members at the Annual General Meeting held on September 2, 2016, had approved the appointment of Mr. Sunil Mathur (DIN: 00013239), as a Non Executive Independent Director of the Company for a period of 5 consecutive years commencing from December 23, 2015 up to December 22, 2020.

The Securities and Exchange Board of India (SEBI) vide notification dated May 9, 2018 introduced SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018. Pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) 2015, effective from April 1, 2018, a Company is required to seek approval of the members through special resolution in order to appoint or continue with the directorship of any person as a Non- Executive Director who has attained Seventy Five (75) years of age.

Mr. Sunil Mathur (DIN: 00013239), a Non Executive Independent Director who shall on October 11, 2019, attain Seventy-Five (75) years of age. The Company admires the caliber and expertise of Mr. Mathur in the fields of finance, governance and law. The quality of his inputs views to the Board/ Committee on governance principles has given the company a broader picture having a positive effect on the overall outcome, thus adding value to the organisation. The Company truly believes that his continued association with the Company will immensely benefit the Company.

Accordingly, the Nomination and Remuneration Committee and the Board of Directors vide their resolution dated May 27, 2019 approved and recommended to the members to continue with the directorship of Mr. Sunil Mathur on the Board of the Company as a Non Executive Independent Director beyond 75 years of age.

Further, based on the declaration received from time to time, Mr. Sunil Mathur (DIN: 00013239) meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 read with applicable rules made there under and Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

As on date of this notice, Mr. Sunil Mathur does not hold any shares in the Company.

Mr. Mathur is not related to any of the Directors of the Company.

Mr. Mathur's brief profile and other details as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 form part of the Corporate Governance Report which is a part of the Annual Report.

The Board of Directors propose the appointment of Mr. Sunil Mathur as a Non Executive Independent Director of the Company and recommend the passing of Special Resolution as set out in Item No. 5 of the accompanying Notice for the approval of the members.

Except Mr. Sunil Mathur and his relatives, none of the other Directors and Key Managerial Personnel and their respective relatives are in any way, concerned or interested, financially or otherwise, in the resolution as mentioned in Item No. 5 of the Notice.

#### **Item No. 6:**

The members at the Extraordinary General Meeting of the Company held on September 16, 2014, had approved the appointment of Mrs. Kishori Udeshi (DIN: 01344073), as a Non Executive Independent Director of the Company for a period of 5 consecutive years commencing from September 16, 2014 up to September 15, 2019 .

The aforesaid tenure of Mrs. Kishori Udeshi (DIN: 01344073) is to be completed on September 15, 2019. Based on the recommendation of the Nomination and Remuneration Committee and based on the notice received in writing by a member under Section 160 of the Companies Act, 2013, proposing her candidature for the re-appointment as a Non Executive Independent Director of the Company, the Board of Directors vide resolution dated May 27, 2019 recommended for

the approval of the members, re-appointment of Mrs. Kishori Udeshi as a Non Executive Independent Director for a second term w.e.f. September 16, 2019 up to September 15, 2024 in terms of the Articles of Association of the Company and applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

In the opinion of the Board of Directors, Mrs. Kishori Udeshi fulfils the conditions as specified under the Act and rules made there under and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any, for the re-appointment as a Non Executive Independent Director and is Independent of the Management.

Pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from April 1, 2019, no listed entity shall appoint a person or continue the directorship of any person as a Non Executive Director who has attained the age of 75 years, unless special resolution is passed to that effect.

Accordingly, considering the significant benefits reaped by the Company from her experience, expertise and mature advice to the business of the Company during her tenure as a Non Executive Independent Director and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors recommends the re-appointment of Mrs. Kishori Udeshi as a Non Executive Independent Director of the Company for a second term effective from September 16, 2019 up to September 15, 2024 on account of having already attained 75 years of age.

The Company has received from Mrs. Udeshi (i) a consent in writing to act as a Director pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014, (ii) an intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under the provisions of sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that she meets the criteria of Independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

The Board of Directors is of the opinion that, Mrs. Udeshi possesses requisite skills, experience and knowledge relevant to the Company's business and that it would be of immense benefit to the Company to continue to have her association with the Company as a Non Executive Independent Director.

