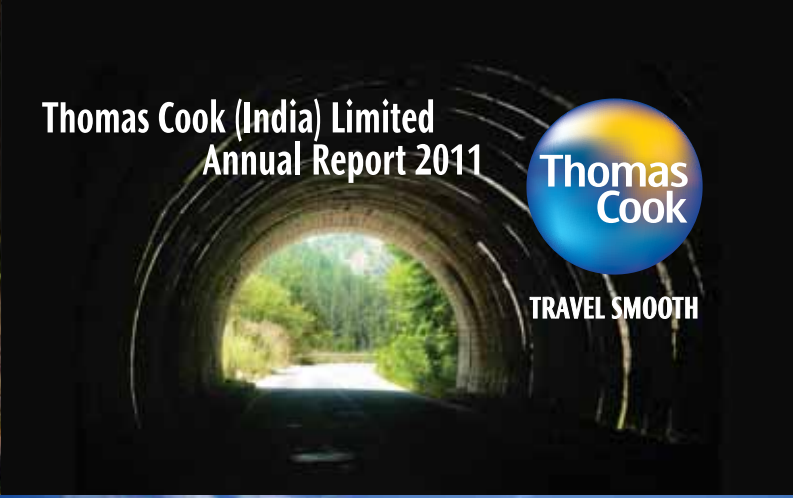




Thomas Cook (India) Limited
Annual Report 2011



TRAVEL SMOOTH



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mahendra Kumar Sharma (Non-Executive Chairman)
Madhavan Menon (Managing Director)
Hoshang Shavaksha Billimoria (Non-Executive Independent Director)
Anant Vishnu Rajwade (Non-Executive Independent Director)
Ramesh Savor (Non-Executive Independent Director)
Krishnan Ramachandran (Non-Executive Independent Director)
Vinayak K. Purohit (Executive Director – Finance)
Rakshit Desai (Executive Director – Foreign Exchange)

COMPANY SECRETARY

R. R. Kenkare (President & Head – Legal & Company Secretary)

AUDITORS:

Lovelock & Lewes

PRINCIPAL BANKERS (in alphabetical order)

Axis Bank Limited
Deutsche Bank
Development Bank of Singapore
HDFC Bank Limited
ICICI Bank Limited
IndusInd Bank Limited
Kotak Mahindra Bank Limited
State Bank of India

REGISTRARS AND SHARE TRANSFER AGENTS:

M/s. TSR Darashaw Limited
6-10, Haji Moosa Patrawala Industrial Estate 20,
Dr. E. Moses Road, Mahalaxmi,
Mumbai – 400 011
Phone: 0091-22-6656 8484
Fax: 0091-22-6656 8494/ 0091-22-6656 8496
Email: csg-unit@tsrdarashaw.com
Website: www.tsrdarashaw.com

REGISTERED OFFICE:

Thomas Cook Building
Dr. D. N. Road, Fort,
Mumbai – 400 001, INDIA
Phone: 0091-22-6609 1700/ 0091-22-6160 3333
Fax: 0091-22-2287 1069/ 0091-22-6609 1454
Email: sharedept@in.thomascook.com
Website: www.thomascook.in

CALL CENTRE:

Toll-Free Nos. (from BSNL & MTNL lines)
1800-20-99-100/ 1800-209-2665
Alternate No. (from any phone): 0091-22-67 68 69 70
Fax: 0091-22-2529 1196
Email: support@thomascook.in
SMS: COOK to 567 6700

Contents	Page No.
Corporate Information	
Directors' Report	1
Annexure to Directors' Report	6
Management Discussion and Analysis Report	9
Report of Directors on Corporate Governance	16
Report of Various Committees of the Board	38
Certificate on Compliance of Corporate Governance.....	41
CEO / CFO Certification and Declaration on Compliance of Code of conduct	42
Thomas Cook (India) Limited Financial Statements	
Auditors' Report	43
Balance Sheet	46
Profit and Loss Account.....	47
Schedules	48
Cash Flow Statement	70
Consolidated Financial Statements	
Auditors' Report	71
Balance Sheet	72
Profit and Loss Account	73
Schedules	74
Cash Flow Statement	92
Information regarding Subsidiary Companies pursuant to Section 212	93
Brief financial details in respect of Subsidiary Companies	94
Consolidated Five Financial Years' Performance.....	95
Thomas Cook Offices.....	96

Members may please note that e-copy of Annual Report 2011 would be sent to those shareholders who have requested to receive an e-copy of Annual Report as part of green initiative undertaken by the Company and the same would also be available on www.thomascook.in

Board of Directors



STANDING LEFT TO RIGHT

Mr. Krishnan Ramachandran, Non-Executive Independent Director

Mr. Vinayak K. Purohit, Executive Director - Finance

Mr. Ramesh Savoor, Non-Executive Independent Director

Mr. Rakshit Desai, Executive Director - Foreign Exchange

SITTING LEFT TO RIGHT

Mr. Hoshang Shavaksha Billimoria, Non-Executive Independent Director

Mr. Madhavan Menon, Managing Director

Mr. Mahendra Kumar Sharma, Non-Executive Chairman

Mr. Anant Vishnu Rajwade, Non-Executive Independent Director

Executive Committee Members



BOTTOM ROW LEFT TO RIGHT

Mr. Madhavan Menon, Managing Director

Mr. Vinayak K. Purohit, Executive Director - Finance

Mr. Debasis Nandy, Senior Vice President - Finance & Contoller

SECOND ROW LEFT TO RIGHT

Dr. D. Prasanth Nair, President & Head - Human Resources & Financial Services

Mr. Madhav Pai, Chief Operating Officer - Leisure Travel (Outbound)

THIRD ROW LEFT TO RIGHT

Mr. Rajeev Kale, Chief Operating Officer - MICE, Domestic, Cruises & Sports Holidays

Mr. Vishal Suri, Chief Operating Officer - Leisure Travel (Inbound)

TOP ROW LEFT TO RIGHT

Mr. R.R. Kenkare, President & Head - Legal & Company Secretary

Mr. Rakshit Desai, Executive Director - Foreign Exchange

Directors' Report

To the Members:

Your Directors have pleasure in presenting the Thirty-fifth Annual Report, together with the Balance Sheet and Profit and Loss Account for the year ended 31st December, 2011.

₹ in Million

	Year ended 31st December, 2011	Year ended 31st December, 2010
Revenues	3491	2792
Profit before Taxation and Exceptional Items	829	532
Exceptional Items	–	100
Profit after Exceptional item and before Tax	829	632
Provision for Taxation	263	209
Provision for Deferred Taxation	7	8
Profit after Taxation	559	415
Transferred from Reserve U/sec. 80 HHD of the Income Tax Act, 1961	–	15
Transferred to General Reserve	56	42
Proposed Dividend *	80	79
Earnings Per Share (Basic) after exceptional items (per equity share of ₹ 1/- each)	2.64	1.96
Earnings Per Share (Diluted) after exceptional items (per equity share of ₹ 1/- each)	2.57	1.91

* Includes preference share dividend

Operations & Results

The year 2011 was challenging to the global and local economies. All industries including Foreign Exchange, Tourism and Travel industry, suffered due to turmoil in North Africa and the Middle East, flooding in Asia, the earthquake and tsunami in Japan, and of course the economic instability that still grips many European countries. Like the previous two years, the year 2011 too witnessed a volatility in Indian Rupee (INR) against all the major currencies.

Economic pressures around the world offered leisure and business travellers plenty of reasons to look for maximum value in their travel spending. Accordingly, travel operators, too, have been battling to deliver superior value to their customers. Despite the constraints faced by worldwide tourism industry, it has shown some resilience and continued to grow.

Despite the economic and other challenges faced, your Company reports an increase in revenue by ₹ 699 million.

Your Company recorded turnover of ₹ 3491 million and profit before tax and exceptional item of ₹ 829 million with profit after tax being ₹ 559 million for the year ended 31st December, 2011. The basic earning per share of the Company is ₹ 2.64.

Thomas Cook Presence

As of December 2011 end, Thomas Cook (India) Limited, along with its subsidiaries, continues to be the largest integrated travel group in India with over 216 locations by way of its own branches, and additional presence by way of Preferred Sales Agents (PSAs) and Franchisee Offices. We have 179 branches located in 78 cities, 150 PSAs and around 110 Gold Circle Partner outlets to have a wider spread and network across the country.

We also have presence in 6 countries outside of India through our representative offices in USA (New York), Spain (Barcelona & Madrid), UK (London), Japan (Tokyo), Germany (Frankfurt) and Nepal (Kathmandu), apart from our subsidiaries in Mauritius and Branch offices in Sri Lanka.

Share Capital Structure

The share capital structure as of 16th February, 2012 is as follows:

Authorised Capital:	Rupees	Rupees
Equity:		
345827060 Equity Shares of ₹ 1/- each	345,827,060	
Preference:		
(i) 114760000 Class 'A' 4.65% Cumulative Non-Convertible Redeemable Preference Shares of ₹ 10/- each	1,147,600,000	
(ii) 355294 Class 'B' 0.001% Cumulative Convertible / Redeemable Preference Shares of ₹ 10/- each	3,552,940	
(iii) 302000 Class 'C' 0.001% Cumulative Convertible / Redeemable Preference Shares of ₹ 10/- each	3,020,000	
(iv) 125000000 1% Cumulative Non-Convertible Redeemable Preference Shares of ₹ 10/- each	1,250,000,000	
		2,750,000,000
Issued, Subscribed and Paid-up Capital:		
Equity:		
212007362 Equity Shares of ₹ 1/- each	212,007,362	
Preference:		
(i) 319765 Class 'B' 0.001% Cumulative Convertible / Redeemable Preference Shares of ₹ 10/- each	3,197,650	
(ii) 271800 Class 'C' 0.001% Cumulative Convertible / Redeemable Preference Shares of ₹ 10/- each	2,718,000	
		217,923,012

Employees Stock Option Plans (ESOPs)

With the objective of motivating and retaining key talent in the organisation and fostering ownership, your Company has framed the Thomas Cook Employees Stock Option Plan 2007 and pursuant to the same, has granted stock options to its employees over the years.

The Company has also introduced the Thomas Cook Save As You Earn Scheme 2010 (SAYE Scheme 2010) with similar objectives with the approval of the shareholders in December, 2010 by means of a Postal Ballot. SAYE Scheme 2010 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 the Company at the predetermined Exercise Price or withdraw the Monthly Savings Contributions alongwith Interest accrued.

During the year 2011, 2,900,000 options were approved for grant under the Thomas Cook Employees Stock Option Plan 2007.

The Recruitment & Remuneration Committee administers and monitors the schemes. The applicable disclosures under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("the Guidelines") are mentioned in the Annexure to the Directors' Report.

The senior managerial personnel and five other employees have received options exceeding 5% of the value of the options issued during the year ending December, 2011. During the year, no employee has been issued share options equal to or exceeding 1% of the issued capital of the Company at the time of grant.

Dividend

Your Directors recommend dividend on the Class 'B' & Class 'C' Preference shares as per their terms, i.e. 0.001% (₹ 0.0001 per share of ₹ 10/- each) on the preference shares respectively. The Directors are also pleased to recommend a dividend of 37.5% (₹ 0.375 per share of ₹ 1/- each) on the equity share capital.

The proposed dividend on the equity capital and preference capital absorbs ₹ 79.5 million for dividend & ₹ 12 million for Dividend Tax. The Board seeks the approval of the shareholders to the dividend recommended on the preference and equity share capital as is outstanding on the date of book closure/ record date.

General Reserve

Your Directors have resolved to transfer ₹ 56 million to General Reserve out of the profits of the Company. With the transfer, the total reserves stand at ₹ 3328 million as at 31st December 2011.

Directors' Responsibility Statement

The Directors would like to assure the Members that the financial statements for the year under review conform in their entirety to the requirements of the Companies Act, 1956 pursuant to Section 217 (2AA) and that:

1. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. the Directors have selected such accounting policies and applied them consistently except where otherwise stated in the notes to the accounts and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for that period;
3. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities. The internal auditors have conducted periodic audits to provide reasonable assurances that established policies and procedures of the Company have been followed. However, it must be recognised that there are inherent limitations in weighing the assurances provided by any system on internal controls;
4. the Directors have prepared the annual accounts on a going concern basis.

Promoters

Thomas Cook Group plc

Thomas Cook Group plc is a leading international leisure travel group, created by the merger of MyTravel Group plc and Thomas Cook AG in June 2007. Thomas Cook Group plc is a fully listed company on the London Stock Exchange.

Thomas Cook (India) Limited is a part of Thomas Cook Group. It remains as a subsidiary of TCIM Limited, an unlisted private company, incorporated under the laws of England and Wales having its Registered Office at Peterborough, England, U.K. and holding 55.72% of the post ESOP Issue paid-up equity share capital of the Company. Thomas Cook UK Limited (TCUK) apart from holding 21.39% of the post ESOP Issue paid-up equity share capital of the Company, also holds 100% holding in TCIM Limited. Thus, TCUK indirectly holds 77.11% of the present paid-up equity share capital of the Company. As on date, the promoters have pledged their entire holding of 77.11%.

Thomas Cook (India) Limited

Operations in India [including subsidiaries]

Your Company continues to be the market leader in forex during 2011, with a range of products and services for offering. Consolidation of businesses across the company and its subsidiaries continued through 2011.

The year 2011 too like the previous two years witnessed a volatility in Indian Rupee (INR) Vs all the major currencies (Vs USD 24%, GBP 22% and EURO 23%). The year 2011 saw INR at its life time low at 54.30. Global sentiments due to the European economic crisis and the subsequent pulling back of Foreign Institutional Investors inflows coupled with the economic challenges on the domestic front led to the weakening of Rupee. During this period, various forex players witnessed a surge in the currency purchase and consequently bulk volumes increased due to INR weakening.

Your Company took various initiatives during the year 2011 such as network expansion, investment in marketing and visibility of products offered, product innovations, new corporate customers etc. To delight the customers, the Company took various initiatives on improving customer service and training the employees on various skills. We have moved our vision from being a sole travel insurance provider to introducing other personal lines of insurances like Motor, Health, Personal Accident, etc.

During the year, the insurance arm of your Company changed its principal insurer from Tata AIG General Insurance Company Limited to Bajaj Allianz General Insurance Company Limited (BAGIC). We are working with BAGIC to come up with innovative and more products to suit the requirements of the captive and other customer base.

Your Company launched an array of new products to meet all budgets thereby meeting the growing demands of the consumers. The new products were targeted at new destinations and new customer segments. Your Company also expanded its distribution network by opening several new stores and appointing new franchisees across the country. A new and radical marketing campaign has been unveiled – 'Travel Smooth' – emphasizing the unique positioning of your Company in its ability to offer all travel related services under one roof. This marketing campaign has been designed to alleviate pain points encountered by travelers- pre, during and post trip. The Company has launched new television commercials as part of the same.

Despite the constraints like recessionary conditions in the source markets, the demand in the leisure inbound holiday space was at same level compared to last year. Your Company launched new products like PURE to meet the growing demands of the inbound luxury consumers. Continued negotiation with suppliers helped the company to protect the margins. Costs were kept under a tight control with several initiatives being taken to boost productivity. Your Company had restructured the Inbound sales & operational structures to focus on acquisition to new business and rework positively on existing relationships with business partners to bring sales & revenue growth.

MICE business has witnessed an overall growth with strong focus on Auto and Paint Industries. Pharma market was tapped and overseas medical conventions were managed on a large scale.

Visa and Passport Business, the three-year old vertical of your Company with over 0.14 million transactions in the year is growing from strength to strength. Apart from catering to the Travel Businesses of your Company, it has added direct external customers for their visa, passport and ancillary services [Attestations, Legalization, Apostille, Translation, Notarization of documents, Foreigners Regional Registration Office (FRRO) registration/ visa extension/ exit permit, procures People of Indian Origin (PIO) / Overseas Citizen of India (OCI) cards]. Additionally, your Company has tied up with attorneys to service the long-term immigration visas/ work permits required by corporates for their projects abroad to move their resources to these countries.

With the increasing awareness of internet and the convenience it offers, a large number of consumers are adopting the online medium for research as well as purchase of travel & travel related services. E-Business continues to be a focus area for growth for Thomas Cook and we have invested in the past one year on building our online capabilities. Last year, we introduced our domestic hotels & holidays products for sale on the website, which received a good response.

Operations in Mauritius

Mauritius has been facing a reverse situation of appreciating currency and thus impacting the foreign exchange business. With a mismatch of having bulk of its revenue in EURO and payments inversely in USD, Mauritius is faced with the negative consequences of a depreciating EURO of 11.7% for the year.

Thomas Cook Mauritius has consolidated all its operations, controls have been beefed up, processes have been strengthened to cater for the future expansion plans of the organization. The company has embarked on a major process restructuring and cost rationalization.

This year, targets are expected to be achieved through the operational strategies developed despite regulatory tightening.

Operations in Sri Lanka Branch

Post the end of 30 years old conflict, Sri Lanka economy is reflecting the recovery and a high and sustainable growth path. Peaceful domestic environment, political stability and favourable economic conditions have helped all key sectors to grow, including Tourism. Tourism has been showing impressive performance and the Inflow of tourists in Sri Lanka has been growing at a high pace.

The branch office of your Company in Sri Lanka offers foreign exchange services from the arrival and departure lounge of the Bandaranaike International Airport, Colombo. Your Company's business in Sri Lanka is also growing on the lines of the industry's growth.

To capitalize on the above growth story, your Company has initiated a process to incorporate a Wholly Owned Subsidiary in Sri Lanka to take over the branch business. Incorporation of Wholly Owned Subsidiary, on the one hand will help your Company in expediting the expansion of its operations by opening branches in Colombo city and also various other cities across the Island under the separate subsidiary, and on the other hand it will help your Company to offer other travel product & services in the market, mainly Inbound and Outbound tours as and when the approvals are received from the regulatory authorities.

Awards/ Accolades and Ratings

Thomas Cook (India) Limited has been the recipient of the following highly prestigious awards/ accolades in 2011:

- Most Trusted Tour Operator – at the Times Travel Honours Awards 2011
- Best Company Providing Foreign Exchange – at the CNBC AWAAZ Travel Award 2011- for the third year in a row.
- Specialist Tour Operator – at the Condé Nast Traveller Readers' Travel Awards 2011.
- Recognized as a Superbrand 2011-2012 – by the consumers for excellence in travel services.
- Brand Trust Report™, India Study, 2012, ranked Thomas Cook (India) Limited as 'The most Trusted Brand in Services'.

CRISIL has assigned A1+ and AA- rating for Thomas Cook (India) Ltd.

CRISIL has reaffirmed Thomas Cook (India) Limited with the 'CRISIL A1+' for the ₹ 1500 million Commercial Paper and the ₹2365 million Short term loan and Bank Guarantee programmes. It has also retained the CRISIL AA-'rating for the ₹ 2185 million cash credit and long term programme.

A rating of A1+ signifies the highest degree of safety regarding timely payment of financial obligations; such instruments carry the lowest credit risk. Instruments with the CRISIL AA- rating are considered to have high degree of safety regarding timely servicing of financial obligations, and carry very low credit risk.

Directors

In accordance with Article 131 of the Articles of Association of the Company, Mr. H. S. Billimoria and Mr. Vinayak K. Purohit, retire by rotation and being eligible, offer themselves for re-appointment to the Board.

Mr. Rakshit Desai was re-appointed as the Executive Director – Foreign Exchange of the Company for a period of one year with effect from 25th November, 2011 and Mr. Madhavan Menon was re-appointed as the Managing Director of the Company for a period of three years with effect from 1st March, 2012 subject to shareholders' approval and such other approvals including that of the Central Government, and other applicable authority(ies), if any, as may be required.

The service agreement of Mr. Vinayak K. Purohit was varied during the period subject to shareholders' approval and such other approvals including that of the Central Government, and other applicable authority(ies), if any, as may be required.

The above appointments, re-appointments and variation form part of the Notice of the Thirty-fifth Annual General Meeting and the relevant Resolutions are recommended for your approval.

Profiles of these Directors, as required by the Listing Agreement provisions, are given in the Corporate Governance Report forming part of this Annual Report.

Auditors

M/s. Lovelock & Lewes, Chartered Accountants, Firm Registration No.301056E, Auditors of the Company who retire at the forthcoming Annual General Meeting are eligible for re-appointment and have expressed their willingness to accept office, if re-appointed. They have given a certificate to the effect that the re-appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956. Your Directors recommend their re-appointment.

M/s. PricewaterhouseCoopers, Chartered Accountants, Colombo, Sri Lanka, Firm Registration No. W4179, are recommended for re-appointment as Branch Auditors of the Sri Lanka Branch of the Company.

Subsidiary Companies

Pursuant to the provisions of Section 212 of the Companies Act, 1956, the Ministry of Corporate Affairs vide its circular dated February 8th, 2011, has granted general exemption from attaching the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies with the Balance Sheet of the Company. Accordingly, the said documents are not being attached with the Balance Sheet of the Company. A statement containing brief financial details of the Company's Subsidiaries is contained elsewhere in the Annual Report. The annual accounts of these subsidiaries and the related detailed information will be made available to any member of the Company/ its subsidiaries seeking such information at any point of time and are also available for inspection by any member of the Company/its subsidiaries at the registered office of the Company and that of the respective subsidiary companies. The Company shall furnish a copy of details of annual accounts of subsidiaries to any member on demand.

Further, TC Visa Services (India) Limited, a step-down subsidiary of the Company, incorporated on 30th August, 2011, is not considered for the purposes of consolidation nor are the prescribed particulars disclosed in the statement aforesaid due to the fact that the said company is yet to hold its statutory meeting and conclude its first financial year.

Particulars regarding conservation of energy, technology absorption and foreign exchange earnings and expenditure

Your Company being in the Tourism hospitality industry, its activities do not involve in any expenditure on Technology and Research and Development and therefore, the other particulars in the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not required to be submitted.

During the year, the foreign exchange earnings (on a standalone basis) amounted to ₹ 610 million, whereas, the Company has incurred ₹ 104 million as expenditure in foreign currencies towards interest, bank charges, licence fees, professional fees, as well as travelling for promotional activities, subscriptions, etc., as disclosed in Schedule Q Note 2(h) and 2 (f) in the Notes to the accounts.

During the year, Travel Corporation (India) Limited, a subsidiary, also earned Foreign Exchange amounting to ₹ 1120 million and incurred ₹ 44.2 million towards salary, legal & professional fees, travelling, etc. including expenditure incurred by foreign branches.

Fixed Deposits

Your Company has not accepted deposits from the Public within the meaning of Section 58A of the Companies Act, 1956 and as such

no amount principal or interest was outstanding on the date of the Balance Sheet.

Listing of Shares

Your Company is listed on two Stock Exchanges in India viz. BSE Limited, Mumbai and National Stock Exchange of India Limited, Mumbai. The Company has paid the Listing Fees to both the Stock Exchanges for the Financial Year 2011-2012.

Employees

Relations with the employees continued to be cordial throughout the year. Your Directors place on record their appreciation of the efforts, dedication, commendable teamwork and exemplary contribution of the employees in the various initiatives of the Company and contributing to the performance of the Company during the year under review.