As on date of this notice, Mrs. Kishori Udeshi does not hold any shares in the Company.

Mrs. Udeshi is not related to any of the Directors of the Company.

Mrs. Udeshi's brief profile and the disclosures pursuant to the Secretarial Standards and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Corporate Governance Report which is a part of the Annual Report.

The Board of Directors propose the re-appointment of Mrs. Kishori Udeshi as a Non Executive Independent Director of the Company for a second term and recommend the passing of Special Resolution as set out in Item No. 6 of the accompanying Notice for the approval of the members.

The draft letter of appointment along with the terms and conditions of appointment of Mrs. Kishori Udeshi, shall be open for inspection at the registered office of the Company during the business hours between 11:00 a.m. to 1:00 p.m. on all working days, except Saturdays, Sundays and Public Holidays up to the date of the AGM and also at the AGM.

Except Mrs. Kishori Udeshi and her relatives, none of the other Directors and Key Managerial Personnel and their respective relatives are in any way, concerned or interested, financially or otherwise, in the resolution as mentioned in Item No. 6 of the Notice.

#### Item No. 7:

The Members at the Annual General Meeting ('AGM') of the Company held on August 27, 2015 approved the appointment and also approved payment of minimum remuneration in the event of no profits or inadequacy of profits, in any financial year to Mr. Madhavan Menon as a Managing Director of the Company for a period of 5 years commencing from March 1, 2015 on the terms and conditions as agreed between the Board of Directors and Mr. Menon.

Further, the Ministry of Corporate Affairs (MCA) vide Notification dated September 12, 2016 stated that where in any financial year, during the tenure of a managerial personnel, the Company has no profits or its profits are inadequate, it may, without Central Government approval, pay remuneration, in accordance with the provisions of Part B of Section II of Part II of Schedule V of the Companies Act, 2013 as minimum remuneration for a period not exceeding 3 years. In compliance with the aforementioned requirement, the members of the Company at the Annual General Meeting of the Company held on August 2, 2017 ratified the payment of remuneration for the period from September 12, 2016 to March 31, 2017 and approved payment of remuneration from April 1, 2017 to August 31, 2019 as payment of minimum remuneration in the event of no profit or inadequate profit.

The Board of Directors based on the recommendation of the Nomination and Remuneration Committee has approved and proposed to the Members vide resolution dated May 27, 2019 for payment of remuneration to Mr. Menon for the remainder term of his office from September 1, 2019 to February 29, 2020.

In accordance with the provisions of Part B of Section II of Part II of Schedule V of the Companies Act, 2013, as amended from time to time, the Company hereby confirms the following:

- a) The Nomination and Remuneration Committee and the Board of Directors of the Company at their respective meetings held on May 27, 2019 accorded their consent and proposed the matter for the approval of the members for payment of minimum remuneration to Mr. Madhavan Menon, Chairman and Managing Director (DIN: 00008542)

in case of inadequacy of profits for the remainder term of his appointment from September 1, 2019 to February 29, 2020.

- b) Mr. Menon is functioning in a professional capacity and is not having any interest in the share capital exceeding 0.5% of its paid up share capital of the company or its holding company or any of its subsidiaries directly or indirectly or through any other statutory structures.
- c) Mr. Menon is not having any direct or indirect interest or related to the directors or promoters of the company or its holding company or any of its subsidiaries at any time during the last two years before or on or after the date of appointment.
- d) Mr. Menon possesses graduate level qualification with expertise and specialized knowledge in the field in which the company operates.
- e) The company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders, preference shareholders or any other secured creditor.

The statement of disclosures pursuant to Part B of Section II of Part II of Schedule V of the Companies Act, 2013 is as under:

#### I. General Information:

- a. Nature of industry – The Company belongs to Service Industry, providing Travel and Travel related Services and is an Authorised Dealer in Foreign Exchange.
- b. Date or expected date of commencement of commercial production – The Company is carrying on business since its incorporation on October 21, 1978.
- c. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus – N.A.
- d. Financial performance based on given indicators – Financial Performance of the Company (Standalone figures)

(Rs. in mn)

Particulars	For the financial year ended 31.03.2019	For the financial year ended 31.03.2018	For the financial year ended 31.03.2017
Total Revenue	23,107.9	19,429.6	17,388
Profit Before Tax	395.4	5,384.1	(54.3)
Net Profit After Tax	264.7	5,314.3	(83.5)
# Proposed Dividends	139.0	138.8	244.1

Notes:

\* The figures for the financial year ended 31.03.2019, 31.03.2018 and 31.03.2017 are as per Ind AS.

# Proposed Dividend excludes Dividend Distribution Tax.



- e. Foreign Investments or Collaborations, if any - The Company has the following foreign investments as on date of this notice:

(Rs. in mn)				
Sr. No.	Name of Company where Invested	Type of Investment	No. of Securities	Amt in INR Equivalent
1.	Thomas Cook (Mauritius) Holding Company Limited, Mauritius	Equity shares of USD 1/- each	1,655,500	73.25
2.	Visa Inc., USA	Class C (Series I) Common Stock of USD 0.0001/- each	676	0.962
3.	Thomas Cook Lanka (Private) Limited, Sri Lanka	Equity shares of SLR 10/- each	10,767,978	42.77

There are no foreign collaborators or foreign investment of collaborators with the Company.

## II. Information about the appointee:

### a. Background details –

Mr. Madhavan Menon, B.A. (Business), George Washington University, USA, MBA, Finance and International Business, George Washington University, USA, born on February 12, 1955, was appointed as an Additional and Executive Director-Foreign Exchange. He was appointed as the Managing Director of Thomas Cook (India) Limited (TCIL) with effect from April 27, 2006. He was re-appointed as the Managing Director for a period of five years with effect from March 1, 2015.

He has a total experience of over 37 years. His previous assignment prior to joining TCIL was as Chief Operations and Administrative Officer of Birla Sunlife Asset Management Co. (AMC) Ltd, Citi Bank and ANZ Grindlays Bank. His expertise spans over Banking, Finance and Travel-related Foreign Exchange Management.

### b. Past Remuneration-

Amount in Rs.			
Particulars	For the financial year ended 31.03.2019	For the financial year ended 31.03.2018	For the financial year ended 31.03.2017
Basic Salary, Allowances and Perquisites	2,48,78,356	2,51,16,180	2,32,39,916
PF Contribution	12,26,052	12,26,052	11,57,941
Performance Bonus	3,49,97,600	2,50,00,000	2,72,00,320
Superannuation / Pension			
TOTAL	6,11,02,008	5,13,42,232	5,15,98,177
Stock Options Exercised	NIL	1303670	455500

- c. Recognition or awards – He has a total experience of over 37 years. His expertise spans over Banking, Finance and Travel-related Foreign Exchange Management.

### d. Job profile and his suitability

Mr. Menon is one of the core managerial personnel, who uses his wide business networks in expanding the business opportunities of the Company. He has overall responsibility for the operations and financial performance of the Company in India, as well as the performance of its subsidiaries in India and abroad. Having regard to the role, responsibility and expertise of Mr. Menon, it would be in the interests of the Company to have him on the Board as Chairman and Managing Director.

- e. Remuneration proposed – As stated in Item No. 7 of the Notice.

- f. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

There are no other Companies which are exactly similar to the Company's activities with which details can be compared for the said purpose. However, the remuneration for the similar position in the industry, having regard to the size of the companies and profile, knowledge and experience of person, is comparable to the remuneration of Mr. Menon.

- g. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any – None

## III. Other Information:

### a. Reasons of loss or inadequate profits –

The reasons for inadequacy of profits that may arise could be due to challenging economic conditions in certain business segments; absence of up streaming of return on investments made in the subsidiary Companies; Finance costs incurred for acquisition of subsidiaries in past, Finance cost incurred for higher working capital in B2B businesses; incubation costs of new businesses which are yet to reach critical mass for desired profitability etc.

### b. Steps taken or proposed to be taken for improvement–

The Company has embarked on a series of strategic and operational measures such as expanding its distribution network, new products, customer segmentation, improving efficiency and productivity, cost rationalisation, repayment of debt, reduction in working capital etc. which are expected to result in improvement in its overall position. Also, with signs of economic recovery in India and the world, Company expects an increase in the demand for its products and services. Company is taking measures in the areas

of automation of processes and bringing customer centricity in what it does. The inherent strengths of the Company, especially its reputation, brand recall, deep and wide distribution network, diversified business, huge customer base and team of motivated employees are also expected to enable the Company to position itself during adversities.