Special mention needs to be made of the co-operation received from the Employees' Unions of Thomas Cook (India) Limited and Travel Corporation (India) Limited.

Information pursuant to Section 217(2A) of the Companies Act, 1956

The particulars required under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, forms part of this Report and have been annexed herewith.

Corporate Governance

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 it is listed. The Management Discussion and Analysis Report forms part of this Annual Report.

For the year ended 31st December, 2011, your Company has complied with the requirements of Clause 49 of the Listing Agreement 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 attached to this report.

Acknowledgments

Your Directors thank all the Shareholders, Customers, Vendors for their continued support throughout the year. We also thank Reserve Bank of India and other Banks, Ministry of Tourism, Financial Institutions, Government of India, State Governments, and other Government agencies for the support extended by them and also look forward to their continued support in future.

Your Directors also wish to place on record their appreciation of the contribution made by the Company's employees at all levels but for whose hard work, solidarity and support your Company's consistent growth would not have been even possible.

FOR AND ON BEHALF OF THE BOARD

MADHAVAN MENON
Managing Director

VINAYAK K. PUROHIT
Executive Director - Finance

Mumbai,

Dated: 16th February, 2012

Annexure to the Directors' Report

Information as required under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 and forming part of Directors' Report for the year ended 31st December, 2011

Sr. No.	Title Name	Age	Designation	Remuneration	Nature of Duties	Qualification	Total Experience	Date of joining	Last Employment
1	Mr. Desai Rakshit	36	Executive Director - Foreign Exchange	28,762,863	Overall responsibility for the growth and operations of the Foreign Exchange Business of the Company and is also responsible for marketing function.	MBA - International Business, M.Sc. - Economics, PWE	12	25-Nov-08	Thomas Cook Group plc (UK)
2	Mr. Kenkare Rambhau R.	46	President & Head - Legal and Company Secretary	9,710,318	Compliance for the Indian Operations and subsidiaries including IOR countries; Secretary - Board, Audit Committee, Share Transfer & Shareholders Investors Grievance Committee, Sub Committee; OMBUDSPERSON: Whistle Blower Policy, Fraud & Theft Reporting Policy; Compliance Officer : Corporate Governance, Prevention of Insider Trading Policy. Head of Compliance: Anti Money Laundering Guidelines. Overseeing The VISA & Passport Services Business.	B. Com, L.L.B, F.C.S, A.C.I.S.(UK), M.I.C.A.	23	1-Dec-98	Blue Dart Express Limited
3	Mr. Menon Madhavan	57	Managing Director	19,044,969	Overall responsibility for the operations and financial performance of the Company's operations in India as well as the performance of subsidiaries in India and IOR countries.	B.A. (Business) - George Washington University, USA, MBA (Fin. & Intl. Business) - George Washington University, USA	32	2-May-00	Birla Sun Life Asset Management Company (AMC) Ltd.
4	Dr. Nair Prasanth	41	President & Head - Human Resources and Financial Services	7,474,076	Responsible for the Human Resources Function and Financial Services Business	B.Tech., Fellow Programme in Management (Doctoral Programme, IIM Ahmedabad)	14	9-May-05	Wockhardt Limited
5	Mr. Nandy Debasis	46	Senior Vice President - Finance & Controller	7,208,341	Responsible for the Finance and Accounts Function of the Company in India, as also of its subsidiaries in India and abroad	B.Com, A.C.A.	24	14-Nov-08	Piramal Healthcare Limited
6	Mr. Pai Madhav	50	Chief Operating Officer - Leisure Travel (Outbound)	8,121,981	Responsible for all India & International Sales, Products, Operations, Contracting Airlines and Tour Management GIT, FIT, Adhoc & Indulgence for the Leisure Travel (Outbound) business	B.A., Hotel Management	28	1-Sep-09	SOTC Tours & Travels
7	Mr. Pandey Amitabh	54	President & Head - E-Business	6,809,988	Responsible for conceptualising and implementing the E-Business strategy for the Company, creating thereby, a new business channel resulting in overall growth of business. Also responsible for developing application software for the GIT/ FIT/ MICE/ Insurance/ Visa/ COL and Corporate travel businesses.	M.A. (Economics), B.A Hons (Economics)	30	1-Jun-07	IRCTC Limited, Ministry of Railways, Govt. of India
8	Mr. Purohit Vinayak K	56	Executive Director - Finance	16,376,616	Overall responsibility for Finance, Accounting, Taxation and Administration functions of the Company and its Subsidiaries. Also responsible for the Mauritius operations.	B.Com., A.C.A.	31	14-May-07	HT Media Limited
9	Mr. Suri Vishal** #	44	Chief Operating Officer - Leisure Travel (Inbound)	4,320,783	Responsible for Sales, Products, Operations and Contracting for both Charter and non Charter parts of the Leisure Travel (Inbound) business	B.E.- Electrical, MSP	22	7-Nov-05	Bharti Tele-Ventures Limited

Notes:

1. The nature of employment of Directors is contractual.
2. Remuneration as shown above includes Salary, Bonus, Commission, House Rent Allowance, Company's contribution to Provident Fund and other funds and expenditure incurred by the Company on Housing, Car, Electricity, Water, Gas, Medical and Leave Travel Allowance and other allowances, wherever applicable. Wherever the actual costs are not ascertainable, monetary value of those perquisites as per Income-tax Rules, 1962 has been considered.
3. Gratuity is contributed for the Company as a whole and hence excluded.
4. None of the employees mentioned above is a relative of any Director of the Company.
5. ** Employed for part of the year and in receipt of remuneration aggregating to Rs. 5,00,000/- per month or more.
6. # Seconded to Travel Corporation (India) Limited with effect from 29th April, 2011.

MADHAVAN MENON — Managing Director
VINAYAK K. PUROHIT — Executive Director - Finance

Mumbai
Dated: 16th February, 2012

Annexure to the Directors' Report

Disclosure under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 for the year ended 31st December, 2011

Sr. No.	Particulars	Thomas Cook Employees Stock Option Plan 2007 (ESOP Scheme 2007)					Thomas Cook Save As You Earn Scheme 2010 (SAYE Scheme 2010)
		Granted on 25th July 2007	Granted on 10th July 2008	Granted on 20th March 2009	Granted on 27th May 2010	Granted on 17th February 2011	Granted on 14th December 2010
1.	Options Granted and Accepted	1104125	1240000	2068725	991313	1397825	# 1020310
2.	Pricing Formula	95% of the closing market price on that exchange where higher shares are traded	95% of the closing market price on that exchange where higher shares are traded	95% of the closing market price on that exchange where higher shares are traded	90% of the closing market price on that exchange where higher shares are traded	90% of the closing market price on that exchange where higher shares are traded	90% of the closing market price on that exchange where higher shares are traded
3.	Exercise Price (₹)	61.89	77.62	30.31	52.74	47.57	50.40
4.	Options Vested and exercisable *	617000	770500	* 692084	* 330438	None vested	None vested
5.	Options Exercised	113540	Nil	460793	Nil	Nil	Nil
6.	Total number of Ordinary Shares arising as a result of exercise of Options	113540	Nil	460793	Nil	Nil	Nil
7.	Options Lapsed/ Forfeited/ Cancelled (doesn't include options not accepted)	373585	469500	339410	Nil	Nil	# 140816
8.	Variations of terms of Options	The ESOP Scheme 2007 was amended vide Postal Ballot Notice dated 21st August, 2007 and approved on 12th October, 2007, for the purposes of recovering the Fringe Benefit Tax (FBT) from the employees and varying certain terms of the Scheme according to SEBI guidelines		None	The ESOP Scheme 2007 was amended at the AGM held on 12th May, 2010, for the purposes of changing the pricing formula so that the discount to the employees for future grants is 10% instead of 5% of the closing market price according to SEBI guidelines		None
9.	Money realised by exercise of the Options (in Rs. Ps.)	7,026,990.60	N.A.	13,966,635.83	N.A.	N.A.	N.A.
10.	Total number of Options in force (vested + Unvested)	617000	770500	1268522	991313	1397825	879494

Notes: # Since the interest percentage rate has increased from 8.25% to 9.25%, the number of options granted and accepted and those lapsed/ forfeited/ cancelled have changed to 1042771 and 163277 respectively.

* These figures have changed to 736499 & 330403 respectively after adjustments / rounding off.

Other Particulars	Thomas Cook Employees Stock Option Plan 2007 (ESOP Scheme 2007)
11. i) Details of Options granted to senior managerial personnel	Appendix – A
ii) Any other employee who receives in any One Year of grant of Options amounting to 5% or more of Options granted during that Year	Appendix – B
iii) Identified employees, who were granted Options, during any One Year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of the grant	None
12. Diluted Earning Per Share (EPS) calculated in accordance with Accounting Standard 20 issued by ICAI for the year ended December 31, 2011	₹ 2.57
13. Employee Compensation Cost & EPS	
i) Method of calculation of employee compensation cost	Intrinsic Value Method
ii) Difference between the employee compensation cost so computed at (i) above and the employee compensation cost that shall have been recognized if fair value of Options had been used	(Rupees) Reported Profits: 559,122,093 Add: Intrinsic Value: 9,171,293
iii) The impact of difference on profits and EPS of the Company for the year ended December 31, 2011 had fair value Options had been used for accounting Employee Options	Less: Fair Value: (30,155,063) Adjusted Profits: 538,138,323 Reported Basic EPS: 2.64 Adjusted Basic EPS: 2.54 Reported Diluted EPS: 2.57 Adjusted Diluted EPS: 2.47
14. Weighted Average exercise price of options granted during the year is less than market price of stock on the grant date and is:	₹ 47.57
15. Weighted Average Fair Values of options granted during the year is:	₹ 31.05
16. A description of method and significant assumptions used during the year to estimate the fair value of Options granted during the year	
The fair value of options has been calculated by using Black Schole's Method. The assumptions used in the above are:	
1) Risk free Interest Rate	7.97% - 8.03%
2) Expected Life	5.50 - 6.51 years
3) Expected Volatility based on daily closing Market Price	53.43% - 50.32%
4) Expected Dividend Yield	0.70%
5) The price of underlying share in the market at the time of grant	₹ 52.85

Appendix – A

Details of options granted to and accepted by Senior Managerial Personnel

Sr. No.	Name of Senior Managerial Personnel	Designation	ESOP Scheme 2007	
			No. of Options granted and accepted in 2011	
1	Mr. Madhavan Menon	Managing Director		–
2	Mr. Vinayak K. Purohit	Executive Director – Finance		–
3	Mr. Rakshit Desai	Executive Director – Foreign Exchange		–
4	Mr. R. R. Kenkare	President & Head – Legal & Company Secretary		175000
5	Mr. Amitabh Pandey	President & Head – E-Business		150000
6	Dr. D. Prasanth Nair	President & Head – Human Resources & Financial Services		175000
TOTAL				500000

Appendix – B

Employees, apart from Senior Managerial Personnel, who received grants of Options amounting to 5% or more of Options granted and accepted during a year under ESOP Scheme 2007

Sr. No.	Name of Employee	Designation	Options offered in 2011	Percentage of options offered in 2011	Options offered in 2010	Percentage of options offered in 2010	Options offered in 2009	Percentage of options offered in 2009	Options offered in 2008	Percentage of options offered in 2008
1	Mr. Vishal Suri	Chief Operating Officer – Leisure Travel (Inbound)	175000	12.52%	147825	14.91%	–	–	73000	5.16%
2	Mr. Anil Srinivasan	Chief Operating Officer - Visa and Passport Services & Sri Lankan Operations	125000	8.94%	–	–	–	–	–	–
3	Mr. Madhav Pai	COO - Leisure Travel (Outbound)	322825	23.09%	–	–	–	–	–	–
4	Mr. Rajeev Kale	COO - MICE, Domestic, Sports & Cruise Holidays	150000	10.73%	–	–	–	–	–	–
5	Mr. Debasis Nandy	Senior Vice President - Finance & Controller	75000	7.57%	75000	7.57%	–	–	–	–
6	Mr. Sunit Suri *	Chief Operating Officer – Leisure Travel (Inbound)	–	–	–	–	122850	5.60%	78000	5.52%
TOTAL			847825		222825		122850		151000	

*Resigned

Notes: 1. There were no employees who received in 2007, grants of Options amounting to 5% or more of Options granted during 2007 under ESOP Scheme 2007
 2. There were no employees who received in 2010, grants of Options amounting to 5% or more of Options granted during 2010 under SAYE Scheme 2010

FOR AND ON BEHALF OF THE BOARD

MADHAVAN MENON - Managing Director
 VINAYAK K. PUROHIT - Executive Director - Finance

Mumbai

Dated: 16th February, 2012

The Management Discussion and Analysis Report

TRAVEL AND TOURISM INDUSTRY OVERVIEW

Travel & Tourism is a truly global economic activity – one which takes place in destinations across the world, from leading capital cities and smaller towns and villages in rural and coastal areas, to some of the remotest points on the planet. It is one of the world's largest industries, or economic sectors, contributing trillions of dollars annually to the global economy, creating jobs and wealth, generating exports, boosting taxes and stimulating capital investment. For the year 2011, the World Travel & Tourism Council's (WTTC's) expectation on contribution to the global economy is almost USD 6 trillion, or 9% of global gross domestic product (GDP).

The impacts of Travel & Tourism run deep into our economies. It is not just about the money visitors spend on travel, accommodation, activities and souvenirs – visitor exports – which, is expected to exceed USD 1.2 trillion around the world. But, by its very nature, the industry stimulates the engagement and collaboration of communities, tourists, governments, local suppliers and businesses throughout the supply chain.

Nearly 260 million jobs worldwide are supported by Travel & Tourism – either directly in the industry or in related sectors. And these jobs are vital not only for the livelihoods of those employed, but also for their families and the wider communities in host destinations.

The rapid rise in global demand for Travel & Tourism over the past few decades has been spurred by the rise in living standards, in turn fuelled by growing wealth, coupled with the increased affordability of air travel through no-frills airlines/ low cost carriers. According to the United Nations World Tourism Organization (UNWTO), international arrivals worldwide have more than doubled since 1990, rising from 435 million to 675 million in 2000, and to 940 million in 2010. And these figures do not take account of domestic tourism which, by all accounts, generates up to ten times more arrivals than international tourism. Emerging economies will regain the lead with stronger growth in Asia and the Pacific and Africa (4%-6%), followed by the Americas and Europe (2%-4%). The Middle East (0%-5%) is forecast to start to recover part of its losses from 2011. [Source: Report 2011 by World Travel & Tourism Council (WTTC) and UNWTO World Tourism Barometer]

Despite a whole host of challenges over the past decade – from terrorist attacks and health scares to natural disasters – international

Travel & Tourism demand has shown phenomenal growth. And, while we will no doubt continue to face numerous, and unexpected, challenges in the future, our forecasts – as well as those of economic and industry experts generally – point to a further surge in demand over the coming decade, with competition intensifying to capture a share of the fast growing emerging markets.

INDIAN TRAVEL, TOURISM AND FOREIGN EXCHANGE INDUSTRY

The travel and tourism industry in India is changing dramatically and is transforming into one of the most challenging sectors. This industry is affected by numerous entities such as transport bodies, regulatory bodies, the hotel industry and other players who participate in a variety of functions. These would include the roles of travel agents, travel suppliers, etc. Thus the entire industry is affected by a plethora of players. Each brings with it its own dynamics that affect the tourism industry as a whole. Every industry has regulatory bodies that oversee the activities of the sector and the rules and regulations of such authorities have a direct impact on the fortunes of the sector. Besides, political instability, terrorism, crime rates and other such scenarios have a negative correlation with the volumes in the industry. Other players that are part of the industry include insurance firms, internet service providers etc.

Domestic travel spending for 2011 (estimated) is USD 73 billion contributing over 83% of total revenues earned by the tourism sector. (Source: WTTC, Aranca Research)

Foreign Tourist Arrivals (FTAs) in India during 2011 were 6.29 million with a growth rate of 8.9% as compared to the FTAs of 5.78 million with a growth of 11.8% during the year 2010 over 2009. The 8.9% growth rate in FTAs for 2011 over 2010 for India is much better than UNWTO's projected growth rate of 4% to 5% for the world during the same period. Foreign Exchange Earnings from tourism (FEE) in Rupee terms during 2011 were ₹ 77,591 crore with a growth rate of 19.6%, as compared to FEE of ₹ 64,889 crore with a growth rate of 18.1% during 2010 over 2009. FEE from tourism in terms of USD during 2011 were USD 16,564 million with a growth of 16.7% as compared to USD 14,193 million with a growth of 24.6% during the year 2010 over 2009.

A statement giving Foreign Tourist Arrivals in India and Foreign Exchange Earnings from tourism for the last ten years i.e. 2002 to 2011 are given below:

Foreign Tourist Arrivals and estimated Foreign Exchange Earnings during the years 2002-2011

Year	Foreign Tourist Arrivals (in million nos.)	Percentage Change Over Previous Year	Estimated Foreign Exchange Earnings (₹ in Crore)	Percentage Change Over Previous Year	Estimated Foreign Exchange (in Million US\$)	Percentage Change Over Previous Year
2002	2.38	-6.0	15064	-0.1	3103	-3.0
2003	2.73	14.3	20729	37.6	4463	43.8
2004	3.46	26.8	27944	34.8	6170	38.2
2005	3.92	13.3	33123	18.5	7493	21.4
2006	4.45	13.5	39025	17.8	8634	15.2
2007	5.08	14.3	44360	13.7	10729	24.3
2008	5.28	4.0	50730	14.4	11747	9.5
2009	5.17	-2.1	54960	8.3	11394	-3.0
2010	5.78*	11.8*	64889#	18.1#	14193#	24.6#
2011	6.29@	8.9@	77591#	19.6#	16564#	16.7#

* Revised @ Estimated # Advanced Estimates

(Source: Market Research Division of the Ministry of Tourism)

SPECIAL GOVERNMENT INITIATIVES

The reform measures and policy initiatives taken by the Ministry of Tourism in the areas of public private partnerships, alternate delivery mechanisms, social and gender empowerment processes, greater decentralization and transparency are as follows:

- In order to give greater impetus to development and promotion of tourism through public private partnership, a National Tourism / Advisory Council which includes officials of various Ministries and Departments concerning tourism and experts in the field of travel and tourism management from private industry continues to play its advisory role for the important aspects.
- For promotion of MICE (Meetings, Incentives, Conventions and Exhibitions) the Ministry of Tourism has decided to provide assistance for construction of one convention centre at any well connected and accessible tourist destination in each State/UT.
- For opening up of destinations in inaccessible remote areas, the Ministry of Tourism has decided to provide assistance for construction of heliports.
- The Ministry is taking initiatives for development of nationally and internationally important destinations and circuits through Mega Projects. To date 38 mega projects have been identified and of these 23 projects have been sanctioned. Efforts are being made for convergence with JNNURM (Jawaharlal Nehru National Urban Renewal Mission, a massive city modernisation scheme launched by the Government of India under Ministry of Urban Development, as a programme meant to improve the quality of life and infrastructure in the cities) and development programmes/projects of other Ministries.
- The Ministry of Tourism is focusing on development of infrastructure in the identified destinations and circuits all over the country with due focus on North Eastern Region and Jammu & Kashmir. The new emerging areas like Rural Tourism, Heritage Tourism, Eco-Tourism and Wellness Tourism are getting priority under this scheme.
- The Ministry of Tourism is continuing its efforts for providing assistance to tourism infrastructure in rural areas including capacity building of rural inhabitants to ensure development of rural tourism products, which fall on the way to well-known tourist circuits in the country. The aim of this initiative is to ensure social and gender empowerment and greater decentralization for the tourism products in the country.

(Source: Outcome of Budget 2011-12, Ministry of Tourism)

PRESENT SCENARIO

India's GDP growth for 2011-12 is estimated to be lower than the previous period. The Reserve Bank of India has cut the baseline projection of GDP growth for the year 2011-12 from 7.6 per cent to 7.0 per cent in the wake of the increase in global uncertainty, weak industrial growth, and slowdown in investment activity and deceleration in the resource flow to the commercial sector. *(Source: RBI website).*

The year 2011 witnessed rupee depreciation against major currencies. Net FII inflows turned negative from ₹ 1796.7 billion in 2010 to ₹ 393.5 billion in 2011 *(Source: SEBI website).*

The national Indices, BSE SENSEX and NSE S&P CNX NIFTY, decreased

from 20,509.09 and 6134.50 at the beginning of the year to 15,454.92 and 4624.30 points respectively *(Source: BSE & NSE websites).*

FINANCIAL SERVICES

Forex market in India is a regulated market and volumes are closely tied up to Dollar-Rupee exchange rate.

Your Company is the market leader in forex and offers various services like currency exchange, money transfer, remittance, Travelers cheques, pay orders, wire transfers and pre-paid cards. It caters to the forex needs across various segments of customers such as business travelers, leisure outbound travelers, travelers for migration, employment and medical treatment, students travelling abroad for studies, inbound tourists, persons who want to remit money overseas for maintenance of family and relatives residing abroad, banks, non bank retailers and money changers.

Your Company remains as one of the largest exporters in the world for currency notes. It also imports currency notes to fulfil the demand for certain South East Asian currencies in the country. It handles majority of India's foreign currency bank notes. It has a largest distribution of 174 locations in 77 cities amongst the forex players in the country.

The year 2011 too like the previous two years witnessed a volatility in Indian Rupee (INR) Vs all the major currencies (Vs USD 24%, GBP 22% and EURO 23%). The year 2011 saw INR at its life time low at 54.30. Global sentiments due to the European economic crisis and the subsequent pulling back of Foreign Institutional investors inflows coupled with the economic challenges on the domestic front led to the weakening of Rupee. During this period various forex players witnessed a surge in the currency purchase and consequently bulk volumes increased due to INR weakening.

On the retail side, there was a moderate rise in demand of foreign exchange by corporate. They remained cautious in spending monies on overseas travel due to challenging economic environment both in India and in European and USA markets. Students who travel to UK and Australia for higher studies witnessed a reduction due to stringent visa norms as well as racial attacks. Leisure outbound travellers segment witnessed a surge in demand for overseas holidays in 2011.

Your Company took various initiatives during the year 2011 such as network expansion, investment in marketing and visibility of products offered, product innovations, new corporate customers etc. To delight the customers, the Company took various initiatives on improving customer service and training the employees on various skills.

Overall, your Company handled 1.6 million transactions in 2011 representing a growth 17% over 2010 for all the customers. The Company continued its focus on margin and cost management during the year.

In addition to the above, your Company strengthened its inward remittance business. According to the latest issue of the World Bank's 'Migration and Development Brief', released on December 1, 2011, India is expected to receive USD 58 billion this year and expected to remain the top recipient for the fourth consecutive year. Company took advantage of this boom and increased the distribution channels. It has appointed State Bank of India, a largest public sector bank in India as a sub-agent to MoneyGram which will enable their huge network of about 13,000 branches to receive the inward remittance. Your Company for the third year in a row won the "Best Forex Company" award by CNBC Awaaz.

The Company is focusing on retail side of the business where the demand is relatively indifferent to the foreign exchange rate fluctuation. Product innovation, network expansion, acquisition of new customers, investment for higher visibility of products offered, increasing the distribution channels, efficiency improvement, cost reduction etc. are some of the key initiatives which are lined up for 2012.

Volatility in exchange rate, increasingly stringent compliance requirements, dearth of skilled manpower, rising inflation, adverse economic conditions are some key external factors that could impact the business adversely. However, the Company is exploring every possible avenue to mitigate these risks.

Mauritius Rupee continues to strengthen against USD and EURO and volumes are affected adversely due to this.

Thomas Cook Mauritius has consolidated all its operations, controls have been beefed up, processes have been strengthened to cater for the future expansion plans of the organization. Company is focusing on cost rationalisation to improve the efficiency further.

Post the end of 30 years old political conflict, Sri Lanka economy is reflecting the recovery. Peaceful domestic environment, political stability and favorable economic conditions have helped all key sectors to grow, including Tourism. Tourism has been showing impressive performance and the Inflow of tourists in Sri Lanka has been growing at a high pace.

The branch office of your Company in Sri Lanka offers foreign exchange services from the arrival and departure lounge of the Bandaranaike International Airport, Colombo (BIA). During the year 2011 Company managed to win the counters that have better visibility at the airport. The financial performance of the Sri Lanka branch has significantly improved in accordance with the economy growth and various initiatives taken by the Company.

Your Company has taken up various initiatives to grow the business further and plans to open shops in the city of Colombo and expand into tour and travel related service.

INSURANCE BUSINESS

According to data released by the Insurance Regulatory and Development Authority (IRDA), the General Insurance industry recorded a growth of 22.98% year-on-year (y-o-y) in gross premium underwritten during April–October 2011.

The General Insurance industry collected gross premium of INR 42,567 crore during April–March 2011 compared to INR 34,620 crore in the same period last year.

The public sector players posted 18.82% y-o-y growth in gross premium over the corresponding period last year. At the same time, private players recorded a 27.40% y-o-y increase in gross premium.

According to the IRDA's Summary Reports of Motor Data of Public and Private Sector Insurers - 2010-11, nearly 31.3 million policies were issued and a total premium of USD 2.46 billion was collected. The market share of the public and private insurers including specialised insurers and health insurers stood at 57.14 and 42.86 per cent respectively at the end of the quarter (at the end of June 2010).

In view of these growing trends, we have moved our vision from being

only a travel insurance provider to introducing other personal lines of insurances like Motor, Health, Personal Accident, etc.

We, as Thomas Cook, have grown by 63% over last year and have been maintaining a steady growth. With introduction of these other lines of General Insurance products and with new distribution systems in place, we are poised to grow, negating all fluctuations in the market. During the year, the insurance arm of your Company changed its principal insurer from Tata AIG General Insurance Company Limited to Bajaj Allianz General Insurance Company Limited (BAGIC). We are working with BAGIC to come up with innovative and more products to suit the requirements of the captive and other customer base.

TRAVEL AND RELATED SERVICES

Corporate Travel:

The year 2011 started with high optimism with growth revival led by China & India, and travel crossed the pre-crisis level. However, the looming US and Euro crisis shook the business confidence towards the end of the year. On the economic front, increase in crude oil prices had an upward pressure on airfares.

Various unsystematic natural factors like the Tsunami in Japan, social unrest in North Africa, earthquake in Turkey, floods in Thailand affected the travel patterns of customers.

Driven by innovation, this year marked an innovative streak from the corporate travel business. The industry whitepaper titled "Corporate travel 2011: Outlook, Trends & Opportunities" - an India focussed report was first of its kind in the industry was published by your Company. This has enhanced the positioning of corporate travel of your Company beyond a conventional Travel Management Company and into the realm of knowledge creation & dissemination.

On the technology front, as an industry first, we bridged the gap between one of our key corporate customer by directly interfacing with their internal system through an XML integration. This experiment has been successful in drastically reducing the turnaround times, leakages and hence an increase in customer satisfaction and our profitability. This model now awaits implementation across other major clients.

The uncertainty in the global economy continues to bear weight on corporates, who have now become cautious with their travel expenditure. Prudence is being witnessed on the number of trips being planned, as also the class of travel being utilized. Travel by low cost carriers is now acceptable by almost all customers, and this segment has witnessed a huge demand and growth. Your Company continually engages with its key suppliers on a proactive basis so as to extract the most beneficial deal.

Any unforeseen global economic downturn, or acts of terror, natural calamities which may derail the economy, may also lead to curtailment of travel during the next year.

Fuel costs continue to soar upwards, and are expected to maintain the upward swing, thereby affecting number of passengers and passenger yields. Diminishing margins, retention by competitors puts a severe pressure on attracting and retaining our customer base.

Leisure travel (Domestic & Outbound):

Despite the constraints faced such as the volcanic eruption in Chile and consequential ash cloud formation in New Zealand and Australia, the earthquakes in New Zealand and Japan and the resulting Tsunami thereat, we have registered a robust growth in outbound. This year,

the Leisure business has grown significantly due to the return of confidence in Indian consumers.

Your Company launched an array of new products to meet all budgets thereby quenching the growing demands of the consumers. The new products were targeted at new destinations and new customer niche segments like Marathi/ Gujarati/ Jain/ South Indian tours. Your Company also expanded its distribution network by opening several new stores and appointing new franchisees across the country.

A new and radical marketing campaign has been unveiled – ‘Travel Smooth’ – emphasizing the unique positioning of your Company in its ability to offer all travel related services under one roof. This marketing campaign has been designed to alleviate pain points encountered by travelers- pre, during and post trip. The Company has launched new television commercials as part of the same.

As per forecasts by UNWTO, it is expected that international tourism would continue its growth in 2012, although at a slower rate. Arrivals are expected to increase by 3% to 4%, reaching the historic one billion mark by the end of 2012.

Leisure Travel (Inbound):

Despite the constraints like recessionary conditions in the source markets, the demand in the leisure inbound holiday space was at same level compared to last year. Your company launched new products like PURE to meet the growing demands of the inbound luxury consumers. Continued negotiation with suppliers helped the company to protect the margins. Costs were kept under a tight control with several initiatives being taken to boost productivity. Your Company had restructured the Inbound sales & operational structures to focus on acquisition to new business and rework positively on existing relationships with business partners to bring sales & revenue growth.

The outlook for next year looks positive; demand for travel services continues to grow. Your Company will nurture and grow the new product lines and continue to innovate to meet the needs and expectations of the customers. The increase in total ticketed volume for the combined travel businesses will enable us to have better bargaining power with our principals and to sustain higher revenue margins in the coming year.

MICE (Meetings, Incentives, Conferences & Events):

MICE business has witnessed an overall growth with strong focus on Auto and Paint Industries. Pharma market was tapped and overseas medical conventions were managed on a large scale.

The introduction of Key Account Managers and their support has led to Corporates continuing to avail our services. The year witnessed an increase in revenue with one of the factors being MICE as a division concentrating on high revenue generating business.

Visa and Passport Business:

This three-year old vertical of your Company with over 0.14 million transactions in the year is growing from strength to strength. Apart from catering to the Travel Businesses of your Company, it has added direct external customers for their visa, passport and ancillary services [Attestations, Legalization, Apostille, Translation, Notarization of documents, Foreigners Regional Registration Office (FRRO) registration/ visa extension/ exit permit, procures People of Indian Origin (PIO) /

Overseas Citizen of India (OCI) cards]. Additionally, your Company has tied up with attorneys to service the long-term immigration visas/ work permits required by corporates for their projects abroad to move their resources to these countries.

The content site developed by the business has now been packaged and is being promoted and sold as a reckoner to the travel industry and is also being shared with internal businesses for visa information. Informative and rich in content, it facilitates travellers who wish to apply for visas and provides detailed information to intermediary customers and agents. It also has an online tracker enabling tracking the documents through its various stages of processing.

Travel Corporation (India) Limited, the Company’s subsidiary has also incorporated a new company, styled TC Visa Services (India) Limited, to handle the visa, passport and other allied services. It is expected to commence operations in the present year. We expect this to increase efficiency.

The business is poised for further growth in view of increase in Indians with high disposable incomes travelling overseas on holidays.

The business continues to face challenges and risks in the form of biometrics processes being introduced by some of the Missions and the Passport offices which eliminate the use of intermediaries. ‘Visas on Arrival’ being granted to Indians in selective cases, pose the challenge of fewer visas being processed.

E-Business:

Online travel industry in India is continuing to grow at leaps and bounds. According to the IAMAI & IMRB report of 2010, the industry grew by 70% (y-o-y) in December, 2010. Whilst there are no reports available for 2011 as yet, trade estimates peg the industry growth at 50% for the year ended December, 2011.

With the increasing awareness of internet and the convenience it offers, a large number of consumers are adopting the online medium for research as well as purchase of travel & travel related services. This channel continues to be a focus area for growth for Thomas Cook and we have invested in the past one year on building our online capabilities. Last year, we introduced our domestic hotels & holidays products for sale on the website, which received a good response.

We also provide an online self booking solution to Small & Medium Enterprises (SMEs). We have seen significant growth in this business in the last one year (around 80% y-o-y) and expect this growth to further increase as we make inroads into this segment.

FINANCIAL PERFORMANCE

The Company has posted profit before tax (and before exceptional items) of ₹ 829 million (previous year ₹ 532 million) and the profit after tax (after exceptional items) of ₹ 559 million (previous year ₹ 415 million). On a consolidated basis, the profit before tax (and before exceptional items) stood at ₹ 806 million (previous year ₹ 636 million) and the profit after tax (after exceptional items) was ₹ 562 million (previous year 472 million).

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal control systems are embedded in the processes across all functions in the Company. These systems are being regularly reviewed and wherever necessary are modified or redesigned to ensure better efficiency and effectiveness. The front office system and web based

applications are backed by an integrated SAP Accounting System. These twin integrated systems form the backbone of the overall control environment. Further, user requirements are taken care of on an on-going basis so as to derive maximum benefits of these information systems.

The systems are subjected to supervision by the Board of Directors and the Audit Committee, duly supported by Corporate Governance, voluntarily observed since the last two decades and statutorily applicable from the financial year ending October 2001. Control environment has been well laid down through written policies pertaining to integrity and business ethics, prevention of insider trading, anti money laundering and human resources. These policies are implemented through operational and financial manuals. Credit Policy is implemented to effectively monitor the Credit Business to Corporates and thereby effective funds management is ensured. Considering the key role played by Information Technology in the various business processes of the Company, proper framework has been provided for the data security through the Information Systems Security Policy laid down by the Management. Periodical reviews are carried out to ensure effective implementation of the policy in all the functional areas.

All the systems are subject to Internal Audit by in-house Internal Audit department as well as outside consultants and agencies in the form of Audit assignments such as Operations audits, Finance and Accounts audits, Support functions audits, Systems and IT audits, Statutory compliance audits. These are further supported by the Statutory Auditors who validate that the financial reporting is true and fair. The President & Head - Legal & Company Secretary heads the Compliance function, the Vice-President – Foreign Exchange is the Money Laundering Reporting Officer (MLRO) overseeing the AML compliance and the Vice-President – BPI & Audit, in addition to his role as an Internal Auditor, conducts constant spot checks to ensure that the compliances of all rules and regulations including business processes are met. Clause 49 Audits are conducted by External Auditors and their recommendations are implemented for effective Corporate Governance. 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.

The management is in the process of resolving the implementation and integration issues in its Leisure Travel Outbound Business (LTOB) software modules which is being implemented in a phased manner. This would strengthen internal control systems in respect of the Company's LTOB Business. Further, all frauds are covered under the fidelity policy. The Company has recovered some of the amounts and where deemed appropriate, adequate provisions have been made in the accounts.

Anti Money Laundering Manual for India is in force since 2003 with revisions therein according to the modified guidelines of RBI. Anti Money Laundering Manual for Mauritius and Sri Lanka is in force and effectively monitored.

RISKS AND CONCERNS

General:

The Company has an enterprise level Risk Matrix duly approved by the Board and Company resorts to Risk Management methodologies

to ensure that various business risks and operational risks, identified well in time, are assessed for their possible impact and are effectively mitigated through various control measures. Open risks, if any, are adequately covered by Insurance to the extent applicable. Business Continuity Plans (BCPs) have been designed for the key operations of the Company to address any disaster event. BCPs are further being reviewed during every year, for effective updation.

The Company has a Risk Committee chaired by the Managing Director, which meets monthly, in addition to emergency meetings, whenever required to address the risk issues relating to various business and support areas and monitor the critical factors in order to effectively address them. The Risk Committee approved the risk mapping for India, which lists down major risks faced by the Company in India and the mitigation controls put in place to bring down their impact. To address the Information Systems related risk issues, the Company has constituted Information Systems Security Committee (ISSC) which has its quarterly meetings. Minutes of the ISSC are put up in the Risk Committee which approves the recommendations made by the ISSC for implementation.

INFORMATION TECHNOLOGY

We have a mix of different hardware (servers - Intel, RISC etc.). These servers run the day-to-day transaction systems like FOS, SAP, TRIBS & RTF etc. and also systems which handle e-mail, proxy, Anti Virus etc. We have software which is internally developed and also have systems developed by external providers (e.g. TCS).

The Company uses various networking service providers like Airtel-Bharti, Tata, BSNL etc. for its communication needs. The network is by-and-large a Virtual Private Network (VPN). Internet is also used as a method of connecting remote users to our business applications with the necessary security.

The prime concerns are on the hardware and software front is that it should be upgraded in a timely manner so as to be up-to-date with the prevalent technologies and be ready for supporting the increase and changing needs of the business. Further, the network has got points of connect through the internet. Internet being a public domain area, it has a potential of disrupting our network if proper security measures are not put in place.

We have used the best technologies and firewalls to ensure that our network is protected from the vagaries of the internet.

Information Systems Security Committee (ISSC):

The internal information security is governed by the Information System Security Policy (ISSP). As noted, the policy is implemented and monitored by the ISSC. The Committee consists of members from the Business Process Improvement & Audit department and the Human Resources Department. Member from the Information Technology (IT) department acts as Rapporteur.

The Committee meets quarterly before each of the Risk Committee Meetings. It also meets when significant changes take 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. This Committee has overall responsibility for all areas concerning IT security.

SERVICE QUALITY & CUSTOMER CARE:

The Service Quality & Customer Care department completed its four and half years in 2011, since its inception. Thomas Cook believes in

giving due diligence to the brickbats and appreciations which are received and the department thus identifies the areas that need attention, at the same time provide impetus to continue the good work, that is being rendered over the years, based on the applaud received. The department advanced the “customer centric” culture and incorporating the PRIDE values, steered the organization to provide enhanced customer services.

Going forward the objective will be to focus on:

- Effective service recoveries, with structured service resolution mechanism.
- Customer delight

During the year 2011, the department undertook the following initiatives:-

Complaint Management Handling & Analysis – At Thomas Cook complaints are considered as opportunities and hence every effort is made to get feedback from the customers who avail our services. The data thus received from various feedbacks, positive and negative is channelized in form of detailed MIS circulated every month to the business heads on re-occurring issues. The customers are benefitted largely by the enhancements done thus, towards product upgrade.

2011 posed challenges in ways of increased processing time being taken for visas, during the peak travel period for the Outbound travel business and increase in surcharges by the airline during the same period. Despite these not so favourable incidents which led to a hike in customer feedback and complaints, the situation was ably handled and various options were given. Acceptance of options and travel plans being continued by the customer thereby, indicated that the detailed responses and action taken thus by the businesses, have had a positive impact.

Telephone Audits – Thomas cook believes that the customers all across must be serviced with good product knowledge and a smile. Telephone audits were conducted and the auditors judged the front end staff on basis of the information provided and telephone etiquettes followed during a customer call. Objective of these audits was to understand the comfortability of the employees all across, in selling the various Thomas Cook products and the SOP's followed thus to render nothing but the best, for any service related enquiries. The data thus collated was shared with the branch heads to identify the areas that need attention and corrections duly done.

Uniforms – As an organization, we believe that a well groomed appearance instils confidence in a customer and projects a positive & efficient outlook to all. The department had unveiled uniforms and driven the dispatch of same for all customer interfacing employees across India. The uniforms were distributed on regular basis with influx of new employees, exit of old. Designed on the lines of the Thomas Cook UK, but well suited to Indian weathers, sweaters were also added on and distributed to the chosen branches, on the onset of winter.

Health & Safety – Protecting the health & safety of our customers remains our primary concern. As part of our endeavour to ensure high levels of safety for our customers and employees, Thomas Cook has initiated such focus through dedicated resources in the Organization. The aim is to develop policies and standards that would adhere to international requirements for preferred practices and ensure high

quality systems to enable consistent Health & Safety reporting of incidents & accidents that could arise.

Service Trackers – An important instrument to encourage critical customer feedback, the Service Trackers provided more objective feedback from customers on various service & product offerings. The Vision and Values were incorporated in the same.

The service trackers are available at all branches and the on tour feedback forms are given to the group tour members at the end of the tour to share the experience they had of the services rendered.

Customer Data Management – It is essential that the customers visiting us and availing of our services remain in our records. To capture customer information software is introduced with the front end staff to capture accurate data and updated on regular basis. The data is used for various promotional offers, sent via SMS and email campaigns, thereby creating awareness of happenings and achievements at Thomas Cook.

Birthday Sms – Thomas Cook values its customers and we look for every opportunity to make their special days even special with the birthday SMS sent to all.

While we are driving all the initiatives as a step towards providing enhanced customer service, we strive continuously to make every interaction a delightful one for all our patrons, now and always when they approach us for any of their travel related services.

HUMAN RESOURCES

Human Resources Management:

Human Resources in Thomas Cook strives to enable the organization to achieve its objectives by constantly aligning the ‘people factor’ with the ‘business needs’. This creates a need for constantly evolving and stimulating the systems and processes in the context of organizational culture. As part of the HR Action plan, we have initiated steps to work on each of key variables that affect human resources, both at a strategic level and at an operational level.

The world stands at important crossroads. These are challenging times, and to retain a competitive edge, a company must direct individual accomplishment toward organisational objectives. The only sustainable differentiator of organisational success lies in the Vision and Values of a company. We must be the force that influences industry standards. In our kind of business, people come to us with dreams, with plans, with trust, hoping we will make those dreams come true.

The Thomas Cook Group has defined the Vision of the Group, an inspiration for each one of us: “We Go Further to Make Dreams Come True ...”

To enable the vision and to provide the context of the kind of organisation we want to create and the people we want to be, the group also defined the ‘VALUES’. Thomas Cook India has always prided itself on core values that act as a foundation to our organisation and we are now re-aligning our values to reflect that of the Group. Our Values are called the PRIDE Values.

- P Pioneering our Future
- R Respect for Individuals and United as a team
- I Integrity
- D Delighting the Customer
- E Excellence

The Human Resources Department has rolled out various training initiatives in its quest that each member of Thomas Cook India will be a torch bearer for the Vision and Values of our organisation and uphold them with pride.... 'PRIDE' in Thomas Cook.

To drive the future business growth TCIL has embarked upon a Key Talent Plan through which employees are identified as Key Talent based on performance, potential and criticality. Various interventions are planned for nurturing those identified and enable them scale up for higher responsibilities.

The organization continues to focus on Training & Development initiatives at all the levels – The Managerial and Leadership Effectiveness (MILE) programs launched in collaboration with two of the most prestigious management institutes in India – the Indian Institute of Management, Ahmedabad and the Indian Institute of Management, Indore. We run the program at three levels for Senior, Middle and Entry level Managerial staff, viz. MILE I, MILE II and MILE III. We have initiated a structured induction program at the entry level 'SPARK' which ensures that all staff are suitably trained and equipped for their job.

The Company continues to nurture talent through TCMLP (Thomas Cook Middle Leadership Program), TCMTTP (Thomas Cook Management Trainee Program) and TCETP (Thomas Cook Executive Trainee Program) so as to create talent pipeline at various levels in junior and middle management.

To provide an energetic work environment, this year we launched the PRIDE Club – through which non work opportunities related to fun and learning are provided – this included having the PRIDE cricket tournament in various cities, celebrating various festivals in office as also having evening sessions on matters of interest.

We realize that the only sustainable competitive advantage in today's dynamic, challenging and rapidly changing context is human resources. Towards that, we are in the process of constantly energizing and revitalizing our people by equipping them with cutting edge skills, developing a holistic perspective and imparting in them, a drive for excellence, so as to enable them to be the best in class by creating an organization of our dreams.

Employee Strength:

The financial year end employee strength was 2728 including those employed at Sri Lanka and the Company's subsidiaries in India and Mauritius.

Employee Relations:

Peaceful and cordial relations continue with the employees. The Management wishes to place on record its acknowledgement and appreciation for the support extended by all the employees of the Company.

Your Company is undergoing a transformation in its business models while at the same time experiencing rapid growth in all aspects. This provides both opportunities for Thomas Cook to gain the major market share and grow rapidly, as well as a challenge to maintain profitability and make itself more cost efficient.

CENTRE OF LEARNING

In the context of high growth, increasing customer expectations and a highly competitive environment, talent management has become a critical challenge of the Tourism & Travel Industry. Our foray into Tourism Education with "Centre of Learning"- is hence another innovative and key initiative from Thomas Cook India to develop talent for not merely the organisation, but rather the Industry as a whole. Hence, the primary objective of Centre of Learning is to proactively facilitate talent management and to grow, harness and nurture the skill sets in the Tourism & Travel Industry. It is run by a group of dedicated, knowledgeable people headed by the Vice President and Head – Centre of Learning.

Centre of Learning serves as a guide and mentor to the travel industry via several forums, industry meets and associated education programs like: Certificate Course in World Tour Management, Domestic Certificate course in 'My India My Way, IATA/ UFTAA – Foundation/ Consultant Course, Travel Professional Program, PGDM in international business.

With the increased interest and demand for the courses offered, Centre of Learning has finally come into its own and has its own premises now in Hitkari House on Shahid Bhagat Singh Road, Mumbai. The centre has a well equipped 15 seater Computer Lab and 2 classrooms of 30 student capacity with all the latest multimedia facilities.

In an endeavour to promote quality research in the travel and tourism sector, Thomas Cook Centre of Learning launched Disha, a platform which invited research papers in the field of tourism from faculties of educational institutions across India. After receiving an overwhelming response, the initiative was concluded in a felicitation ceremony on 30th September, 2011 where, Honourable Union Minister of Tourism, Shri Subodh Kant Sahai along with Honourable State Minister of Tourism, Shri Chhagan Bhujbal felicitated the winning research entries and released a published book "Disha 2011" with compilation of the top research papers.

COL has been awarded destination trainings to travel agents pan India by Fiji, Swiss, Canada and Czech Tourism Boards.

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
Managing Director
Mumbai,

VINAYAK K. PUROHIT
Executive Director - Finance

Dated: 16th February, 2012

Report of the Directors on Corporate Governance

1. Company's Philosophy on the code of Corporate Governance

Thomas Cook (India) Limited has been practising the principles of good Corporate Governance over the last few decades. 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.