- c. Expected Increase in productivity and profits in measurable terms

The management has adopted focused and aggressive business strategies in all spheres of functions to improve the sales and profitability of the Company. It is also driving cost optimization measures aggressively to improve the bottom line. Considering the present business scenario, the Company is expecting sharp growth in revenue and profitability.

#### IV. Disclosures:

- a. All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., As stated in Item No. 7 of the Notice.
- b. Details of fixed component and performance linked incentives paid for the financial year:

Name of Director	Salary		
	Fixed (Rs.)	Performance Linked Incentives (Rs.)	Total (Rs.)
Mr. Madhavan Menon	2,61,04,408	3,49,97,600	6,11,02,008

- c. Details of Service Contracts, Notice Period, Severance Fees:

Sr. No.	Name of Director	Contract Period (Tenure)	Service Contract	Notice Period	Severance fees, if any
1.	Mr. Madhavan Menon	March 1, 2015 to February 29, 2020	Yes	12 Months	As decided by the management

- d. Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable: As on the date of the notice Mr. Menon holds 810054 equity shares of the Company which were allotted to him under various Employee Stock Option Schemes of the Company.

Mr. Menon's brief profile and the disclosures pursuant to the Secretarial Standards form part of the Corporate Governance Report which is a part of the Annual Report

The copy of the agreement setting out the terms and conditions of appointment and remuneration of Mr. Menon, shall be open for inspection by the members at the registered office of the Company during business hours between 11.00 a.m. to 1.00 p.m. on all working days, except Saturdays, Sundays and Public Holidays upto the date of AGM and also available at the AGM.

Except Mr. Madhavan Menon and his relatives, none of the other Directors and Key Managerial Personnel and their respective relatives are in any way, concerned or interested, financially or otherwise, in the resolution mentioned at Item No. 7 of the Notice.

The Board of Directors recommends the passing of Special Resolution as set out in Item No. 7 of the accompanying Notice for the approval of the members.

This Explanatory Statement be treated as a written memorandum under Section 190 of the Act.

#### Item No. 8:

The members at the Annual General Meeting ('AGM') of the Company held on September 27, 2018 approved the appointment of Mr. Mahesh Iyer, (DIN: 07560302) Executive Director and Chief Executive Officer, for a period of five years w.e.f. May 29, 2018 and also approved for payment of minimum remuneration to Mr. Mahesh Iyer in case of inadequacy or absence of profits, in any financial year for a period of three years.

Mr. Mahesh Iyer is responsible for the day to day operations of the company, strategic planning, management of key relationships, as well as for building a sustainable growth oriented organization that maximizes value for all its stakeholders.

In order to adequately remunerate Mr. Iyer for the role he plays in the growth of the Company and to give effect to the impact of annual increments on his remuneration, the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee has approved and proposed to the members vide resolution dated May 27, 2019 to revise the remuneration payable to Mr. Iyer from September 1, 2019 to May 28, 2021, the details of which are mentioned in the resolution set out in Item No. 8 of the accompanying Notice.

In accordance with the provisions of Part B of Section II of Part II of Schedule V of the Companies Act, 2013, as amended from time to time, the Company hereby confirms the following:

- a. The Nomination and Remuneration Committee and the Board of Directors of the Company at their meeting held on May 28, 2018 and May 29, 2018 respectively accorded their consent and had proposed the matter for the approval of the members for:
- Appointment of Mr. Mahesh Iyer as Executive Director and Chief Executive Officer of the Company for a period of five years w.e.f. May 29, 2018 up to May 28, 2023.
  - The payment of remuneration as a minimum remuneration, where the Company has no profits or its profits are inadequate, to Mr. Mahesh Iyer, for a period of three years w.e.f. May 29, 2018 to May 28, 2021.
  - The members had duly approved the appointment on the terms and conditions at the Annual General Meeting of the Company held on September 27, 2018



- b. Mr. Iyer is functioning in a professional capacity and is not having any interest in the share capital exceeding 0.5% of its paid up share capital of the company or its holding company or any of its subsidiaries directly or indirectly or through any other statutory structures.
- c. Mr. Iyer is not having any direct or indirect interest or related to the directors or promoters of the company or its holding company or any of its subsidiaries at any time during the last two years before or on or after the date of appointment.
- d. Mr. Iyer possesses graduate level qualification with expertise and specialized knowledge in the field in which the company operates.
- e. The company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders, preference shareholders or any other secured creditor.