Corporate Governance aims at fairness, transparency, accountability and responsibility in the functioning of the Company with the ultimate objective of realising and enhancing shareholders' values. The Company's philosophy on the code of Corporate Governance is tuned to these aspects and to the philosophy of Thomas Cook Group, which is:

- (i) to ensure that adequate control systems exist to enable the Board in effectively discharging its responsibilities to all the stakeholders of the Company;
- (ii) to ensure that the decision making process is fair and transparent;
- (iii) to ensure the fullest commitment of the Management and the Board for the maximisation of shareholder value;
- (iv) to ensure that the employees of the Company subscribe to the corporate values and apply them in their conduct; and
- (v) to ensure that the Company follows globally recognised corporate governance practices.

2. Board of Directors ("Board"):

Composition of the Board

The Board consists of eight (8) members with three (3) Executive Directors and five (5) Non-Executive Directors comprising of experts from various fields/professions. The Chairman of the Board is a Non-Executive Director. The composition of the Board of Directors of the Company is in accordance with the provisions of Clause 49 of the Listing Agreement.

Board Meetings

The Meetings of the Board of Directors are scheduled well in advance and generally held at the Company's Registered Office in Mumbai. The notice confirming the meeting and the detailed agenda is sent 7 days in advance to all the Directors. Senior Management of the Company is invited to attend the Board Meetings, to make presentations and provide clarifications as and when required. The Board meets at least once a quarter to review the quarterly performance and approves the financial results.

There were four (4) Board Meetings held during the financial year ended 31st December, 2011, namely on 17th February, 2011, 26th April, 2011, 26th July, 2011, and 21st October, 2011 respectively.

Membership, Attendance & Other Directorships:

Membership and Attendance of each Director at the Board of Directors' Meetings held during the year and the last Annual General Meeting and the number of other Directorship and Chairmanship/Membership of Board Committees as on 31st December, 2011:

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] ##	
							Public	Private	Chairmanship	Membership includes chairmanship
1.	Mr. Mahendra Kumar Sharma	00327684	NED	Chairman	4	Yes	7	–	–	4
2.	Mr. Madhavan Menon	00008542	MD	Managing Director	4	Yes	5	1	–	1
3.	Mr. Hoshang S. Billimoria	00005003	I & NED	Director	4	Yes	2	1	3	3
4.	Mr. Anant Vishnu Rajwade	00007232	I & NED	Director	4	Yes	2	1	1	3
5.	Mr. Ramesh Savoor	00149089	I & NED	Director	4	Yes	5	3	3	6
6.	Mr. Krishnan Ramachandran	00193357	I & NED	Director	3	No	1	1	–	1
7.	Mr. Vinayak K. Purohit	00185052	ED	ED – Finance	4	Yes	5	–	–	1
8.	Mr. Rakshit Desai@	02435721	ED	ED – Foreign Exchange§	4	Yes	5	–	–	1

* ED – Executive Director NED – Non-Executive Director I & NED– Independent and Non Executive Director MD - Managing Director

@ Mr. Rakshit Desai, was re-appointed as ED – Foreign Exchange with effect from 25th November, 2011 to 24th November, 2012

In Indian Companies, excluding Section 25 Companies and Foreign Companies

In Audit Committee and Share Transfer & Shareholders'/ Investors' Grievance Committee of Indian public limited companies

§ with effect from 1st August, 2011, Mr. Rakshit Desai's designation and role has changed from Executive Director – Travel Services to Executive Director – Foreign Exchange

The Board granted Leave of Absence to the Director(s) who were absent at the respective Board Meeting/s at their request.

None of the Directors hold any shares in the Company as on 31st December, 2011 other than Mr. Madhavan Menon and Mr. Vinayak K. Purohit. They held 2000 and 6000 equity shares respectively as on that date.

Details of Directors being appointed and re-appointed:

As per the Companies Act, 1956 and the Articles of Association of the Company, two third of the directors are liable to retire by rotation. One third of these retiring directors are required to retire every year by rotation and if eligible, these directors qualify for re-appointment.

In accordance with Article 131 of the Articles of Association of the Company, Mr. Hoshang Billimoria and Mr. Vinayak K. Purohit retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment.

Further, Mr. Rakshit Desai, Executive Director – Foreign Exchange was re-appointed as Executive Director – Foreign Exchange for a further period of one (1) year effective from 25th November, 2011 to 24th November, 2012.

A brief résumé of the Directors being appointed / re-appointed is as follows:

1. Mr. Hoshang Billimoria

Mr. Hoshang S. Billimoria (Chartered Accountant), born on 7th July, 1951, completed his schooling from St. Xaviers's High School, Bombay. Following that, he completed his degree in Commerce with Bombay University at Sydenham College. At the Bombay University degree examination, he stood first in the whole University amongst candidates offering Accounting & Auditing as special subjects. Thereafter he completed his articles in London with Ernst & Whinney and qualified as a Chartered Accountant from the Institute of Chartered Accountants of England and Wales. At the Institute examinations, he was twice the winner of the Deloitte Pleinder Prize.

After qualifying, he spent a year in London practicing with Ernst & Whinney after which he returned to Bombay and joined the Ernst & Whinney representative firm in India, S. B. Billimoria & Co. In 1979, he became a partner of S. B. Billimoria & Co. and was a partner in this firm for the next ten years. As a partner of S. B. Billimoria & Co. he was advisor to a large number of clients in the Indian Corporate Sector.

In 1988, he took over charge as Deputy Chief Executive Officer of Tata Sons Limited. His responsibility in Tata Sons Limited was in the area of Group Policy and co-ordination. He took over as Managing Director of Tata Press Limited in May 1990. As Managing Director of Tata Press (later Tata Infomedia), he was responsible for the big turnaround in the Company's fortunes. He has directed the entry of the Company into the Information Services business (Yellow Pages, Special Interest Publications, and Database Services) where it became the market leader. During his tenure, the Company had three bonus issues and two rights issues. He was with the Company till August, 2004 as Vice – Chairman & Managing Director.

Subsequent to his stint in Tata Infomedia, Hoshang started Next Gen Publishing Ltd., with the support of Forbes Group and HDFC. He continues to be the Chief Executive Officer of this company which specialises in publishing special interest publications.

Mr. Billimoria is also on the Board of several companies in the Indian Corporate Sector such as HDFC Asset Management Company Ltd., Travel Corporation (India) Limited, Fenner Conveyor Belting Pvt. Limited etc. He has been appointed as a Director on the Board of Thomas Cook (India) Limited with effect from 7th December, 1983.

Mr. Billimoria does not hold any shares in the Company. As on 31st December, 2011, his Directorships and Committee Memberships of companies in India [including Thomas Cook (India) Limited] are as follows:

Name of Body Corporate/ Firm	Position (Whether as Director/ Managing Director/ Chairman)	Name of Committee	Position (Whether as Member/ Chairman)
Travel Corporation (India) Limited	Chairman	–	–
HDFC Asset Management Co. Ltd.	Director	Audit Committee	Chairman
		Remuneration Committee	Member
Fenner Conveyor Belting Pvt. Ltd.	Dy. Chairman & Director	–	–
Thomas Cook (India) Limited	Director	Share Transfer and Shareholders'/ Investors' Grievance Committee	Chairman
		Audit Committee	Chairman
Council for Fair Business Practices	Director	–	–

2. Mr. Vinayak K. Purohit

Mr. Vinayak K. Purohit, born on 3rd November, 1955, is a Chartered Accountant and a Finance person by profession. He is a graduate of the Commerce discipline from Mumbai University, as also an Associate of the Institute of Chartered Accountants of India.

Mr. Purohit joined Thomas Cook (India) Limited as its Executive Director – Finance in May, 2007, from HT Media Limited, New Delhi where he held the position of Chief Financial Officer for a year.

Prior to that, Mr. Purohit served as Chief Financial Officer of Companies such as GE Countrywide Financial Services Limited, Rediff.com India Limited, BPL Mobile Communications Limited and Crest Animation Limited. He worked with Marico Industries Limited from 1992 to 1997 and grew to the position of General Manager – Finance. In 1984, he joined Britannia Industries Limited as Corporate Accounts Manager, where he worked for eight years. Mr. Purohit started his career in 1979 as an Accounts Officer with Nirlon Limited.

Mr. Purohit holds 6000 shares in the Company. As on 31st December, 2011, his Directorships and Committee Memberships of Companies in India [including Thomas Cook (India) Limited] are as follows:

Name of Body Corporate/ Firm	Position (Whether as Director/ Managing Director/ Chairman)	Name of Committee	Position (Whether as Member/ Chairman)
Travel Corporation (India) Limited	Director	Sub-Committee	Member
Thomas Cook Insurance Services (India) Limited	Director	–	–
Thomas Cook Tours Limited	Director	–	–
Indian Horizon Travel & Tours Limited	Director	–	–
Thomas Cook (India) Limited	Executive Director - Finance	Share Transfer & Shareholders' / Investors' Grievance Committee	Member
		Sub-Committee	Member
TC Visa Services (India) Limited	Director	–	–
Thomas Cook (Mauritius) Holding Co. Ltd.	Director	–	–
Thomas Cook (Mauritius) Operations Co. Ltd.	Director	–	–
Thomas Cook (Mauritius) Holidays Ltd.	Director	–	–
Thomas Cook (Mauritius) Travel Ltd.	Director	–	–

3. Mr. Rakshit Desai

Mr. Rakshit Desai serves as Executive Director – Foreign Exchange and is responsible for the Company's foreign exchange business as well as the marketing functions.

He has a B.Com degree from Sydenham College, Mumbai; an MBA from Griffith University, Australia and an M.Sc. from the The London School of Economics, UK.

He joined the Thomas Cook Group in 2003 engaging across a broad range of strategic, commercial and operational areas internationally. The successful restructuring and turnaround of the Canadian retail business led to a series of Director - level roles responsible for the outsourcing and off shoring of the UK back office; leading thomascook.com; M&A in Financial Services; and subsequently membership of the UK Executive Board overseeing strategic planning, post-merger integration and general business transformation. Prior to joining the Thomas Cook Group, he was with Roland Berger Strategy Consultants, London where he specialised in strategic and transformational issues for major multinational corporations.

Mr. Rakshit Desai was originally appointed as Executive Director - Travel Services on 25th November, 2008. He was reappointed for a further period of one (1) year with effect from 25th November, 2010 to 24th November, 2011; with effect from 1st August 2011, the Board of Directors approved the change in responsibility of Mr. Desai, Executive Director – Travel Services to Executive Director - Foreign Exchange; Upon the recommendation of the Recruitment & Remuneration Committee, the Board of Directors vide resolution dated 21st October, 2011, he was reappointed for a further term of one year with effect from 25th November, 2011 to 24th November, 2012, subject to the approval of members of the Company and of Central Government, if any, as may be required. As on 31st December, 2011 Mr. Desai does not hold any shares in the Company and his Directorships and Committee Memberships of companies [including Thomas Cook (India) Limited] are as follows:

Name of Body Corporate/ Firm	Position (Whether as Director/ Managing Director/ Chairman)	Name of Committee	Position (Whether as Member/ Chairman)
Travel Corporation (India) Limited	Director	Sub-Committee	Member
Thomas Cook Insurance Services (India) Limited	Director	–	–
Thomas Cook Tours Limited	Director	–	–
Indian Horizon Travel & Tours Limited	Director	–	–
Thomas Cook (India) Limited	Executive Director – Foreign Exchange	Share Transfer & Shareholders' / Investors' Grievance Committee	Member
		Sub-Committee	Member
TC Visa Services (India) Limited	Director	–	–
Thomas Cook (Mauritius) Holding Co. Ltd.	Director	–	–
Thomas Cook (Mauritius) Operations Co. Ltd.	Director	–	–
Thomas Cook (Mauritius) Holidays Ltd.	Director	–	–
Thomas Cook (Mauritius) Travel Ltd.	Director	–	–

4. Mr. Madhavan Menon

Mr. Madhavan Menon (B.A. (Business), Georgetown University, USA., MBA, Finance & International Business, George Washington University, USA), born on 12 February, 1955, was appointed as an Additional and Executive Director-Foreign Exchange for 3 years with effect from 1st May, 2000 to 30th April, 2003, re-appointed for a further period of 3 years with effect from 1st May, 2003 to 30th April, 2006. He was appointed as the Managing Director of Thomas Cook (India) Limited (TCIL) with effect from 27th April, 2006, re-appointed for a further term of three years with effect from 1st May, 2009 till 30th April 2012 and has been recently re-appointed by the Board of Directors for a further term of three years with effect from 1st March 2012 to 28th February, 2015.

He has a total experience of over 33 years. His previous assignment prior to joining TCIL was as Chief Operations & Administrative Officer of Birla Sunlife Asset Management Co. (AMC) Ltd. His expertise spans over Banking, Finance and Travel-related Foreign Exchange Management. His responsibilities in TCIL include achievement of planned revenues through business development and growth.

As on 31st December, 2011, Mr. Madhavan Menon holds 2000 shares in the Company and his Directorships and Committee Memberships of companies [including Thomas Cook (India) Limited] are as follows:

Name of Body Corporate/ Firm	Position (Whether as Director/ Managing Director/ Chairman)	Name of Committee	Position (Whether as Member/ Chairman)
Travel Corporation (India) Limited	Director	Sub-Committee	Chairman
Thomas Cook Insurance Services (India) Limited	Chairman	–	–
Thomas Cook Tours Limited	Chairman	–	–
Indian Horizon Travel & Tours Limited	Chairman	–	–
Thomas Cook (India) Limited	Managing Director	Share Transfer & Shareholders' / Investors' Grievance Committee	Member
		Sub-Committee	Chairman
TC Visa Services (India) Limited	Director	–	–
Cedar Management Consulting Private Ltd.	Director	–	–
Thomas Cook (Mauritius) Holding Co. Ltd.	Director	–	–
Thomas Cook (Mauritius) Operations Co. Ltd.	Director	–	–
Thomas Cook (Mauritius) Holidays Ltd.	Director	–	–
Thomas Cook (Mauritius) Travel Ltd.	Director	–	–

3. Board Committees:

To enable better and more focussed attention on the affairs of the Company, the Board delegates particular matters to Committees of the Board set up for the purpose. These Committees prepare the groundwork for decision making and report at the subsequent Board Meeting.

(i) Audit Committee:

The Audit Committee was formed in August 1995 and has been reconstituted over the years as per the legal requirements from time to time. The present composition of the Audit Committee is in accordance with the provisions of the Companies Act, 1956 and the Listing Agreements with the Stock Exchanges. It consists of four (4) Non-Executive Directors of whom three (3) are Independent as on 31st December, 2011.

The Audit 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 President & Head – Legal & Company Secretary acts as the Secretary to the Committee.

Terms of Reference

The Audit Committee, inter alia, reviews and reports to the Board on the following:

- Appointment and remuneration of Statutory and Internal auditors
- Scope of Internal Audit
- Compliance with legal and statutory requirements
- Periodical and yearly financial results of the Company before submission to the Board
- Effectiveness of systems and internal controls with reference to Foreign Exchange Management Act, 1999 (FEMA), International Association of Travel Agents (IATA) and other regulations
- 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

The powers and terms of reference of the Audit Committee are in accordance with the provisions of Clause 49 of the Listing Agreement.

The Chairman of the Audit Committee possesses accounting or related financial management expertise and attends the Annual General Meeting of the Company.

Composition and attendance during the financial year ended 31st December, 2011:

The Committee met four (4) times during the year under review. The said meetings were held on 17th February, 2011, 26th April, 2011, 26th July, 2011, and 21st October, 2011 respectively.

Sr. No.	Name of Director	Designation	Category *	No. of meetings attended
1.	Mr. Hoshang Billimoria **	Chairman	I & NED	4
2.	Mr. Anant Vishnu Rajwade	Member	I & NED	4
3.	Mr. Ramesh Savor	Member	I & NED	4
4.	Mr. Mahendra Kumar Sharma	Member	NED	4
5.	Mr. Madhavan Menon	Invitee	MD	N.A.
6.	Mr. Vinayak K. Purohit	Invitee	ED	N.A.
7.	Mr. Rakshit Desai	Invitee	ED	N.A.

* ED – Executive Director NED – Non-Executive Director I & NED – Independent and Non Executive Director MD – Managing Director

** Mr. Hoshang Billimoria was present at the previous Annual General Meeting held on 5th May, 2011 in terms of Clause 49(II) of the Listing Agreement

(ii) Recruitment & Remuneration Committee:

The Recruitment & Remuneration Committee was formed in August, 1995 consisting of two (2) Non-Executive Directors and two (2) Executive Directors.

As per amended guidelines of the law, the Committee as on 31st December, 2011 comprises of three (3) Non Executive and Independent Directors.

Terms of Reference

The Committee has the mandate to consider Human Resource Policies pertaining to the recruitment and selection of Directors (Executive & Non-Executive) and senior employees of the Company, particularly the ones pertaining to terms and conditions of employment, remuneration, retirement benefits, performance appraisals, key succession planning and to make recommendations to the Board.

Remuneration Policy & Performance Criteria

The Recruitment & Remuneration Committee determines and recommends to the Board, the compensation of the Directors and employees. The key components of the Company's Remuneration Policy, as approved by the Recruitment & Remuneration Committee are:

- Compensation is an important element to retain talent.
- Compensation will be competitive and would factor in, the market compensation levels.
- There will be a variable component in the total Compensation, and that will be linked to the individual, business and organization performance.
- Compensation will be transparent, fair and simple to administer.
- Compensation will be fully Legal and Tax compliant, as per the relevant laws in place.
- ESOPs may be granted having regard to the role / designation, length of service, past performance record, future potential and/or such other criteria.
- Commission / Performance Linked Variable Bonus shall be at the absolute discretion of the Recruitment & Remuneration Committee and/or the Board of Directors of the Company.

The shareholders approve the compensation of the Executive Directors for the entire period of their term. The compensation payable to each of the Non-Executive Directors is limited to a fixed percentage of profits per year as recommended by the Recruitment & Remuneration Committee, the aggregate of which is within the limit of 1% of the net profits of the Company for the year calculated as per the provisions of the Companies Act 1956, as approved by the Board and the shareholders, and is separately disclosed in the

financial statements. The actual amount of commission payable to each Non-Executive Director is decided by the Board based on the overall contribution and role of such Directors.

The role and the involvement of the Non-Executive Directors as members of the Board and its Committees, has undergone qualitative changes pursuant to more stringent accounting standards and corporate governance norms. Further, in view of the scale and expertise required for the Company's business, the Company pays sitting fees at the rate of ₹ 20,000/- per meeting to the Non-Executive Directors for attending the meetings of the Board and Audit Committee and ₹ 10,000/- per meeting for Share Transfer & Shareholders' / Investors' Grievance Committee and Recruitment & Remuneration Committee constituted by the Board.

Composition and attendance during the year ended 31st December, 2011:

The Committee met three (3) times during the year under review. The meetings were held on 17th February, 2011, 26th July, 2011 and 21st October, 2011 respectively.

Sr. No.	Name of the Director	Designation	Category*	No. of meetings attended
1.	Mr. Anant Vishnu Rajwade	Chairman	I & NED	3
2.	Mr. Krishnan Ramachandran	Member	I & NED	3
3.	Mr. Ramesh Savor	Member	I & NED	3

NED – Non-Executive Director I – Independent ED – Executive Director

Details of Remuneration to the Directors for the financial year ended 31st December, 2011

Executive Directors

Name of Director	Basic Salary (₹)	Benefits/ Allowances (₹)	Bonus/ Commission (₹)	Sitting Fees (₹)	Pension (₹)	Total (₹)	Stock Options granted & accepted during the year
Mr. Madhavan Menon	7,283,090	11,761,879	Nil	Nil	Nil	19,044,969	Nil
Mr. Vinayak K. Purohit	5,811,069	10,565,547	Nil	Nil	Nil	16,376,616	Nil
Mr. Rakshit Desai	10,658,066	18,104,797	Nil	Nil	Nil	28,762,863	Nil
Sub-Total (a)	23,752,225	40,432,223	Nil	Nil	Nil	64,184,448	Nil

Non-Executive Directors

Name of Director	Basic Salary (₹)	Benefits/ Allowances (₹)	Bonus/ Commission (₹)	Sitting Fees (₹)	Pension (₹)	Total (₹)	Stock Options granted & accepted during the year
Mr. Hoshang Billimoria	-	-	1,250,000	410,000	-	1,660,000	Nil
Mr. Anant Vishnu Rajwade	-	-	1,250,000	450,000	-	1,700,000	Nil
Mr. Ramesh Savor	-	-	1,250,000	190,000	-	1,440,000	Nil
Mr. Mahendra Kumar Sharma	-	-	1,250,000	350,000	-	1,600,000	Nil
Mr. Krishnan Ramachandran	-	-	1,250,000	90,000	-	1,340,000	Nil
Sub – Total (b)	-	-	6,250,000	1,490,000	-	7,740,000	Nil
Total (₹) (a+b)	23,752,225	40,432,223	6,250,000	1,490,000	-	71,924,448	Nil

- With effect from May, 2005, Commission to the Executive Directors was paid on the Return on Equity (ROE) formula.
- None of the Directors are related to each other in any manner.
- None of the Directors hold any shares in the Company as on 31st December, 2011 other than Mr. Madhavan Menon and Mr. Vinayak K. Purohit. They held 2000 and 6000 equity shares respectively as on that date.
- Apart from the above, there are no other pecuniary relationships of or transactions by the Non-Executive Directors with the Company.

Details of fixed component and performance linked incentives paid for the financial year ended 31st December, 2011:

Name of Director	Salary	
	Fixed (₹)	Performance Linked Incentives (₹)
Mr. Madhavan Menon	19,044,969	–
Mr. Vinayak K. Purohit	16,376,616	–
Mr. Rakshit Desai	28,762,863	–
Total	64,184,448	–

Details of Service Contracts, Notice Period, etc. of all the Directors for the financial year ended 31st December, 2011

Sr. No.	Name of Director	Contract Period (Tenure)	Service Contract	Notice Period	Severance fees, if any
1	Mr. Madhavan Menon	1st May, 2009 to 30th April, 2012	Yes	12 months*	As decided by the management
2	Mr. Vinayak K. Purohit	14th May, 2007 to 13th May, 2010	Yes	3 months	As decided by the management
		14th May, 2010 to 13th May, 2013	Yes	3 months	As decided by the management
3	Mr. Rakshit Desai	25th November, 2008 to 24th November, 2010	Yes	3 months	As decided by the management
		25th November, 2010 to 24th November, 2011	Yes	3 months	As decided by the management
		25th November, 2011 to 24th November, 2012	Yes	6 months	As decided by the management
4	Non-Executive Directors	None. The Non-Executive Directors liable to retire by rotation, get re-appointed as per the provisions of Articles of Association of the Company and the Companies Act, 1956	No	None	None

*Amended vide Supplemental Agreement dated 11th February, 2011

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:

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 the Thomas Cook Save As You Earn Scheme 2010 (SAYE Scheme 2010) as on 31st December, 2011.

Name of the Director	Thomas Cook Employee Stock Option Plan 2007 (ESOP Scheme 2007)										SAYE Scheme 2010	
	Grant in 2007		Grant in 2008		Grant in 2009		Grant in 2010		Grant in 2011		Options accepted*	Discount %
	Options accepted	Discount %	Options accepted	Discount %	Options accepted	Discount %	Options accepted	Discount %	Options accepted	Discount %		
Mr. Madhavan Menon	205000	5%	205000	5%	-	-	-	-	-	-	16500	10%
Mr. Vinayak K. Purohit	162500	5%	162500	5%	-	-	-	-	-	-	16500	10%
Mr. Rakshit Desai	-	-	-	-	-	-	-	-	-	-	16500	10%

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

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.

* The figures of options mentioned in this column have changed pursuant to the change in the interest rate as per the terms of the SAYE Scheme 2010.

(iii) Share Transfer & Shareholders' / Investors' Grievance Committee:**Terms of Reference**

The Share Transfer Committee was formed in 1996 consisting of three (3) Executive Directors and three (3) Non-Executive Directors to approve transfer of shares, splitting and consolidation of shares and issue of duplicate share certificates.

The Committee was renamed as the Share Transfer & Shareholders' / Investors' Grievance Committee in February, 2001. The Committee, as on 31st December, 2011 comprises of six (6) Directors, of whom three (3) are Non-Executive Directors and three (3) are Executive Directors, the Chairman being a Non-Executive Director.

Composition of the Committee and attendance during the financial year ended 31st December, 2011:

Pursuant to Clause 49(IV) of the Listing Agreement, the Committee met twenty-six (26) times during the year under review i.e. once in a fortnight to approve matters related to Shares, etc.

Sr. No.	Name of the Director	Designation	Category*	No. of meetings attended
1.	Mr. Hoshang Billimoria	Chairman	I & NED	25
2.	Mr. Anant Vishnu Rajwade	Member	I & NED	26
3.	Mr. Mahendra Kumar Sharma	Member	NED	19
4.	Mr. Madhavan Menon	Member	ED	17
5.	Mr. Vinayak K. Purohit	Member	ED	18
6.	Mr. Rakshit Desai	Member	ED	18

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

Name and Designation of Compliance Officer:

Mr. R. R. Kenkare, President & Head - Legal & Company Secretary

Number of Shareholders Complaints / Correspondence received so far / Number not solved to the satisfaction of shareholders / Number of pending share transfers as at 31.12.2011:

I. 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	9	9	0	0	0	0
(2)	Letters received from SEBI and other Statutory Bodies	2	0	0	0	0	2
(3)	Reply sent giving warrant details (Reconciliation in process)	1	1	0	0	0	0

II. Other Correspondence

Sr. No.	Nature of Complaint/ Query	Total Received	Total Replied	Pending Queries (Days)			
				1-7	8-15	16-22	> 22
(1)	Non Receipt / Requests of Interest/ Dividend warrants	420	409	11	0	0	0
(A)	Warrant already paid	1	1	0	0	0	0
(B)	Requests pertaining to outdated, duplicate warrants and changes on live warrants	419	408	11	0	0	0
(C)	Miscellaneous queries in connection with payments	0	0	0	0	0	0

Sr. No.	Nature of Complaint/ Query	Total Received	Total Replied	Pending Queries (Days)			
				1-7	8-15	16-22	> 22
(2)	Dematerialisation of securities	1	1	0	0	0	0
(3)	Name correction	6	6	0	0	0	0
(4)	Change of address requests	16	16	0	0	0	0
(5)	ECS / Mandate requests	11	11	0	0	0	0
(6)	Loss of securities	22	22	0	0	0	0
(7)	Split / Consolidation /Renewal / Duplicate issue of securities	1	1	0	0	0	0
(8)	Nomination requests	8	8	0	0	0	0
(9)	Tax / exemption form / PAN related	0	0	0	0	0	0
(10)	Transmission of Securities	20	19	1	0	0	0
(11)	Exchange / Sub-division of old shares	10	10	0	0	0	0
(12)	Dividend / interest queries	60	59	1	0	0	0
(13)	Document registration	8	8	0	0	0	0
(14)	Bonus issue	0	0	0	0	0	0
(15)	Redemption	0	0	0	0	0	0
(16)	Others (Miscellaneous)	523	523	0	0	0	0
	Total (I +II)	1118	1103	13	0	0	2

(iv) **Sub-Committee of the Board:**
Terms of reference

The Board of Directors formed a Sub-Committee at its meeting held on 25th April, 2001 to handle day-to-day matters other than those specifically required to be decided by the Board of Directors as prescribed by the Companies Act, 1956. The scope of activities of the Sub-Committee was modified by the Board of Directors vide Circular Resolution dated 10th July, 2008. The Committee, as on 31st December, 2011, comprises of three (3) Executive Directors.

Composition and Attendance

The Sub-Committee meets as and when required. During the year, the following members of the Committee met twenty-three (23) times to review the operations of the Company.

Sr. No.	Name of the Director	Designation	Category*	No. of meetings attended
1.	Mr. Madhavan Menon	Chairman	ED	22
2.	Mr. Vinayak K. Purohit	Member	ED	17
3.	Mr. Rakshit Desai	Member	ED	18

* ED – Executive Director

4. **Management Committees:**

(i) **Group Leadership Team:**

A Group Leadership Team, (the Key or Senior Managerial Personnel), was formed in 2007 consisting of the Managing Director, Executive Directors and Presidents of all business and functions. This is a strategic decision making body, and is responsible for evolving and executing a holistic business plan.

(ii) **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.

(iii) Risk Committee:

The Managing Director chairs the meetings of the Risk Committee and the person in charge of the Business Process Improvement & Audit function acts as Rapporteur for this Committee. The Group Leadership Team members are the other members of the Committee. It meets quarterly to address the risk issues relating to various business 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 into the Audit Committee of the Company.

5. Other Qualitative Information:**(i) Contribution to Society:**

The Company has set up a foundation – “Thomas Cook Cares ...” – which will focus on activities related to women empowerment, education, health, environment and wildlife, arts and crafts etc. This foundation is pending registration with the Charity Commissioner's Office.

The Company will set aside ₹ 10 lakhs every year for social activities to be undertaken by this foundation. Five employees of the Company have been nominated as Trustees for this foundation.

During the year, the Company has undertaken the following activities:

1. “Jeevan Jyot Centre” has been established in collaboration with Nirmala Niketan College of Social Work at Mumbai. This centre will be a strategic support centre for people infected and affected by sexually transmitted diseases, chiefly AIDS. Thomas Cook Cares will support this cause by initially setting up the centre in a busy locality. Thomas Cook Cares organized a programme for distributing umbrellas and books to the infected and affected student population. More than 200 students benefited from the generosity of a private donor. Thomas Cook Cares sponsored the eats during the distribution programme for students and their parents. At the same event, the infected and affected adults were apprised of various Government schemes they could enroll for financial and rehabilitative support. Thomas Cook Cares has commenced “Vocational & Career Guidance” counseling for the youth affected / infected by HIV. The Legal Aid cell is now functional - free services provided three days a week. “Alternative Medicine / Therapy” is now being provided at the Centre (Homeopathic medicine).
2. On World No Tobacco Day (May 31), three cancer detection camps were sponsored - one for the Mumbai Police and other two for the lower level strata of society. More than a 1000 people attended these camps in Mumbai where the Cancer Patients Aid Association (CPAA) provided technical support.
3. On World Environment Day (June 8), the Company sponsored planting of 200+ saplings across cities in India where it has branches.
4. A group of employees from our branch in Agra collaborated with the Taj Group of Hotels to clean up the banks of the Yamuna, and the river per se, on which the world famous Taj Mahal monument is located.
5. A cancer detection camp was organized for police personnel associated with the Dharavi Police Station – a police station in Asia's largest slum.
6. A physically challenged person has been provided with a specially fitted motorbike to enable him earn a livelihood selling domestic goods on a door to door basis.
7. Thomas Cook Cares will be vigorously supporting a residential school for 50 mentally challenged children of extremely poor farmers from around 300 villages near the city of Kolhapur. Substantial funds have been provided for basic amenities, teacher's training and food for the inmates. Efforts are on to garner state support and support from various private trusts to develop the site and for providing day to day financial support.
8. The Company participated in a drive to raise funds for the Cancer Patients Aid Association.
9. The foundation sponsored the air passage to South Korea of a deaf artist from India – so he could showcase his works at the World Deaf Artist Exchange Art exhibition.
10. The foundation organised a fun filled city tour of Mumbai for more than 25 mentally and physically challenged children of an institution in Mumbai, on the occasion of “Children's Day” (14th November).
11. The Company has sponsored administrative arrangements, lunch, transport etc of over 1000 students of schools meant for children of the poor strata of society. Over a 2 month period these children will be exposed to music, art, dance, sports and various cultural activities. At a gala evening in mid December, these children have showcased their talents. 100 most talented children will be awarded a scholarship to pursue a vocational course of their choice.
12. The Company continues to promote Travel and Tourism related education by providing ‘Vocational / On the Job’ Training to students of the degree courses offered by various Universities.
13. The Company continues to be an active core committee member of the Heritage Mile Association, which seeks to conserve and enhance the architectural beauty of structures in the Hutatma Chowk to C.S.T. area in Mumbai.
14. Give India, an NGO mobilizes funds from Corporates for various other NGOs in many ways. One such initiative is inviting participation from Corporates in the “Joy of Giving Week” in December. Corporates choose an NGO and raise funds for it through

various fun activities under the guidance of Give India. Give India also puts in some amount as a contribution from its side to the NGO. The Company participated in this initiative. Thomas Cook employees continue to contribute to 'Give India's Payroll Giving Program' across the Indian network as a small way for employees to give back to society. 148 employees have enrolled for this program and contribute a part of their salary each month towards it. Give India is a not-for-profit organization dedicated to help the public donate to credible, transparent NGOs.

15. The Centre of Learning, COL, an initiative of the Company to develop talent for the organization as well as for the industry, has expanded its reach and has been conducting several prestigious programmes which has helped in creating talent pool for the industry at large.

Certificate Course in World Tour Management, CCWTM, a three month part time programme, which enables the participant to join Thomas Cook (India) Limited / other travel companies as Tour Managers, has been very well received in the industry. In the year 2011, 57 participants, enrolled in this programme. 75-80% of the participants were offered jobs by the Company itself. The remaining got placed in various travel companies as Tour Managers. This programme is a revenue generating model for Thomas Cook (India) Limited as well as a service to the industry by creating a talent pool of Tour Managers.

IATA Certification in Travel & Tourism – the Company has forayed into training students / industry personnel towards obtaining the IATA Certification in Travel & Tourism Management.

The major industry client is Wipro. 2 batches totalling 50 participants are being trained towards obtaining the IATA Certification.

Travel Professional Program - A Post Graduate Diploma in Travel & Tourism Management was launched. The 12 month comprehensive curriculum has a mix of classroom training and 3 month internship in the organization. Our knowledge partners are Marriott, Royal Caribbean International, Amadeus, Avis. Students are certified at the end of the training.

Training on Various Destinations - The Centre of Learning has tied up with the Fiji Tourism Board, represented by M/s Global Destinations, to train travel agents on Destination Fiji. This is the first step towards upgrading knowledge of various tourist destinations to industry agents.

Centre of Learning partnered Swiss Tourism to train agents in tier-2 cities on destination Switzerland. 270 agents are trained so far.

Czech Tourist Authority and Canada Tourist Commission signed MOU with COL for conducting destination trainings for travel agents pan India. First phase completed in 2011.

The Centre of Learning has announced a strategic MOU with Indian Institute of Tourism & Travel Management (IITTM) an autonomous organisation of the Ministry of Tourism, Government of India, to offer a 2 year Post Graduate Diploma in Management (PGDM) in International Tourism Business approved by AICTE and equivalent to MBA has been launched. A premium product, the course work includes case based learning and exposure to international business environment. Thomas Cook (India) Limited will facilitate practical exposure and training.

In an endeavour to promote quality research in the travel and tourism sector, Thomas Cook Centre of Learning launched Disha, a platform which invited research papers in the field of tourism from faculties of educational institutions across India. After receiving an overwhelming response, the initiative was concluded in a felicitation ceremony on 30th September 2011 where, Honourable Union Minister of Tourism, Shri Subodh Kant Sahai along with Honourable State Minister of Tourism, Shri Chhagan Bhujbal felicitated the winning research entries and released a published book "Disha 2011" with compilation of the top research papers.

(ii) **Internal Policies / Codes adopted:**

The Company has devised various internal policies for administering and controlling the information being dispersed through the organisational hierarchy. These include the Information Systems Security Policy, Policy on Prevention of Insider Trading and Anti Money Laundering Policy. Moreover, the Company has formulated a Policy on Ethics and Integrity, which is binding on all the employees of the Company.

- (a) The Policy on Prevention of Insider Trading is based on the model Policy devised by SEBI (Securities and Exchange Board of India) under SEBI (Prevention of Insider Trading) Regulations, 1992, as amended, for all the Designated Persons of the Company.
- (b) The Policy on Ethics and Integrity puts down in detail the ethical values for each and every employee of the organisation.
- (c) The Whistle-Blower Policy has been laid down with an objective to create an environment wherein an employee has easy access to raising a concern and his identity is also protected.
- (d) The Fraud and Theft Policy of the Company states that, if an employee believes that a fraud or theft or false accounting has occurred or is likely to occur, he / she needs to immediately inform his or her line manager irrespective of the value of theft or fraud involved. Each line manager who is informed of such an incident or event must immediately inform in writing to his / her Reporting Manager, the President & Head – Legal & Company Secretary and to the Head – BPIA.
- (e) The Information Systems Security Policy provides 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.

- (f) 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.
- (g) Code of Conduct has been formulated for the Board of Directors and Senior Management 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: www.thomascook.in. An affirmation of the 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.

6. Subsidiary Companies:

There is no material non-listed Indian subsidiary company of Thomas Cook (India) Limited for the year ended 31st December, 2011. Notwithstanding this, Mr. H. S. Billimoria, Independent Director of the Company, is an Independent Director on the Board of Travel Corporation (India) Limited, a wholly-owned subsidiary of the Company. 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 company 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.

7. Annual General Meetings:

Location and time where last three Annual General Meetings held:

Location	Date	Time
Y. B. Chavan Auditorium Gen. Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai 400 021	28th May, 2009	3.30 p.m.
Y. B. Chavan Auditorium Gen. Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai 400 021	12th May, 2010	3.30 p.m.
Y. B. Chavan Auditorium Gen. Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai 400 021	5th May, 2011	3.30 p.m.

Special resolutions passed at last three Annual General Meetings (AGM):

1. 32nd AGM held on 28th May, 2009: Approving the payment of Commission to Non – Executive Directors of the Company.
2. 33rd AGM held on 12th May, 2010: Minimum Remuneration and Waiver of Excess Remuneration paid for 2009 and Revision in terms of Remuneration of Mr. Madhavan Menon, Managing Director; Minimum Remuneration and Waiver of Excess Remuneration paid for 2009, Revision in terms of Remuneration and Re-appointment of Mr. Vinayak K. Purohit, Executive Director – Finance; Revision in terms of Remuneration of Mr. Rakshit Desai, Executive Director – Travel Services; Payment of Commission to Non- Executive Directors of the Company; Variation of the Thomas Cook Employees Stock Option Plan 2007; Extension of the amended Thomas Cook Employees Stock Option Plan 2007 to the employees of subsidiaries.
3. 34th AGM held on 5th May 2011: Reappointment of Mr. Rakshit Desai, Executive Director – Travel Services.

8. Disclosures:

- i) The Company does not have any related party transactions that may have any potential conflict with the interest of the Company at large.
- ii) 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 by such authorities during such period.
- iii) 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 year.
- iv) The Company has formulated a Policy on Ethics and Integrity, which is binding on all the employees of the Company.

- v) The Company has established a Whistleblower 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 or ethics policy. This policy also provides for adequate safeguards against victimization of employees who avail of the mechanism and provides for direct access to the Ombudsperson under the Code. No personnel has been denied access to the Audit Committee.
- vi) The Company has fully complied with mandatory requirements as stipulated under Clause 49 of the Listing Agreements with the Stock Exchanges and has also adopted the following Non-Mandatory requirements as prescribed in Annexure I-D to the Clause 49 of the Listing Agreements :
- The Company has set up a Remuneration Committee (called the Recruitment & Remuneration Committee), details of which have been given earlier in this report.
 - The Committee comprises wholly of Non-Executive Directors with majority of them being Independent and the Chairman also being an Independent Director.
 - Whistleblower Policy: The Company has established a Whistleblower Policy for employees details of which have been given earlier in this report.
- vii) Pursuant to Clause 5A of the Listing Agreement, the Company has sent 3 (three) reminder letters to those shareholders whose shares are remaining unclaimed and lying with the Company/ Registrars and Share Transfer Agents. The third and final reminder was sent in the month of December 2011.

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 forty-five days of the close of the respective quarter except for the fourth quarter for which the financial results of the Company are approved and taken on record within sixty days of the end of the quarter. The approved results are forthwith sent to BSE & NSE as prescribed in the Listing Agreement. Further, the results in the prescribed proforma alongwith the detailed press release is published within 48 hours in the media ensuring wider publicity. The audited annual results are published within the stipulated period of sixty days from the close of the financial year as required by the Listing Agreement with the Stock Exchanges; the unaudited results for the last quarter of the financial year are not published.
- Quarterly results are published in English and in Marathi in various newspapers. The Audited Financial Results of the Company are published in Free Press Journal (English) & Navshakti (Marathi).
- Quarterly results have also been hosted on the Company's website www.thomascook.in.
- As per requirements of Clause 52 of the Listing Agreement, all the data related to quarterly financial results, shareholding pattern, etc. is required to be provided to the special website www.corpfiling.co.in in the prescribed manner. However, since the Company is not mandatorily required to provide the same to the special website, it provides only certain data to the said website.
- 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.

10. The Management Discussion and Analysis Report forms part of the Directors' Report and is attached.

11. General Shareholder information:

Annual General Meeting	: 35th Annual General Meeting
Date	: Friday, 15th June, 2012
Time	: 3.30 p.m.
Venue	: Y. B. Chavan Auditorium, Gen. Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai 400 021
Financial Year	: 1st January, 2011 to 31st December, 2011
Book Closure	: Friday, 8th June, 2012 to Friday, 15th June, 2012 (both days inclusive)
Dividend payment date	: Friday, 29th June, 2012
Listing on Stock Exchanges	:
A. Equity Shares of ₹ 1/- each	: BSE Limited 1st Floor, New Trading Ring, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Telephone: 022-2272 1233/34 Facsimile: 022-2272 1919/3027

		National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 Telephone: 022-2659 8100 - 14 Facsimile: 022-2659 8237/38
Stock Code	:	BSE Limited Securities in - Physical Form No. 413 Electronic Form No. 500413 Scrip Name – THOMAS CK IN Scrip Id – THOMASCOOK National Stock Exchange of India Limited Symbol – THOMASCOOK Series – EQ Scrip Name – THOMAS COOK
ISIN	:	INE332A01027
B. Class 'B' 0.001% Cumulative Optionally Convertible/ Fully Redeemable Preference Shares of ₹ 10/- each	:	BSE Limited 1st Floor, New Trading Ring, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Telephone: 022-2272 1233/34 Facsimile: 022-2272 1919/3027 National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 Telephone: 022-2659 8100 - 14 Facsimile: 022-2659 8237/38
Stock Code	:	BSE Limited Securities in - Electronic Form No. 700119 Scrip Id – THOMASPSB National Stock Exchange of India Limited Symbol – THOMASCOOK Series – P2 Scrip Name – THOMASCOOK
ISIN	:	INE332A03015
C. Class 'C' 0.001% Cumulative Optionally Convertible/ Fully Redeemable Preference Shares of ₹ 10/- each	:	BSE Limited 1st Floor, New Trading Ring, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Telephone: 022-2272 1233/34 Facsimile : 022-2272 1919/3027 National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 Telephone: 022-2659 8100 - 14 Facsimile: 022-2659 8237/38

Stock Code	:	BSE Limited Securities in - Electronic Form No. 700120 Scrip Id – THOMASPSC National Stock Exchange of India Limited Symbol – THOMASCOOK Series – P3 Scrip Name – THOMASCOOK
ISIN	:	INE332A03023
Corporate Identification Number (CIN)	:	L63040MH1978PLC020717

The listing fee for the period 1st April, 2011 to 31st March, 2012 has been paid to the Stock Exchanges where the shares of the Company are listed in respect of all classes of shares.