The statement of disclosures pursuant to Part B of Section II of Part II of Schedule V of the Companies Act, 2013 is as under:

#### I. General Information:

- a. Nature of industry – The Company belongs to Service Industry, providing Travel and Travel related Services and is an Authorised Dealer in Foreign Exchange.
- b. Date or expected date of commencement of commercial production – The Company is carrying on business since its incorporation on October 21, 1978.
- c. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus – N.A.
- d. Financial performance based on given indicators – Financial Performance of the Company (Standalone figures)

(Rs. in mn)			
Particulars	For the financial year ended 31.03.2019*	For the financial year ended 31.03.2018*	For the financial year ended 31.03.2017*
Total Revenue	23,107.9	19,429.6	17,388
Profit Before Tax	395.4	5,384.1	(54.3)
Net Profit After Tax	264.7	5,314.3	(83.5)
# Proposed Dividends	139.0	138.8	244.1

Notes:

\* The figures for the financial year ended 31.03.2019, 31.03.2018 and 31.03.2017 are as per Ind AS.

# Proposed Dividend excludes Dividend Distribution Tax

- e. Foreign Investments or Collaborations, if any - The Company has made the following foreign investments as on the date of this notice:

(Rs. in mn)				
Sr. No.	Name of Company where Invested	Type of Investment	No. of Securities	Amt in INR Equivalent
1.	Thomas Cook (Mauritius) Holding Company Limited, Mauritius	Equity shares of USD 1/- each	1,655,500	73.25
2.	Visa Inc., USA	Class C (Series I) Common Stock of USD 0.0001/- each	676	0.962
3.	Thomas Cook Lanka (Private) Limited, Sri Lanka	Equity shares of SLR 10/- each	10,767,978	42.77

There are no foreign collaborators or foreign investment of collaborators with the Company.

#### II. Information about the appointee:

- a. Background details –

Mr. Mahesh Iyer, a Thomas Cook veteran has been associated with Thomas Cook Group for 24 years. Mr. Iyer has held multiple roles in the Company including that of a Head of Foreign Exchange, Chief Operating Officer (COO) and Chief Executive Officer (CEO) prior to his appointment as Executive Director and Chief Executive Officer.

- b. Past Remuneration-

Amount in Rs.			
Particulars	For the financial year ended 31.03.2019	For the financial year ended 31.03.2018	For the financial year ended 31.03.2017
Basic Salary, Allowances and Perquisites	1,57,12,839	1,45,35,951	1,08,53,888
PF Contribution	6,01,835	5,57,800	3,96,303
Performance Bonus	1,89,00,000	1,46,00,000	65,69,500
Superannuation / Pension			
TOTAL	3,52,14,674	2,96,93,751	1,78,19,691
Stock Options Exercised	NIL	250965	NIL

- c. Recognition or awards – He has been associated with Thomas Cook Group for 24 years and has direct responsibility for the company's P&L, day to day operations of the company, strategic planning, nurturing and building key relationships, as well as building a sustainable growth oriented organization that maximizes value for all its stakeholders.

## d. Job profile and his suitability

Mr. Iyer has direct responsibility for the company's P&L, day to day operations of the company, strategic planning, nurturing and building key relationships, as well as building a sustainable growth oriented organization that maximizes value for all its stakeholders.

## e. Remuneration proposed – As stated in Item No. 8 of the Notice.

## f. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

There are no other Companies which are exactly similar to the Company's activities with which details can be compared for the said purpose. However, the remuneration for the similar position in the industry, having regard to the size of the companies and profile, knowledge and experience of person, is comparable to the remuneration of Mr. Iyer.

## g. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any – None

**III. Other Information:**

## a. Reasons of loss or inadequate profits –

The reasons for inadequacy of profits that may arise could be due to challenging economic conditions in certain business segments; absence of up streaming of return on investments made in the subsidiary Companies; Finance costs incurred for acquisition of subsidiaries in past, Finance cost incurred for higher working capital in B2B businesses; incubation costs of new businesses which are yet to reach critical mass for desired profitability etc.