Market Price Data (Equity) : High, Low and Volume (in equity shares) during each month for the financial year ended on 31st December, 2011

BSE Limited (BSE):

Sr. No.	Month	High (₹)	Low (₹)	Volume (Equity Shares)
1.	January 2011	63.95	48.40	1532541
2.	February 2011	55.00	43.00	2283980
3.	March 2011	57.75	43.35	4310640
4.	April 2011	62.20	52.00	6553033
5.	May 2011	55.85	47.50	1384126
6.	June 2011	54.10	45.80	1576865
7.	July 2011	52.45	45.05	2605146
8.	August 2011	51.00	40.55	1416033
9.	September 2011	54.45	43.50	4284283
10.	October 2011	51.75	44.55	1653096
11.	November 2011	50.85	36.70	4847023
12.	December 2011	40.75	33.05	1344984

The National Stock Exchange of India Limited (NSE):

Sr. No.	Month	High (₹)	Low (₹)	Volume (Equity Shares)
1.	January 2011	64.00	48.35	2428607
2.	February 2011	55.00	42.80	4144012
3.	March 2011	57.75	43.40	7851959
4.	April 2011	62.35	51.35	12634170
5.	May 2011	55.40	47.35	3074363
6.	June 2011	54.20	45.65	3444701
7.	July 2011	52.50	45.10	5441424
8.	August 2011	51.10	40.60	315233
9.	September 2011	54.45	43.35	9493508
10.	October 2011	52.00	44.40	2861139
11.	November 2011	51.00	36.70	8262982
12.	December 2011	40.90	33.00	2952665

Equity share capital history of the Company since inception:

Particulars of Issue of Capital	Date of allotment/ resolution	No. of shares	Face Value (in ₹)	Total Value (in ₹)	Cumulative Paid-up Capital (in ₹)
Subscription to Memorandum & Articles of Association	20th November, 1978	2	10	20	20
Allotment	1st March, 1979	5	10	50	70
Initial Public Offering	18th February, 1983	699993	10	6,999,930	7,000,000
Bonus Issue (1:2)	1st February, 1988	350000	10	3,500,000	10,500,000
Bonus Issue (1:2)	27th March, 1991	525000	10	5,250,000	15,750,000
Bonus Issue (1:1)	28th December, 1993	1575000	10	15,750,000	31,500,000
Bonus Issue (2:3)	11th October, 1995	2100000	10	21,000,000	52,500,000
Bonus Issue (2:3)	12th September, 1997	3500000	10	35,000,000	87,500,000
Bonus Issue (2:3)	27th July, 2000	5833333	10	58,333,330	145,833,330
Pursuant to the scheme of amalgamation of LKP Forex Limited	7th February, 2007	1494900	10	14,949,000	160,782,330
Sub-division of shares from ₹ 10/- each to ₹ 1/- each	14th May, 2007	–	1	160,782,330	160,782,330
Allotment pursuant to ESOP Scheme 2007	26th August, 2008	13540	1	13,540	160,795,870
Rights Issue (35:100)	21st January, 2009	50650699	1	50,650,699	211,446,569
Allotments pursuant to ESOP Scheme 2007 (upto 31.12.2011)	18th January, 2010	100000	1	1,00,000	211,546,569
	16th April, 2010	95159	1	95,159	211,641,728
	16th June, 2010	35832	1	35,832	211,677,560
	30th July, 2010	59646	1	59,646	211,737,206
	28th September, 2010	29996	1	29,996	211,767,202
	22nd October, 2010	37497	1	37,497	211,804,699
	14th December, 2010	3000	1	3,000	211,807,699
	6th February, 2011	2500	1	2,500	211,810,199
	17th February, 2011	6600	1	6,600	211,816,799
	26th April, 2011	60834	1	60,834	211,877,633
	29th June, 2011	42830	1	42,830	211,920,463
	22nd July, 2011	10000	1	10,000	211,930,463
	9th September, 2011	2500	1	2,500	211,932,963
	30th September, 2011	12500	1	12,500	211,945,463
21st October, 2011	6465	1	6,465	211,951,928	
18th November, 2011	55434	1	55,434	212,00,7362	

Preference share capital history of the Company since inception:

Class of preference shares	Date of Allotment	No. of preference shares allotted	Face Value (in ₹)
Class 'A' 4.65% Cumulative Non Convertible Redeemable Preference Shares of ₹ 10/- each*	7th February, 2007	103,284,000	10
Class 'B' 0.001% Cumulative Convertible / Redeemable Preference Shares of ₹ 10/- each**	7th February, 2007	319,765	10
Class 'C' 0.001% Cumulative Convertible / Redeemable Preference Shares of ₹ 10/- each**	7th February, 2007	271,800	10
1% Cumulative Non Convertible Redeemable Preference Shares of ₹ 10/- each***	29th January, 2008	105,000,000	10

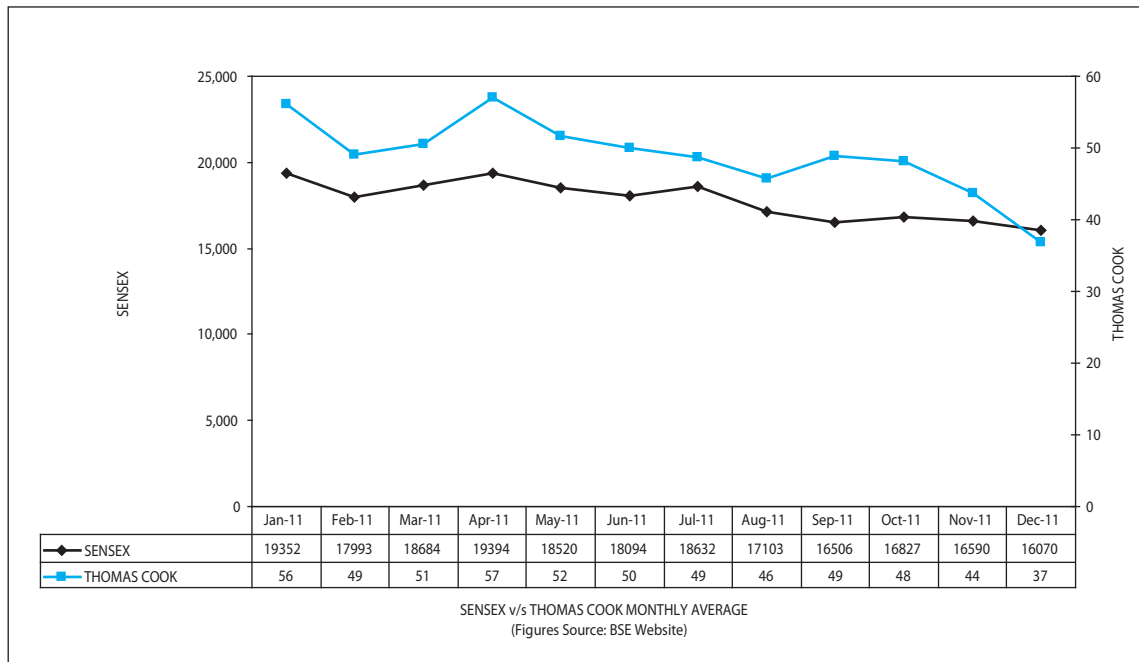
* As per the scheme of amalgamation, 103,284,000 Class 'A' 4.65% Cumulative Non – Convertible Redeemable Preference Shares of ₹ 10/- each amounting to ₹ 1,032,840,000 were allotted on February 7, 2007 and were redeemed on January 30, 2008 out of the proceeds of 1% Cumulative Non Convertible Redeemable Preference Shares of ₹ 10/- each allotted on 29th January, 2008

** Presently listed on BSE and NSE

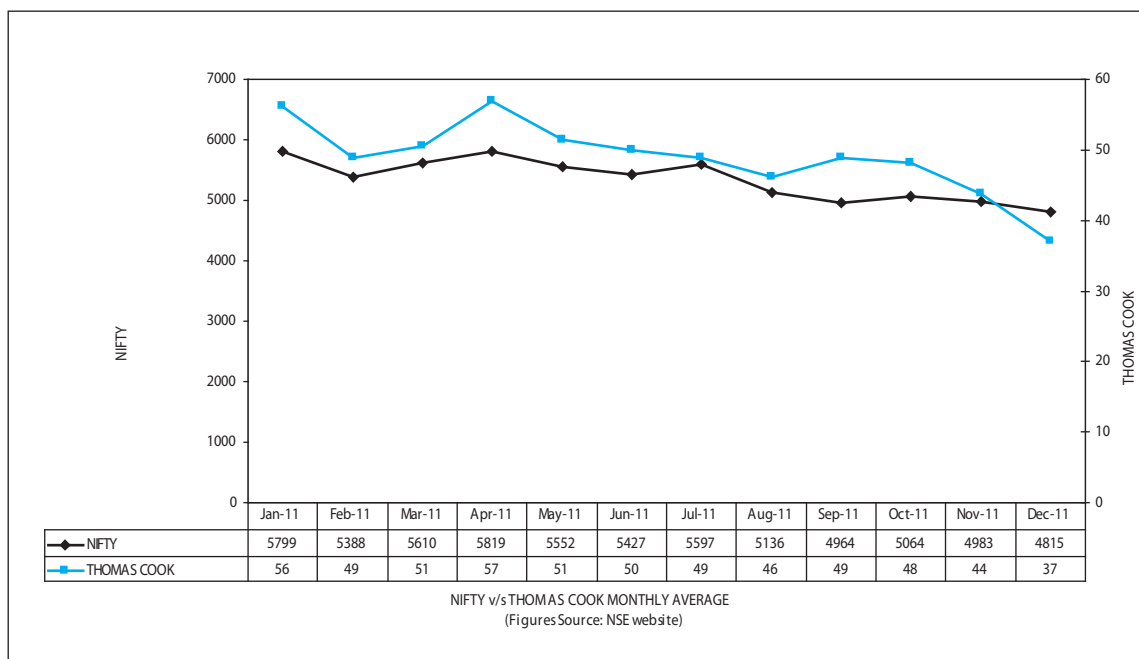
*** 105,000,000 Class 1% Cumulative Non – Convertible Redeemable Preference Shares of ₹ 10/- each amounting to ₹ 10,500 Lacs were allotted on 29th January, 2008 and were redeemed on 29th January, 2009 out of the proceeds of the Rights Issue of Equity Shares of ₹ 1/- each allotted on 21st January, 2009

Performance in comparison to broad-based indices such as BSE Sensex (SENSEX), NSE S&P CNX Nifty (NIFTY)

Performance of the Company Share Price vis-a-vis SENSEX



Performance of the Company Share Price vis-a-vis NIFTY



Registrars & Share Transfer Agents

: TSR Darashaw Limited,
6-10, Haji Moosa Patrawala Indl. Estate,
20, Dr. E. Moses Road,
Mahalaxmi,
Mumbai - 400 011
Tel No.: 91-22- 6656 8484
Fax No.: 91-22- 6656 8494
E-mail ID: csg-unit@tsrdarashaw.com
Web-site: www.tsrdarashaw.com

Transfer to Investor Education and Protection Fund (IEPF)

In terms of Section 205C of the Companies Act, 1956, an amount of ₹ 183,852 being unclaimed dividend and due for payment for the financial year ended 31st October, 2003, was transferred during the year to the IEPF established by the Central Government.

Share Transfer System:

Share Transfer is normally effected within a maximum period of 30 days from the date of receipt, if all the required documentation is submitted. All share transfers are approved by the Share Transfer & Shareholders'/ Investors' Grievance Committee which meets every fortnight.

I. (a) Distribution of Equity shareholding (as on 31st December, 2011):

Range of Holding	No. of Shares	Amount (₹)	% to Capital	No. of Shareholders	% to Shareholders
1 to 5000	19408981	19,408,981	9.15	47848	96.92
5001 to 10000	6071745	6,071,745	2.86	854	1.73
10001 to 20000	6347024	6,347,024	3.00	500	1.01
20001 to 30000	1873903	1,873,903	0.88	77	0.17
30001 to 40000	1063062	1,063,062	0.50	31	0.06
40001 to 50000	736418	736,418	0.35	16	0.03
50001 to 100000	1495379	1,495,379	0.71	22	0.04
Greater than 100000	175010850	175,010,850	82.55	21	0.04
Total	212007362	212,007,362	100.00	49369	100.00

(b) Categories of Equity Shareholders (as on 31st December, 2011):

Sr. No.	Shares held by	No. of shares held	% of Shareholding
1	Foreign Holdings		
	a. Foreign Collaborators	163471449	77.11
	b. Foreign Institutional Investors	3850566	1.81
	c. Overseas Corporate Bodies	0	0
	d. Other NRI's	754670	0.36
	Total (a+b+c+d)	168076685	79.28
2	Govt. /Govt. Sponsored Financial Institutions / Nationalised Banks	7090	0.00
3	Foreign Banks	1210	0.00
4	Other Banks	16649	0.01
5	Mutual funds	2507922	1.18
6	Insurance Companies	504475	0.24
7	Bodies Corporate	6207989	2.93
8	Other Directors & their Relatives	8000	0.00
9	Trusts	8600	0.00
10	Other Resident Individuals	34668742	16.36
	Grand Total (1+2+3+4+5+6+7+8+9+10) :	212007362	100.00

- (c) Dematerialisation of Equity shares and liquidity:
Status of dematerialisation as on 31st December, 2011:

Particulars	No. of shares	% to Capital	No. of Accounts
National Securities Depository Limited	199118748	93.92	31214
Central Depository Services (India) Limited	9844014	4.64	16890
Total Dematted (A)	208962762	98.56	48104
Physical (B)	3044600	1.44	1265
Total (A + B)	212007362	100.00	49369

- (d) Top 10 Equity Shareholders (as on 31st December, 2011)
(Other than Promoters, Directors, their relatives and Associates)

Name(s) of Shareholders	Category (as per Depository)	Shares	% to Capital
The India Fund, Inc	Foreign Institutional Investors	2759945	1.30
Hotel Hans Private Limited	Bodies Corporate	2656770	1.25
Reliance Capital Trustee Co Ltd A/c-Reliance Regular Savings Fund-Balanced Option	Mutual Funds	1500000	0.71
UTI Master Value Fund	Mutual Funds	866522	0.41
Mr. Neeraj Batra	Resident Individual	650317	0.31
Emergent India Investment Limited A/c Reliance Emergent India Fund	Foreign Institutional Investors	522800	0.25
The Oriental Insurance Company Limited	Insurance Company	504475	0.24
Bharat Kanaiyalal Sheth	Resident Individual	400000	0.19
Emerging Markets Core Equity Portfolio (The Portfolio) of DFA Investment Dimensions Group Inc (DFAIDG)	Foreign Institutional Investors	279101	0.13
Pushpa Vadara	Resident Individual	206820	0.10
TOTAL		10346750	4.88

- II (a) Distribution of shareholding of Class 'B' Preference Shares (as on 31st December, 2011):

Range of Holding	No. of Shares	Amount (₹)	% to Capital	No. of Shareholders	% to Shareholders
1 to 5000	0	0	0.00	0	0.00
5001 to 10000	0	0	0.00	0	0.00
10001 to 20000	0	0	0.00	0	0.00
20001 to 30000	0	0	0.00	0	0.00
30001 to 40000	0	0	0.00	0	0.00
40001 to 50000	0	0	0.00	0	0.00
50001 to 100000	0	0	0.00	0	0.00
Greater than 100000	319765	3,197,650	100.00	1	100.00
Total	319765	3,197,650	100.00	1	100.00

(b) Distribution of shareholding of Class 'B' Preference Shares (as on 31st December, 2011):

Sr. No.	Shares held by	No. of shares held	% of Shareholding
1	Foreign Holdings		
	a. Foreign Collaborators	0	0.00
	b. Foreign Institutional Investors	0	0.00
	c. Overseas Corporate Bodies	0	0.00
	d. Other NRI's	0	0.00
	Total (a+b+c+d)	0	0.00
2	Govt. /Govt. Sponsored Financial Institutions / Nationalised Banks	0	0.00
3	Foreign Banks	0	0.00
4	Other Banks	0	0.00
5	Mutual funds	0	0.00
6	Insurance Company	0	0.00
7	Bodies Corporate	319765	100.00
8	Directors & their Relatives	0	0.00
9	Trusts	0	0.00
10	Other Resident Individuals	0	0.00
	Grand Total (1+2+3+4+5+6+7+8+9+10) :	319765	100.00

(c) Dematerialisation of Class 'B' Preference shares and liquidity:

Status of dematerialisation as on 31st December, 2011:			
Particulars	No. of shares	% to Capital	No. of Accounts
National Securities Depository Limited	319765	100.00	1
Central Depository Services (India) Limited	0	0.00	0
Total Dematted (A)	319765	100.00	1
Physical (B)	0	0.00	0
Total (A + B)	319765	100.00	1

(d) Top 10 Class 'B' Preference Shareholders (as on 31st December, 2011)
(Other than Promoters, Directors, their relatives and Associates)

Name(s) of Shareholders	Category (as per Depository)	Shares	% to Capital
LKP Merchant Financing Limited	Bodies Corporate	319765	100.00
TOTAL		319765	100.00

III. (a) Distribution of shareholding of Class 'C' Preference Shares (as on 31st December, 2011):

Range of Holding	No. of Shares	Amount (₹)	% to Capital	No. of Shareholders	% to Shareholders
1 to 5000	0	0	0.00	0	0.00
5001 to 10000	0	0	0.00	0	0.00
10001 to 20000	0	0	0.00	0	0.00
20001 to 30000	0	0	0.00	0	0.00
30001 to 40000	0	0	0.00	0	0.00
40001 to 50000	0	0	0.00	0	0.00
50001 to 100000	0	0	0.00	0	0.00
Greater than 100000	271800	2,718,000	100.00	1	100.00
TOTAL	271800	2,718,000	100.00	1	100.00

(b) Distribution of shareholding of Class 'C' Preference Shares (as on 31st December, 2011):

Sr. No.	Shares held by	No. of shares held	Percentage of Shareholding
1	Foreign Holdings		
	a. Foreign Collaborators	0	0.00
	b. Foreign Institutional Investors	0	0.00
	c. Overseas Corporate Bodies	0	0.00
	d. Other NRI's	0	0.00
	Total (a+b+c+d)	0	0.00
2	Govt. /Govt. Sponsored Financial Institutions Nationalised Banks	0	0.00
	Total	0	0.00
3	Foreign Banks	0	0.00
4	Other Banks	0	0.00
5	Mutual funds	0	0.00
6	Insurance Company	0	0.00
7	Bodies Corporate	271800	100.00
8	Directors & their Relatives	0	0.00
9	Trusts	0	0.00
10	Other Resident Individuals	0	0.00
	Grand Total (1+2+3+4+5+6+7+8+9+10) :	271800	100.00

(c) Dematerialisation of Class 'C' Preference shares and liquidity:

Status of dematerialisation as on 31st December, 2011:

Particulars	No. of shares	% to Capital	No. of Accounts
National Securities Depository Limited	271800	100.00	1
Central Depository Services (India) Limited	0	0.00	0
Total Dematted (A)	271800	100.00	1
Physical (B)	0	0.00	0
Total (A + B)	271800	100.00	1

(d) Top 10 Class 'C' Preference Shareholders (as on 31st December, 2011)

(Other than Promoters, Directors, their relatives and Associates)

Name(s) of Shareholders	Category (as per Depository)	Shares	% to Capital
LKP Merchant Financing Limited	Bodies Corporate	271800	100.00
TOTAL		271800	100.00

Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity:**Convertible Preference Shares**

Outstanding Preference Shares as on 31st December, 2011 were 319765 Class 'B' 0.001% Cumulative Convertible / Redeemable Preference Shares of ₹ 10/- each and 271800 Class 'C' 0.001% Cumulative Convertible / Redeemable Preference Shares of ₹ 10/- each. As per the terms of issue of these shares, the Class 'B' 0.001% Cumulative Convertible / Redeemable Preference Shares of ₹ 10/- each can be converted into an equivalent number of Equity Shares, if the EPS of the Company exceeds ₹ 30.30 per share. Similarly, Class 'C' 0.001% Cumulative Convertible / Redeemable Preference Shares of ₹ 10/- each can be converted into an equivalent number of Equity Shares, if the EPS of the Company exceeds ₹ 36.40 per share. Pursuant to the subdivision of the equity share capital of the Company in May 2007, the aforesaid EPS figures have respectively been adjusted to ₹ 3.03 and ₹ 3.64 as per the terms of issue of these shares. The aforesaid Preference Shares will be due for redemption on 31st December, 2013 if not converted before the said date.

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 also at Sri Lanka.

Address for correspondence

: Thomas Cook (India) Limited,
Thomas Cook Building,
Dr. D. N. Road, Fort,
Mumbai – 400 001
Tele: (022) 6160 3333
Facsimile: (022) 2287 1069
For grievance redressal / for registering complaints by investors/
shareholders, please contact:
E-mail: sharedept@in.thomascook.com

FOR AND ON BEHALF OF THE BOARD

MADHAVAN MENON
Managing DirectorVINAYAK K. PUROHIT
Executive Director - Finance

Mumbai, 16th February, 2012

Report of the Various Committees of the Board

Report of the Audit Committee to the Members of Thomas Cook (India) Limited:

The Audit Committee of the Board consisted of the following members:

Mr. H. S. Billimoria

Mr. A. V. Rajwade

Mr. M. K. Sharma

Mr. Ramesh Savoor

Mr. R. R. Kenkare, President & Head - Legal & Company Secretary, acts as the Secretary of the Committee.

As per the requirement of the clause on Corporate Governance in the Listing Agreement as also the provisions of the Companies Act, 1956, the Audit Committee consists exclusively of Non-Executive Director.

The Committee has, inter alia, overseen the Company's financial reporting system and the disclosure of financial information. The Committee reviewed the independence of both the internal and statutory auditors. The Committee also reviewed the reports of the Risk Management Committee. The management is in the process of resolving the implementation and integration issues in its Leisure Travel Outbound Business (LTOB) software modules which is being implemented in a phased manner. This would strengthen internal control systems in respect of the Company's LTOB Business. Further, all frauds are covered under the fidelity policy. The Company has recovered some of the amounts and where deemed appropriate, adequate provisions have been made in the accounts. Apart from the aforesaid, the internal auditors and the statutory auditors reported to the Committee that the internal controls to ensure that the accounts of the Company are properly maintained and that prevailing laws and regulations are complied with, have been put in place. Based on these reports, the Committee has nothing else to report.

The Committee recommended to the Board the reappointment of M/s. Lovelock & Lewes, as statutory auditors of the Company for the year ended 31st December, 2012. The Committee also recommended the appointment of Sharp & Tannan as internal auditors along with their scope of work.

H. S. BILLIMORIA
Chairman
Audit Committee

Mumbai
16th February, 2012

Report of the Sub-Committee of the Board to the Members:

The Sub-Committee of the Board met 23 times during the year ended 31st December, 2011. The requisite quorum was present from among the following members of the Committee.

Mr. Madhavan Menon

Mr. Vinayak K. Purohit

Mr. Rakshit Desai

Mr. R. R. Kenkare, President & Head - Legal & Company Secretary, acts as the Secretary of the Committee.

The Board has delegated certain powers of routine nature required to effectively manage the day to day affairs of the Company. These are considered at length at the meetings of this Committee, which, while relieving the full Board from the burden of considering routine matters, also helps to effectively reduce the time to go ahead in the matters requiring Board approval.

The Sub-Committee presently consists of Mr. Madhavan Menon, Chairman, Mr. Vinayak K. Purohit, Member and Mr. Rakshit Desai, Member. The Sub-Committee meets once in a month or as and when required.

MADHAVAN MENON
Chairman
Sub – Committee of the Board

Mumbai
30th January, 2012

Report of the Share Transfer & Shareholders' / Investors' Grievance Committee to the Members:

The Share Transfer & Shareholders' / Investors' Grievance Committee of the Board met 26 times during the year ended 31st December, 2011. The Committee attended to share transfer formalities once in a fortnight as stipulated under Clause 49 of the Listing Agreement. The requisite quorum was present from among the following members of the Committee:

Mr. H. S. Billimoria
 Mr. A. V. Rajwade
 Mr. M. K. Sharma
 Mr. Madhavan Menon
 Mr. Vinayak K. Purohit
 Mr. Rakshit Desai

Mr. R. R. Kenkare, President & Head - Legal & Company Secretary, acts as the Secretary of the Committee.

The Share Transfer Committee was formed in 1996 consisting of three Executive Directors and three Non-Executive Directors with the mandate to approve transfer of shares, splitting and consolidation of shares, issue of duplicate share certificates and transmission of shares with or without legal representation. The Committee as of 31st December, 2011 comprised of 3 Non-Executive Directors and 3 Executive Directors.

The Committee also took note of various shareholder correspondence and complaints received directly by the Company and received by the Registrar & Share Transfer Agents viz. TSR Darashaw Limited and oversees redressal of the same. During the year, the Company received correspondence as under:

No. of correspondence received	1118
No. of correspondence attended to	1103
No. of correspondence pending	15*

* pending as on 31st December, 2011. These requests were received in the last week of December 2011, and have been since attended to

H. S. BILLIMORIA
 Chairman
 Share Transfer & Shareholders' / Investors' Grievance Committee

Mumbai
 24th January, 2012

Report of the Recruitment & Remuneration Committee to the Members

The Recruitment & Remuneration Committee met thrice during the year under review i.e. January to December 2011, on 17th February, 2011, 26th July, 2011, and 21st October, 2011, and the requisite quorum was present from among the following members of the Committee:

Name of the Director	Designation
A.V. Rajwade	Chairman
Ramesh Savor	Member
Krishnan Ramachandran	Member

Dr. D. Prasanth Nair, President & Head - Human Resources & Financial Services, is the Rapporteur of the Committee for the meetings.

Salaries:

The Committee reviewed and approved the compensation payable to the Executive Directors of the Company for the year under review within the overall limits approved by the shareholders. Information on compensation and other benefits provided to Executive Directors is disclosed in the Annual Report. The Committee also approved the compensation for the Group Leadership Team. The Committee will endeavour to constantly benchmark the Compensation & Benefits payable to the Group Leadership Team in the Company with the market trends and will take necessary steps to enable motivation and retention of key talent.

Non-Executive Directors:

Non-Executive Directors are paid compensation not exceeding the limit specified by statute and based on the approval of the members of the Company. This is to compensate the Non-Executive Directors for their contribution on various deliberations at the meeting/s and also for the responsibilities undertaken.

The table below discloses the compensation payable to Non-Executive Directors for the period ended 31st December, 2011 for Thomas Cook (India) Limited and its subsidiaries.

Sr. No.	Name	Days	Amount Rs.
	Thomas Cook (India) Limited		
1	Mr. Hoshang Shavaksha Billimoria	365	1,250,000/-
2	Mr. Anant Vishnu Rajwade	365	1,250,000/-
3	Mr. Ramesh A. Savor	365	1,250,000/-
4	Mr. Mahendra Kumar Sharma	365	1,250,000/-
5	Mr. Krishnan Ramachandran	365	1,250,000/-
	Total		6,250,000/-
	Travel Corporation (India) Limited		
1	Mr. Hoshang Shavaksha Billimoria	365	* Nil

* Due to non availability of distributable profits.

Save other than as disclosed, none of the Directors had a material beneficial interest in any contract of significance to which the Company or any of its subsidiary undertakings was a party, during the financial year.

A.V. RAJWADE
Chairman
Recruitment & Remuneration Committee

Mumbai
Date : 16th February, 2012

Certificate Regarding Compliance of Conditions of Corporate Governance

To the Members of **Thomas Cook (India) Limited**

We have examined the compliance with conditions of Corporate Governance by **Thomas Cook (India) Limited**, for the year ended on 31st December, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance with conditions of Corporate Governance is the responsibility of the Company's management. 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.

In our opinion and to the best of our information and according to the explanations given 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 the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For NILESH SHAH & ASSOCIATES
Company Secretaries

(NILESH SHAH)
Partner (FCS - 4554)
C.P.No: 2631

Place: Mumbai
Date : 16th February, 2012

CEO/CFO Certification

pursuant to Clause 49 of the Listing Agreement(s)

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 2011 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 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 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.
- e) We affirm that we have not denied any personal access to the Audit Committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to 'whistle blowers' from unfair termination and other unfair or prejudicial employment practices.

MADHAVAN MENON
Managing Director
Thomas Cook (India) Limited
Mumbai, 16th February, 2012

VINAYAK K. PUROHIT
Executive Director – Finance
Thomas Cook (India) Limited
Mumbai, 16th February, 2012

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 31st December, 2011.

MADHAVAN MENON
Managing Director
Thomas Cook (India) Limited
Mumbai, 16th February, 2012

Auditors' Report

Auditors' Report to the Members of Thomas Cook (India) Limited

1. We have audited the attached Balance Sheet of Thomas Cook (India) Limited (the "Company") as at 31st December, 2011, and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the "Order"), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (a) We have 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 appears from our examination of those books;
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
 - (e) On the basis of written representations received from the directors, as on 31st December, 2011 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st December, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give in the prescribed manner, the information required by the Act, and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st December, 2011;
 - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For LOVELOCK & LEWES
Firm Registration Number: 301056E
Chartered Accountants

NAGNATH V PAI
Partner
Membership Number: 36134

Mumbai
Date: 16th February, 2012

Annexure to the Auditors' Report

[Referred to in paragraph 3 of the Auditors' Report of even date to the members of Thomas Cook (India) Limited on the financial statements for the year ended 31st December, 2011]

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
- (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.
2. (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- (b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act
3. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of services except in respect of Leisure Travel Outbound Business where the internal control system needs to be strengthened on account of certain integration issues arising post implementation of the new Leisure Travel Outbound Modules. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
4. According to the information and explanations given to us, there are no contracts or arrangements referred to in Section 301 of the Act during the year to be entered in the register required to be maintained under that Section. Accordingly, the question of commenting on transactions made in pursuance of such contracts or arrangements does not arise.
5. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
6. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth tax, service tax, customs duty, cess and other material statutory dues as applicable with the appropriate authorities in India. As informed to us sales tax and excise duty are not applicable to the Company during the year.

Name of the statute	Nature of dues	Amount Rupees	Year to which the amount relates	Forum where the dispute is pending
Service Tax Rules, 1994	Service Tax	1,288,637,350	Financial Year 2003 to 2011	Various Levels from Assistant Commissioner to CESTAT

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, wealth-tax, customs duty and cess which have not been deposited on account of any dispute. The particulars of dues of service tax as at 31st December, 2011 which have not been deposited on account of a dispute are as follows:
8. The Company has no accumulated losses as at 31 December, 2011 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
9. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
10. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
11. The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company.
12. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
13. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
14. In our opinion, and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.

Annexure to the Auditors' Report

15. On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
16. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
17. The Company has not issued any debentures.
18. The Company has not raised any money by public issues during the year.
19. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, *except for certain instances of fraud including misuse of credit cards, log-in ids and funds by the employees of the Company's and fraudulent processing of RTGS transactions and visa application without approval, aggregating Rs. 5,430,000 which are in the process of being settled/ recovered*, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management. (Refer Note 2(p) of Schedule Q)
20. The other clauses, (ii) and (viii) of paragraph 4 of the Companies (Auditor's Report) Order 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, are not applicable in the case of the Company for the year, since in our opinion there is no matter which arises to be reported in the aforesaid Order.

For LOVELOCK & LEWES
Firm Registration Number: 301056E
Chartered Accountants

NAGNATH V PAI
Partner
Membership Number: 36134

Mumbai
Date: 16th February, 2012

Balance Sheet

as at 31st December, 2011

	Schedule	As at 31st December, 2011		As at 31st December, 2010	
		Rupees	Rupees	Rupees	Rupees
SOURCES OF FUNDS					
SHAREHOLDERS' FUNDS					
Capital	A	217,923,012		217,723,349	
Reserves and Surplus	B	3,328,434,025		2,846,106,122	
			3,546,357,037		3,063,829,471
LOAN FUNDS					
Secured Loans	C	22,058,373		19,804,172	
Unsecured Loans	D	2,259,339,697		1,967,502,221	
			2,281,398,070		1,987,306,393
DEFERRED TAXATION (NET)					
Deferred Tax Liability	E	95,886,568		75,014,325	
Less: Deferred Tax Assets		45,515,241		31,078,118	
			50,371,327		43,936,207
Total			5,878,126,434		5,095,072,071
APPLICATION OF FUNDS					
FIXED ASSETS					
Gross Block	F	1,413,854,101		1,363,991,992	
Less: Depreciation / Amortisation		714,129,104		708,673,622	
Net Block		699,724,997		655,318,370	
Capital Work-in-Progress (Including Capital Advances)		24,775,614		52,721,596	
			724,500,611		708,039,966
INVESTMENTS	G		1,974,159,610		1,974,149,999
CURRENT ASSETS, LOANS AND ADVANCES					
Sundry Debtors	H	1,933,033,471		1,863,293,422	
Cash and Bank Balances	I	2,463,451,440		1,083,769,177	
Loans and Advances	J	1,140,315,610		1,236,924,127	
		5,536,800,521		4,183,986,726	
LESS: CURRENT LIABILITIES AND PROVISIONS					
Liabilities	K	2,213,686,910		1,660,739,275	
Provisions	L	143,647,398		110,365,345	
		2,357,334,308		1,771,104,620	
NET CURRENT ASSETS			3,179,466,213		2,412,882,106
Total			5,878,126,434		5,095,072,071
Notes to the Financial Statements Schedules "A" to "L" and "Q" referred to above form an integral part of the Balance Sheet.	Q				

In terms of our report of even date

For and on behalf of the Board

For LOVELOCK & LEWES
Firm Registration Number: 301056E
Chartered Accountants

NAGNATH V PAI
Partner
Membership No. 36134

MADHAVAN MENON – Managing Director
VINAYAK K. PUROHIT – Executive Director - Finance
RAKSHIT DESAI – Executive Director - Foreign Exchange
R. R. KENKARE – President & Head - Legal & Company Secretary

Mumbai, 16th February, 2012

Mumbai, 16th February, 2012

Profit and Loss Account for the year ended 31st December, 2011

	Schedule	Year ended 31st December, 2011		Year ended 31st December, 2010	
		Rupees	Rupees	Rupees	Rupees
INCOME					
Revenue		3,252,633,734		2,673,609,332	
Other Income	M	238,600,592		118,607,230	
			3,491,234,326		2,792,216,562
EXPENDITURE					
Personnel Cost	N	1,237,620,408		1,004,684,343	
Advertisement and Business Promotion		180,578,821		188,143,202	
Other Expenses	O	906,127,779		740,463,475	
Interest and Other Finance Expenses (Net of Interest Income)	P	223,440,688		211,546,670	
Depreciation/Amortisation	F	114,709,417		115,858,189	
			2,662,477,113		2,260,695,879
PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEM			828,757,213		531,520,683
Add: Exceptional Item [Refer Note 2(n) of Schedule "Q"]			-		100,000,000
PROFIT AFTER EXCEPTIONAL ITEM AND BEFORE TAXATION			828,757,213		631,520,683
Provision for Taxation					
Current Tax		263,200,000		208,500,000	
Deferred Tax		6,435,120		7,639,666	
			269,635,120		216,139,666
NET PROFIT AFTER TAXATION			559,122,093		415,381,017
Add: Transfer from Reserve created under Section 80HHD of the Income-tax Act, 1961			-		15,000,000
			559,122,093		430,381,017
Balance brought forward from previous year			1,033,925,915		737,788,275
			1,593,048,008		1,168,169,292
APPROPRIATIONS					
Transfer to General Reserve			55,912,209		41,538,102
Dividend for the previous year paid during the year			26,225		73,185
Corporate Dividend Tax for the Previous year and paid during the year			4,254		12,155
Proposed Dividend on Equity Shares			79,502,761		79,427,887
Proposed Dividend on Preference Shares			59		59
Corporate Dividend Tax			12,284,305		13,191,989
Balance carried to Balance Sheet			1,445,318,195		1,033,925,915
			1,593,048,008		1,168,169,292
Earnings per Share - Basic			2.64		1.96
Earnings per Share - Diluted			2.57		1.91
[₹ per Equity Share of ₹ 1 each] [Refer Note 2(l) of Schedule "Q"]					
Notes to the Financial Statements Schedules "F" and "M" to "Q" referred to above form an integral part of the Profit and Loss Account.	Q				

In terms of our report of even date

For and on behalf of the Board

For LOVELOCK & LEWES
Firm Registration Number: 301056E
Chartered Accountants

NAGNATH V PAI
Partner
Membership No. 36134

MADHAVAN MENON – Managing Director
VINAYAK K. PUROHIT – Executive Director - Finance
RAKSHIT DESAI – Executive Director - Foreign Exchange
R. R. KENKARE – President & Head - Legal &
Company Secretary

Mumbai, 16th February, 2012

Mumbai, 16th February, 2012

Schedules forming part of the Balance Sheet as at 31st December, 2011

	As at 31st December, 2011 Rupees	As at 31st December, 2010 Rupees
SCHEDULE "A" : CAPITAL		
Authorised		
345,827,060 Equity Shares of ₹ 1 each	345,827,060	345,827,060
114,760,000 'Class A' 4.65% Cumulative Non-Convertible Redeemable Preference Shares of ₹ 10 each	1,147,600,000	1,147,600,000
355,294 'Class B' 0.001% Cumulative Convertible / Redeemable Preference Shares of ₹ 10 each	3,552,940	3,552,940
302,000 'Class C' 0.001% Cumulative Convertible / Redeemable Preference Shares of ₹ 10 each	3,020,000	3,020,000
125,000,000 1% Cumulative Non-Convertible Redeemable Preference Shares of ₹ 10 each	1,250,000,000	1,250,000,000
	<u>2,750,000,000</u>	<u>2,750,000,000</u>
Issued and Subscribed		
212,007,362 (<i>Previous Year 211,807,699</i>) Equity Shares of ₹ 1 each fully paid-up [118,125,000 Equity Shares are held by the Holding Company, TCIM Limited, UK] [45,346,449 Equity Shares are held by Thomas Cook UK Limited, the Holding Company of TCIM Limited, UK]	212,007,362	211,807,699
319,765 'Class B' 0.001% Cumulative Convertible / Redeemable Preference Shares of ₹ 10 each	3,197,650	3,197,650
271,800 'Class C' 0.001% Cumulative Convertible / Redeemable Preference Shares of ₹ 10 each	2,718,000	2,718,000
	<u>217,923,012</u>	<u>217,723,349</u>
Of the above:		
(a) 2,799,930 Equity Shares were allotted pursuant to a contract without payment being received in cash.		
(b) 138,833,330 Equity Shares were allotted as fully paid-up bonus shares by capitalisation of General Reserve and Capital Reserve.		
(c) Following shares were allotted to the erstwhile shareholders of LKP Forex Limited pursuant to its merger with the Company effective 1st April, 2006		
(i) 319,765 'Class B' 0.001% Cumulative Convertible / Redeemable Preference Shares of ₹ 10 each		
(ii) 271,800 'Class C' 0.001% Cumulative Convertible / Redeemable Preference Shares of ₹ 10 each		
(iii) 14,949,000 Equity Shares of ₹ 1 each		
Note: The Company has granted share options under the Company's Employees Stock Option Plan and share options outstanding as at 31st December, 2011 are 5,924,654 (<i>Previous Year 4,926,478</i>). Of these 129,973 (<i>Previous Year 205,667</i>) options have vested in 2008, 500,347 (<i>Previous Year 462,500</i>) options have vested in 2009, 615,992 (<i>Previous Year 857,605</i>) options have vested in 2010, 1,163,709 (<i>Previous Year 1,153,396</i>) options have vested in 2011, 1,372,818 (<i>Previous Year 896,563</i>) options will vest in 2012, 1,675,873 (<i>Previous Year 1,350,747</i>) options will vest in 2013 and 465,942 (<i>Previous Year Nil</i>) options will vest in 2014. During the Year 199,663 (<i>Previous Year 361,130</i>) options were exercised.		

Schedules forming part of the Balance Sheet as at 31st December, 2011

	As at 31st December, 2011		As at 31st December, 2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE "B" : RESERVES AND SURPLUS				
Reserve as required under Section 80HHD of the Income - tax Act, 1961				
Balance as per last Balance Sheet	-		15,000,000	
Less: Transfer to Profit and Loss Account	-		15,000,000	
Share Premium				
Opening Balance	1,634,578,415		1,620,094,498	
Add: Premium on Issue of Equity Shares under Employee Stock Option Plan	5,852,121		13,742,720	
Add: Transfer from Employee Stock Options	317,465		741,197	
Closing Balance		1,640,748,001		1,634,578,415
Employee Stock Options				
Opening Employee Stock Options Outstanding	8,420,784		7,372,311	
Add: Charge to Profit & Loss Account	9,171,293		1,789,670	
Less: Transfer to Share Premium Account	317,465		741,197	
Closing Employee Stock Options Outstanding		17,274,612		8,420,784
General Reserve				
Balance as per last Balance Sheet	169,181,008		127,642,906	
Add: Transfer from Profit and Loss Account	55,912,209		41,538,102	
		225,093,217		169,181,008
Profit and Loss Account		1,445,318,195		1,033,925,915
		3,328,434,025		2,846,106,122
SCHEDULE "C" : SECURED LOANS				
Finance Lease Liability		22,058,373		19,804,172
(Obligations under finance lease are secured against fixed assets acquired under finance lease arrangements)				
		22,058,373		19,804,172
SCHEDULE "D" : UNSECURED LOANS				
Short-term Loans from Banks		2,022,124,976		1,696,604,508
Bank Overdrafts		237,214,721		270,897,713
		2,259,339,697		1,967,502,221
SCHEDULE "E" : DEFERRED TAXATION (NET)				
Deferred Tax Liability				
On Fiscal Allowances on Fixed Assets		95,886,568		75,014,325
Less: Deferred Tax Assets				
On Provisions Allowable for tax purposes when paid	7,209,758		7,629,992	
On Provision for Doubtful Debts and Advances	38,305,483		22,475,466	
On Unamortised Expenditure	-		972,660	
		45,515,241		31,078,118
		50,371,327		43,936,207

Schedules forming part of the Balance Sheet as at 31st December, 2011

SCHEDULE "F" : FIXED ASSETS

Description	Gross Block (at cost)			Depreciation/Amortisation			Net Block		
	As at 01.01.2011	Additions	Deductions	As at 01.01.2011	For the year	On Deductions	As at 31.12.2011	As at 31.12.2011	As at 31.12.2010
Intangible Assets									
Goodwill	8,831,169	-	-	8,831,169	8,831,169	-	8,831,169	-	-
Software	354,217,164	78,466,252	-	432,683,416	246,073,854	61,856,933	307,930,787	124,752,629	108,143,310
Tangible Assets									
Leasehold Properties	55,360,886	6,803,969	1,403,020	60,761,835	38,382,034	912,979	37,982,255	22,779,580	16,978,852
Freehold Properties	262,356,522	-	12,093,800	250,262,722	45,528,088	4,119,788	45,297,864	204,964,858	216,828,434
Strong Room	692,425	-	-	692,425	616,319	16,166	632,485	59,940	76,106
Furniture and Fittings	261,311,429	53,763,242	36,023,549	279,051,122	107,311,922	16,861,315	98,156,159	180,894,963	153,999,507
Computers	210,072,512	26,017,775	61,954,520	174,135,767	172,824,028	19,720,187	130,602,387	43,533,380	37,248,484
Office Equipment	183,972,824	12,016,432	20,634,349	175,354,907	78,081,111	7,903,992	72,773,234	102,581,673	105,891,713
Vehicles	27,177,061	11,537,857	6,634,180	32,080,738	11,025,097	3,318,057	11,922,764	20,157,974	16,151,964
Total	1,363,991,992	188,605,527	138,743,418	1,413,854,101	708,673,622	114,709,417	714,129,104	699,724,997	655,318,370
Previous Year	1,237,924,730	190,554,530	64,487,268	1,363,991,992	634,092,887	115,858,189	708,673,622	655,318,370	

Notes:

- Cost of Freehold Properties includes:
 - 60 (Previous Year 60) unquoted fully paid-up Shares of ₹ 3,000 (Previous Year ₹ 3,000) in various Co-operative Societies.
 - Share application money of ₹ 2,040 (Previous Year ₹ 2,040) to various Co-operative Societies.
 - Premises of ₹ 26,212,260 (Previous Year ₹ 38,310,760) on freehold land where the Company is yet to be registered as the owner of a proportionate share in land.
 - Premises of ₹ 192,708,900 (Previous Year ₹ 163,506,670) where the Co-operative Society is yet to be formed.
- Intangible Assets include softwares - internally generated/developed – Gross Block ₹ 76,247,048; Net Block ₹ 53,442,794.
- Gross block and Net block of assets includes assets acquired under Finance Leases as follows:
 - Vehicles ₹ 23,417,792 (Previous Year ₹ 16,944,611) and ₹ 19,859,232 (Previous Year ₹ 15,422,235) respectively.
 - Computer hardware ₹ 3,053,425 (Previous Year ₹ 3,053,425) and ₹ 1,068,699 (Previous Year ₹ 1,832,055) respectively.
 - Computer software ₹ 2,040,754 (Previous Year ₹ 2,040,754) and ₹ 714,264 (Previous Year ₹ 1,224,453) respectively.

Schedules forming part of the Balance Sheet as at 31st December, 2011

	As at 31st December, 2011		As at 31st December, 2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE "G" : INVESTMENTS				
(Unquoted unless otherwise stated)				
Current - Non - Trade				
In fully paid up Units of Mutual Funds				
- 4,985,690 (<i>Previous Year Nil</i>) Units of ₹ 10 each - SBI Premium Liquid Fund - Super Institutional - Daily Dividend Option		50,018,941		-
- Nil (<i>Previous Year 2,985,559</i>) Units of ₹ 10 each - SBI Magnum Insta Cash Fund - Daily Dividend Option		-		50,009,015
Long-term (at cost)				
In Subsidiary Companies				
- 50,000 fully paid-up Equity Shares of ₹ 10 each of Thomas Cook Insurance Services (India) Limited		500,000		500,000
- 50,000 fully paid-up Equity Shares of ₹ 10 each of Indian Horizon Travel and Tours Limited		500,000		500,000
- 50,000 fully paid-up Equity Shares of ₹ 10 each of Thomas Cook Tours Limited		500,000		500,000
- 1,655,500 fully paid-up Equity Shares of USD 1 each of Thomas Cook (Mauritius) Holding Company Limited		73,248,730		73,248,730
- 1,576,698 fully paid-up Equity Shares of ₹ 10 each of Travel Corporation (India) Limited		1,848,427,470		1,848,427,470
		1,923,176,200		1,923,176,200
In fully paid-up Ordinary Shares - Trade				
- 676 fully paid-up Class C (Series I) Common Stock of USD 0.0001 each of Visa Inc.		962,589		962,589
In fully paid-up Ordinary Shares - Non Trade				
- 10 fully paid-up Equity Shares of ₹ 10 each of JIK Industries Limited - Quoted		18,000		18,000
- 100 fully paid-up Equity Shares of ₹ 10 each of Weizmann Limited - Quoted		879		2,000
- 66 fully paid-up Equity Shares of ₹ 10 each of Karma Energy Limited - Quoted		615		-
- 66 fully paid-up Equity Shares of ₹ 10 each of Weizmann Forex Limited - Quoted		506		-
		1,974,177,730		1,974,167,804
Less : Provision for diminution in value of investment		18,120		17,805
		1,974,159,610		1,974,149,999
Aggregate amount of Quoted Investments		1,880		2,195
Aggregate amount of Unquoted Investments		1,974,157,730		1,974,147,804
		1,974,159,610		1,974,149,999
Aggregate Market Value of Quoted Investments		5,338		2,195

Schedules forming part of the Balance Sheet as at 31st December, 2011

	As at 31st December, 2011		As at 31st December, 2010	
		Units		Units
SCHEDULE "G" : INVESTMENTS (Contd).				
Investments purchased and sold during the year				
- Units of ₹ 10 each of Birla Sun Life Cash Plus - Institutional Premier - Daily Dividend		127,774,926		-
- Units of ₹ 10 each of IDFC Cash Fund- Super Institutional Plan C- Daily Dividend		98,000,232		14,998,043
- Units of ₹ 10 each of SBI Premier Liquid Fund Super Institutional Daily Dividend		44,876,294		9,970,149
- Units of ₹ 10 each of HDFC Liquid Fund Premium Plan - Dividend - Daily Reinvestment		11,421,485		-
- Units of ₹ 1,000 each of Templeton India Treasury Management Account Super Institutional Plan - Daily Dividend Reinvestment		999,635		1,029,435
- Units of ₹ 1,000 each of UTI Liquid Cash Plan - Institutional - Daily Income Option - Re-investment		372,822		-
- Units of ₹ 10 each of Birla Sun Life Cash Manager - Institutional Plan - Daily Dividend - Reinvestment		-		40,992,386
- Units of ₹ 1,000 each of UTI Money Market MF- Institutional - Daily Dividend - Re-investment		-		199,355
- Units of ₹ 10 each of LIC MF Liquid Fund Dividend Plan		-		11,840,604
- Units of ₹ 10 each of SBI-Magnum Insta Cash Fund- Daily Dividend Option		-		11,344,311
- Units of ₹ 10 each of SBI - Premier Liquid Fund - Institutional - Daily Dividend		-		8,972,034
- Units of ₹ 10 each of HDFC Cash Management Fund - Savings Plan - Daily Dividend Reinvestment		-		3,761,060
- Units of ₹ 10 each of SBI- SHF - Ultra Short Term fund- Institutional Plan- Daily Dividend		-		575,083
SCHEDULE "H" : SUNDRY DEBTORS				
	Rupees	Rupees	Rupees	Rupees
Unsecured, Considered Good				
Outstanding exceeding six months	103,696,387		120,335,613	
Others	1,829,337,084		1,742,957,809	
		1,933,033,471		1,863,293,422
Unsecured, Considered Doubtful				
Outstanding exceeding six months	116,394,167		62,387,727	
Outstanding less than six months	668,655		-	
	117,062,822		62,387,727	
Less: Provision for Doubtful Debts	117,062,822		62,387,727	
		-		-
		1,933,033,471		1,863,293,422