## b. Steps taken or proposed to be taken for improvement–

The Company has embarked on a series of strategic and operational measures such as expanding its distribution network, new products, customer segmentation, improving efficiency and productivity, cost rationalisation, repayment of debt, reduction in working capital etc. which are expected to result in improvement in its overall position. Also, with signs of economic recovery in India and the world, Company expects an increase in the demand for its products and services. Company is taking measures in the areas of automation of processes and bringing customer centricity in what it does. The inherent strengths of

the Company, especially its reputation, brand recall, deep and wide distribution network, diversified business, huge customer base and team of motivated employees are also expected to enable the Company to position itself during adversities.

## c. Expected Increase in productivity and profits in measurable terms

The management has adopted focused and aggressive business strategies in all spheres of functions to improve the sales and profitability of the Company. It is also driving cost optimization measures aggressively to improve the bottom line. Considering the present business scenario, the Company is expecting sharp growth in revenue and profitability.

**IV. Disclosures:**

## a. All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., -As stated in item No. 8 of the Notice.

## b. Details of fixed component and performance linked incentives paid for the financial year:

Name of Director	Salary		
	Fixed (Rs.)	Performance Linked Incentives (Rs.)	Total (Rs.)
Mr. Mahesh Iyer	1,63,14,674	1,89,00,000	3,52,14,674

## c. Details of Service Contracts, Notice Period, Severance Fees:

Sr. No.	Name of Director	Contract Period (Tenure)	Service Contract	Notice Period	Severance fees, if any
1.	Mr. Mahesh Iyer	May 29, 2018 to May 28, 2023	Yes	6 Months + 3 months Garden Leave	As decided by the management

## d. Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable: Mr. Mahesh Iyer holds 251270 equity shares in the Company as on the date of this Notice.

Except Mr. Mahesh Iyer and his relatives, none of the other Directors and Key Managerial Personnel and their respective relatives are in any way, concerned or interested, financially or otherwise, in the resolution mentioned at Item No. 8 of the Notice.

Mr. Iyer's brief profile and the disclosures pursuant to the Secretarial Standards and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 form part of the Corporate Governance Report which is a part of the Annual Report

The Board of Directors recommends the passing of Special Resolution as set out in Item No. 8 respectively of the accompanying Notice for the approval of the members.

The copy of the agreement setting out the terms and conditions of appointment and remuneration of Mr. Iyer, shall be open for inspection by the members at the registered office of the Company during business hours between 11.00 a.m. to 1.00 p.m. on all working days, except Saturdays, Sundays and Public Holidays upto the date of AGM and also available at the AGM.

This Explanatory Statement be treated as a written memorandum under Section 190 of the Act.

**Registered Office:**

Thomas Cook Building, Dr. D. N. Road,  
Fort, Mumbai- 400 001  
CIN: L63040MH1978PLC020717  
Phone: +91-22-4242 7000  
Fax: +91-22-2302 2864  
Website: [www.thomascook.in](http://www.thomascook.in)  
E- mail: [sharedept@in.thomascook.com](mailto:sharedept@in.thomascook.com)

Mumbai  
May 27, 2019

**By Order of the Board**

**Amit J. Parekh**  
Company Secretary and  
Compliance Officer  
ACS – 13648

# THOMAS COOK (INDIA) LIMITED

**Registered Office:** Thomas Cook Building, Dr. D. N. Road, Fort, Mumbai – 400 001  
Phone: +91-22-4242 7000 Fax: +91-22-2302 2864 CIN: L63040MH1978PLC020717  
Website: www.thomascook.in | E-mail id: shareddept@in.thomascook.com



## ATTENDANCE SLIP

42ND ANNUAL GENERAL MEETING ON FRIDAY, AUGUST 9, 2019  
at Y.B. Chavan Auditorium, Rangaswar Hall, Chavan Centre, General Jagannath Bhosale Marg, Nariman Point, Mumbai - 400021  
(To be presented at the entrance)

TRANSIT FOLIO:	Sr. No.

I/ We hereby record my / our presence at the **42ND ANNUAL GENERAL MEETING** of Thomas Cook (India) Limited held on Friday, August 9, 2019 at 3.30 P.M. at Y.B. Chavan Auditorium, Rangaswar Hall, Chavan Centre, General Jagannath Bhosale Marg, Nariman Point, Mumbai - 400021.

Folio No. \_\_\_\_\_ /DP ID No.\* \_\_\_\_\_ & Client ID No.\* \_\_\_\_\_  
(\*Applicable for members holding Shares in electronic form)

Number of Shares held : \_\_\_\_\_

Name of the Member(s) / Proxy holder(s) /  
Authorised Representative : \_\_\_\_\_ Signature: \_\_\_\_\_

1. Only Member/ Proxy holder / Authorised Representative can attend the Meeting.
2. Member / Proxy holder / Authorised Representative should bring their copies of the Notice and Annual Report for reference at the Meeting.
3. Members are requested to bring this attendance slip along with them as duplicate attendance slips will not be issued at the venue of the Meeting.

# THOMAS COOK (INDIA) LIMITED

**Registered Office:** Thomas Cook Building, Dr. D. N. Road, Fort, Mumbai – 400 001  
Phone: +91-22-4242 7000 Fax: +91-22-2302 2864 CIN: L63040MH1978PLC020717  
Website: www.thomascook.in | E-mail id: shareddept@in.thomascook.com



## PROXY FORM-MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Folio No. \_\_\_\_\_ /DPID No.\* \_\_\_\_\_ & Client ID No.\* \_\_\_\_\_  
(\*Applicable for members holding Shares in electronic form)

Name : \_\_\_\_\_ Address : \_\_\_\_\_  
(IN BLOCK CAPITAL)

Email ID: \_\_\_\_\_

I/We being the member(s), holding \_\_\_\_\_ shares of the above named Company, hereby appoint

1. Name:	2. Name:	3. Name:
Address:	Address:	Address:
Email ID:	Email ID:	Email ID:
Signature:	Signature:	Signature:
or Failing him/her	or Failing him/her	

as my / our proxy to attend and vote (on poll) for me / us and on my / our behalf at the 42nd Annual General Meeting of the Company to be held on Friday August 9, 2019 at 3.30 P.M. at Y.B. Chavan Auditorium, Rangaswar Hall, Chavan Centre, General Jagannath Bhosale Marg, Nariman Point, Mumbai – 400021 and at any adjournment thereof in respect of such resolutions as are indicated below:

**Venue of the AGM**  
**Y B Chavan Centre, General Jagannath Bhosle Marg,**  
**Nariman Point, Near Mantralaya, Mumbai, Maharashtra 400021**



Resolution No (s).	Resolution(s)	Optional*	
		For	Against
Ordinary Business			
1.	To receive, consider and adopt the Standalone Audited Financial Statements for the financial year ended March 31, 2019 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, 2019 together with the Report of the Auditors thereon.		
2.	To declare Dividend on Equity Shares of Re.1/- each for the financial year ended March 31, 2019.		
3.	To appoint a Director in place of Mr. Mahesh Iyer (DIN: 07560302), who retires by rotation and being eligible, offers himself for re-appointment.		
Special Business			
4.	Appointment of Mr. Sumit Maheshwari (DIN: 06920646) as a Non Executive Director of the Company		
5.	Approval for continuation of directorship of Mr. Sunil Mathur (DIN: 00013239) as a Non Executive Independent Director of the Company beyond 75 years of age.		
6.	Re-appointment of Mrs. Kishori Udeshi (DIN: 01344073) as a Non Executive Independent Director of the Company		
7.	To approve payment of remuneration to Mr. Madhavan Menon (DIN: 00008542), Chairman and Managing Director for the remainder term of his office from September 1, 2019 to February 29, 2020		
8.	To consider revision in terms of remuneration of Mr. Mahesh Iyer (DIN: 07560302) Executive Director and Chief Executive Officer		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019

Signature of Member(s) \_\_\_\_\_

Affix  
Revenue  
Stamp

**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
2. For the resolutions, statements setting out material facts, notes and instructions please refer to the notice of Annual General Meeting.
3. \*It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of members and proxies in the above box before submission.