Schedules forming part of the Balance Sheet as at 31st December, 2011

	As at 31st December, 2011 Rupees	As at 31st December, 2010 Rupees
SCHEDULE "1" : CASH AND BANK BALANCES		
Cash and Cheques on Hand (including Foreign Currencies - Notes and paid documents)	1,106,026,487	452,894,808
Remittances in Transit (including Foreign Currencies - Notes and paid documents)	715,000,211	285,132,729
Balances with Scheduled Banks		
On Current Accounts	356,360,412	297,360,827
On Deposit Accounts (on lien with various authorities)	8,150,562	11,080,750
	364,510,974	308,441,577
Balances with Non-Scheduled Banks		
On Current Accounts		
Deutsche Bank Trust Company Americas, New York, USA (maximum balance during the year ₹ 286,455,947 - Previous Year ₹ 344,584,464)	30,461,509	-
Deutsche Bank AG, Frankfurt, Germany (maximum balance during the year ₹ 338,696,378 - Previous Year ₹ 388,064,110)	56,916,935	12,579,529
Bank of Nova Scotia, Toronto, Canada (maximum balance during the year ₹ 7,487,828 - Previous Year ₹ 30,496,840)	6,789,574	-
ANZ National Bank Limited, Wellington, New Zealand (maximum balance during the year ₹ 18,388,936 - Previous Year ₹ 14,668,131)	11,184,883	4,678,048
ANZ National Bank Limited, Melbourne, Australia (maximum balance during the year ₹ 1,309,770 - Previous Year ₹ 78,079,498)	561,751	979,333
Bank of America, Singapore (maximum balance during the year ₹ 31,777,020 - Previous Year ₹ 12,107,013)	10,551,346	-
Bank of America, Frankfurt, Germany (maximum balance during the year ₹ 892,375,599 - Previous Year ₹ Nil)	33,984,549	-
Bank of America, Sydney, Australia (maximum balance during the year ₹ 93,807,140 - Previous Year ₹ Nil)	56,821,741	-
Bank of America, London, UK (maximum balance during the year ₹ 120,026,611 - Previous Year ₹ Nil)	26,566,971	-
Bank of America, Toronto, Canada (maximum balance during the year ₹ 22,880,802 - Previous Year ₹ Nil)	3,815,800	-
Bank of America, Bangkok, Thailand (maximum balance during the year ₹ 12,768,559 - Previous Year ₹ 6,792,380)	5,691,579	1,740,908
Commercial Bank, Colombo, Sri Lanka (maximum balance during the year ₹ 21,520,627 - Previous Year ₹ 3,937,731)	9,177,919	130,890
Standard Chartered Grindlays Bank, Colombo, Sri Lanka (maximum balance during the year ₹ 19,771,506 - Previous Year ₹ 15,816,168)	19,507,071	15,762,185
NDB Bank, Colombo, Sri Lanka (maximum balance during the year ₹ 3,203,615 - Previous Year ₹ 43,502)	4,660	15,790
	272,036,288	35,886,683
On Deposit Account		
NDB Bank, Colombo, Sri Lanka (maximum balance during the year ₹ 7,745,338 - Previous Year ₹ 1,413,380) [Of the above ₹ 1,398,113 (Previous Year ₹ Nil) is on lien with various authorities]	5,877,480	1,413,380
	277,913,768	37,300,063
	2,463,451,440	1,083,769,177

Schedules forming part of the Balance Sheet as at 31st December, 2011

	As at 31st December, 2011		As at 31st December, 2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE "J" : LOANS AND ADVANCES				
(Unsecured, Considered Good unless otherwise stated)				
Advances to Subsidiary Companies		18,240,640		66,935,113
Advances Recoverable in cash or in kind or for value to be received				
Considered Good	1,122,074,970		958,770,538	
Considered Doubtful	1,000,000		5,273,797	
	1,123,074,970		964,044,335	
Less: Provision for Doubtful Advances	1,000,000		5,273,797	
		1,122,074,970		958,770,538
Advance Tax [Net of Provision for tax ₹ Nil (<i>Previous Year ₹ 2,216,530,288</i>)]		-		211,218,476
		<u>1,140,315,610</u>		<u>1,236,924,127</u>
SCHEDULE "K" : LIABILITIES				
Sundry Creditors other than Micro and Small Scale Business Entities* [Refer Note 2(d) of Schedule "Q"]		1,705,952,366		1,315,151,221
Payable to Subsidiary Companies		4,329,769		7,053,153
Advance Payments from Customers for which value is still to be given (including Travellers Cheques, Drafts and Transfers Unpaid)		454,331,941		295,399,721
Unpaid Dividend@		2,284,339		2,118,436
Interest accrued but not due		8,130,068		7,716,918
Fractional Entitlement on Bonus Shares Refund Accounts		49,066		49,066
Other Liabilities		38,609,361		33,250,760
		<u>2,213,686,910</u>		<u>1,660,739,275</u>
*Includes Book Overdrafts aggregating to ₹ 408,773,906 (<i>Previous Year ₹ 257,635,606</i>).				
@There is no amount due and outstanding to be credited to Investor Education and Protection Fund.				
SCHEDULE "L" : PROVISIONS				
Proposed Dividend		79,502,761		79,427,887
Proposed Preference Dividend		59		59
Corporate Dividend Tax		12,897,343		13,498,247
Provision for Income Tax [(Net of Advance Tax of ₹ 2,365,667,756 (<i>Previous Year ₹ Nil</i>))]		31,430,364		-
Provision for Provident Fund		2,966,256		-
Provision for Leave Encashment		6,186,200		3,375,969
Provision for Gratuity		10,664,415		14,063,183
		<u>143,647,398</u>		<u>110,365,345</u>

Schedules forming part of the Profit and Loss Account for the year ended 31st December, 2011

	Year ended 31st December, 2011	Year ended 31st December, 2010
	Rupees	Rupees
SCHEDULE "M" : OTHER INCOME		
Dividend on Investments	1,216,982	406,454
Rent	338,421	169,286
Profit on Sale of Fixed Assets (Net)	68,925,155	13,278,671
Exchange Variation (Net) other than in the normal course of business as Foreign Exchange Authorised Dealers	6,874,586	17,158,651
Facilities and Support Services Fees	30,000,000	-
Education and Training Income	11,972,751	2,269,250
Interest on Income Tax Refund	22,881,598	-
Profit on Redemption of Long-term Investments	-	14,098,942
Liabilities no longer required written back	83,741,782	68,246,606
Miscellaneous Income	12,649,317	2,979,370
	<u>238,600,592</u>	<u>118,607,230</u>
SCHEDULE "N" : PERSONNEL COST		
Salaries, Wages and Bonus *	1,055,000,249	813,698,183
Contribution to / Provision for Provident and Other Funds	58,454,195	48,390,716
Premium on / Provision for Gratuity-cum-Life Assurance Policy	11,361,504	7,383,963
Staff Welfare Expenses	53,082,117	43,653,218
Staff Training, Recruitment and Other Costs	19,655,479	20,335,114
Incentive/Commission to Staff and Directors	40,066,864	71,223,149
	<u>1,237,620,408</u>	<u>1,004,684,343</u>
* Includes ₹ 9,171,293 (Previous Year ₹ 1,789,670) on account of discounting charges on Employee Stock Options.		

Schedules forming part of the Profit and Loss Account for the year ended 31st December, 2011

	Year ended 31st December, 2011		Year ended 31st December, 2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE "O" : OTHER EXPENSES				
Rent		198,665,553		183,309,870
Rates and Taxes		9,336,399		5,566,802
Insurance		10,997,198		9,576,354
Repairs and Maintenance				
Buildings	413,303		320,614	
Others	82,825,760		65,515,025	
		83,239,063		65,835,639
Electricity		35,365,596		37,958,766
Printing and Stationery		25,658,167		18,820,078
Postage, Telegrams, Telex and Telephones		108,581,057		93,145,550
Freight Currency Shipment		30,794,216		22,513,736
Legal and Professional Charges		140,729,373		97,836,753
Auditors' Remuneration				
Audit Fees	4,500,000		4,500,000	
Reports under the provisions of the Income-tax Act, 1961	2,750,000		2,750,000	
Miscellaneous Reports	1,970,000		246,000	
Reimbursement of Expenses	215,600		134,296	
	9,435,600		7,630,296	
Branch Auditors' Remuneration - Audit Fees	457,943		430,533	
		9,893,543		8,060,829
Travelling and Conveyance		95,714,221		86,265,457
Directors' Fees		1,490,000		1,540,000
Security Services		29,233,630		19,865,673
Vehicle Running and Maintenance		23,377,131		23,641,745
Licence Fees		20,051,185		19,148,800
Bad Debts and advances written off		3,225,197		20,882
Provision for Doubtful Debts and Advances (Net)		50,401,298		15,361,536
Provision for diminution in the value of Long Term Investments		315		1,270
Donations		67,854		7,500
Miscellaneous Expenses		29,306,783		31,986,235
		906,127,779		740,463,475
SCHEDULE "P" : INTEREST AND OTHER FINANCE EXPENSES (NET OF INTEREST INCOME)				
Interest				
Short-term Loans from Banks	151,576,601		125,621,975	
Bank Overdrafts	49,704,359		26,208,923	
	201,280,960		151,830,898	
Other Finance Expenses (Net)	23,605,499		60,915,647	
		224,886,459		212,746,545
Less: Interest Income				
On Deposits with Bank (Gross)	1,178,315		1,036,447	
[Tax Deducted at Source ₹ 118,040 (Previous Year ₹ 62,203)]				
Others	267,456		163,428	
		1,445,771		1,199,875
		223,440,688		211,546,670

Schedules forming part of the Financial Statements

for the year ended 31st December, 2011

SCHEDULE "Q" : NOTES TO THE FINANCIAL STATEMENTS

1. Significant Accounting Policies

The financial statements are prepared to comply in all material aspects with the applicable accounting principles in India, the accounting standards notified under sub-section (3C) of Section 211 of The Companies Act, 1956 (the 'Act') and the other relevant provisions of the Act. The significant accounting policies are as follows:

(a) Basis of Accounting

The financial statements are prepared in accordance with the historical cost convention.

(b) Fixed Assets and Depreciation / Amortisation

(i) The gross block of fixed assets is stated at the purchase price of acquisition of such fixed assets including any attributable cost for bringing the asset to its working condition for its intended use.

(ii) Depreciation on fixed assets is provided at the rates specified in Schedule XIV of the Companies Act, 1956 or the rates determined based on the useful lives of the assets as estimated by the management, whichever are higher. Depreciation is provided on Straight Line Method. The rates adopted for depreciation determined on the basis of useful lives of fixed assets are as follows:

<u>Description of Asset</u>	<u>Rate of Depreciation/ Amortisation</u>
Software (including software - internally generated/developed)	25%
Computers	25%
Office Equipment - VSAT and Communication Router	10%
Vehicles	15%

Fixed assets costing ₹ 5,000 or less are fully depreciated in the year of acquisition.

(iii) Leasehold properties are amortised over the period of the lease.

(c) (i) Foreign Currency Transactions

All the monetary items denominated in foreign currency are valued at the Foreign Exchange Dealers Association of India (FEDAI) rate (except for Sri Lanka branch) and the exchange variations arising out of settlement/conversion at the FEDAI rate are recognised in the Profit and Loss Account.

Monetary items of Sri Lanka branch are valued at closing rates obtained from Central Bank of Sri Lanka, as the daily buying and selling rates are set on rates obtained from them.

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.

(ii) Foreign Branch

Monetary assets and liabilities are translated at the closing exchange rates.

Non monetary assets are translated at the exchange rates prevailing on the date of the transaction.

Revenue items except depreciation are translated at average rate.

Depreciation is translated at the rates used for the translation of respective fixed assets.

(d) Investments

Long-term Investments are stated at cost. Provision is made to recognise a decline, other than temporary, in the value of Long-term Investments. Current Investments are stated at lower of cost or fair value.

(e) Employee Benefits

(i) Long-term Employee Benefits

(a) Defined Contribution Plans

The Company has Defined Contribution Plan for Post Employment Benefit in the form of Superannuation scheme. Contributions to Superannuation scheme are charged to the Profit and Loss account as incurred. The contribution to Superannuation scheme are based on the premium contribution called for by Life Insurance Corporation of India (LIC) with whom the Company has entered into an agreement for its Indian operations.

Schedules forming part of the Financial Statements for the year ended 31st December, 2011

SCHEDULE "Q" : (Contd.)

(b) Defined Benefit Plans

The company has Defined Benefit Plan for Post Employment Benefit in the form of Gratuity. 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 agreement for its Indian operations. Any short fall/excess based on independent actuarial valuation is accounted for in the relevant period.

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. Any short fall/excess based on independent actuarial valuation is accounted for in the relevant period.

(ii) Short-term Employee Benefits

As per the leave policy of the Company, liability for leave balance is treated as short term in nature. Provision towards short term accrued leave is made based on accumulated unutilised leave balances of employees on the payroll of the Company at the year-end.

(iii) Employee benefits of Sri Lanka branch are provided for on the basis of the local laws.

(f) Employee Stock Option Plan

Stock options granted to the employees under the stock option schemes established after June 19, 1999 are evaluated as per the accounting treatment prescribed by Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 as amended from time to time, issued by Securities and Exchange Board of India. Accordingly the excess of market value of the stock options as on the date of grant over the exercise price of the options is recognized as deferred employee compensation and is charged to Profit and Loss account on graded vesting period of the options.

(g) Revenue

Revenue comprises of travellers cheques commissions and margins on foreign exchange transactions in the normal course of business as authorised dealers, net commissions earned on travel management, service agency charges including profit or loss in respect of tour and card product activities. In line with established international practice, the income arising from the buying and selling of foreign currencies (net of brokerages paid) is included on the basis of margins achieved, since inclusion on the basis of their gross value would not be meaningful and potentially misleading for use as an indicator of the level of the Company's business.

(h) Revenue Recognition

Commission on tickets and service charges from customers are recognised on issue of the tickets. Incentive from airlines are accounted on the basis of tickets issued to sectors travelled.

Revenue on foreign exchange transactions is recognised at the time of purchase and sale.

Revenue on holiday packages is recognised on proportionate basis considering the actual number of days completed as at the year end to the total number of days for each tour.

Revenue from other income is accounted on accrual basis.

(i) Leases

Assets acquired under finance lease arrangements are capitalised at the inception of the lease at the lower of the fair value and the present value of minimum lease payments and a liability is created for an equivalent amount. Lease rentals are allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period. Lease rentals in respect of operating lease arrangements are charged to the Profit and Loss Account.

(j) Taxes on Income

Current tax is determined as the amount of tax payable in respect of estimated taxable income for the year.

Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years.

Schedules forming part of the Financial Statements for the year ended 31st December, 2011

SCHEDULE "Q" : (Contd.)

(k) Impairment of Assets

At each Balance Sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, management estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amount an impairment loss is recognised in the Profit and Loss Account to the extent carrying amount exceeds recoverable amount.

(l) Provision and Contingent Liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or at present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2. Notes to the Financial Statements

- (a) Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 6,060,554 (*Previous Year ₹ 12,326,038*).

	As at 31st December, 2011 Rupees	As at 31st December, 2010 Rupees
(b) Contingent Liabilities		
(i) Claims against the company not acknowledged as debts:		
- Demand from Bombay Electricity Supply and Transport (BEST) for Electricity	1,961,083	1,961,083
- Revocation of Bank Guarantee given to Airport Authority of India	5,387,244	-
(ii) Disputed Income-tax Demands	20,555,770	-
(iii) Disputed Service Tax Demands	1,288,637,350	686,383,970
(iv) Disputed Demand for increase in rent raised by Brihanmumbai Municipal Corporation	45,480,820	41,346,200
(v) Disputed Value Added Tax Demands	-	3,182,594

Note:

Future cash outflows in respect of above are determinable only on receipt of judgements/decisions pending with various forums/authorities.

- (c) The tax year for the company being the year ending 31st March, the provision for taxation for the year is the aggregate of the provision made for the three months ended 31st March, 2011 and the provision based on the figures for the remaining nine months up to 31st December, 2011, the ultimate tax liability of which will be determined on the basis of the figures for the period 1st April, 2011 to 31st March, 2012.
- (d) Micro and Small Scale Business Entities

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding as at 31st December, 2011. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Schedules forming part of the Financial Statements for the year ended 31st December, 2011

SCHEDULE "Q" : (Contd.)

	Year ended 31st December, 2011		Year Ended 31st December, 2010	
	Rupees	Rupees	Rupees	Rupees
(e) Managerial Remuneration under Section 198 of the Act to Whole time Directors (excluding gratuity contributed for the company as a whole)				
Salaries		23,752,225		19,906,353
House Rent Allowance/Perquisite		11,442,667		9,357,722
Contribution to Provident and Other Funds		2,850,266		2,388,769
Perquisites in cash and in kind		26,139,290		25,699,327
		<u>64,184,448</u>		<u>57,352,171</u>
Commission to Non-Executive Directors		6,250,000		5,272,149
		<u>70,434,448</u>		<u>62,624,320</u>
Directors' Fees		1,490,000		1,540,000
Computation of net profits in accordance with Section 198 read with Section 309(5) of the Act				
Profit before Taxation and Exceptional item as per Profit and Loss Account		828,757,213		531,520,683
Add: Remuneration to Directors	70,434,448		62,624,320	
Directors' Fees	1,490,000		1,540,000	
Depreciation / Amortisation as per Profit and Loss Account	114,709,417		115,858,189	
Profit on Sale of Fixed Assets as per Section 350 of the Act	6,427,123		3,832,822	
		<u>193,060,988</u>		<u>183,855,331</u>
		1,021,818,201		715,376,014
Less: Depreciation as per Section 350 of the Act	84,810,281		87,185,002	
Loss on Sale/write off of Fixed Assets as per Section 350 of the Act	13,239,552		16,228,983	
Profit on Sale of Fixed Assets (Net) as per Profit and Loss Account	68,925,155		13,278,671	
Profit on Redemption of Long-term Investments as per Profit and Loss Account	-		14,098,942	
		<u>166,974,988</u>		<u>130,791,598</u>
Net Profit		<u>854,843,213</u>		<u>584,584,416</u>
Commission to Non-Executive Directors @ 1%		8,548,432		5,845,844
Salary and Commission to Executive Directors @10%		85,484,321		58,458,442
Commission to Directors, restricted by the Board of Directors to		6,250,000		5,272,149
(f) Expenditure in Foreign Currency (Other than in the normal course of the business as authorised foreign exchange dealers)				
Interest and Other Finance Charges		43,461,545		32,413,068
Licence fees		20,051,185		19,148,800
Travelling, Subscription and Others		17,079,762		9,369,227
Professional Fees		22,919,564		11,884,487

Schedules forming part of the Financial Statements for the year ended 31st December, 2011

SCHEDULE "Q" : (Contd.)

	Year ended 31st December, 2011		Year Ended 31st December, 2010	
	Rupees	Rupees	Rupees	Rupees
(g) Remittance of Dividend to Non-resident Shareholders				
Number of Shareholders		2*		2*
Number of Equity Shares held		163,471,449		163,471,449
Amount remitted		61,301,793		61,301,793
Year to which the dividend related		31st December, 2010		31st December, 2009
* TCIM Limited, UK & Thomas Cook UK Limited				
(h) Earnings in Foreign Currency (Excluding reimbursement of expenses and receipts in foreign currency of foreign exchange transactions in the normal course of the business as authorised foreign exchange dealers)				
Prepaid Card Sign-on and Anniversary Bonus		97,950,000		-
Commission on Travellers Cheques		35,296,043		28,950,785
Cash Passport		257,780		1,458,350
Dividend Income		30,384		-
Receipts from Independent Tours and Travel		476,377,224		426,694,488
(i) Related Party Disclosures				
(A) Enterprises where control exists				
(i) Holding Company				TCIM Limited, UK holds 55.72% of Equity Shares of the Company. Thomas Cook UK Limited, the Holding Company of TCIM Limited, UK owns 21.39% of Equity Shares of the Company. Thomas Cook UK Limited is a step down subsidiary of Thomas Cook Group plc, the ultimate holding company.
(ii) Subsidiary Companies				Travel Corporation (India) Limited Thomas Cook Insurance Services (India) Limited Indian Horizon Travel and Tours Limited Thomas Cook Tours Limited TC Visa Services (India) Limited Thomas Cook (Mauritius) Holding Company Limited Thomas Cook (Mauritius) Operations Company Limited Thomas Cook (Mauritius) Holidays Limited Thomas Cook (Mauritius) Travel Limited
(B) Other Related Parties with whom the Company had transactions during the year				
(i) Fellow Subsidiaries				Thomas Cook AG, Germany Thomas Cook Tour Operations Limited, UK Thomas Cook Signature Limited, UK Neckermann Reisen, Germany Thomas Cook Overseas Limited, Egypt
(ii) Key Management Personnel				Madhavan Menon Vinayak K. Purohit Rakshit Desai R. R. Kenkare Amitabh Pandey Dr. Prasanth Nair
(iii) Relatives of Key Management Personnel				Lili Menon

Schedules forming part of the Financial Statements for the year ended 31st December, 2011

SCHEDULE "Q" : (Contd.)

(C) Disclosure of transactions between the company and related parties and outstanding balances as at the year end:

	Year ended 31st December, 2011		Year ended 31st December, 2010	
	Rupees	Rupees	Rupees	Rupees
(i) Holding Company				
Licence Fees				
Thomas Cook UK Limited		20,051,185		19,148,800
Reimbursement of Expenses				
Thomas Cook UK Limited		22,490,008		11,884,487
Dividend remitted				
TCIM Limited, UK		44,296,875		44,296,875
Thomas Cook UK Limited		17,004,918		17,004,918
Balances as at the period end -				
Outstanding Payables				
Thomas Cook UK Limited		29,798,581		11,165,667
(ii) Subsidiary Companies				
Reimbursement of Expenses (Net)				
Thomas Cook Insurance Services (India) Limited		11,225,663		29,404,807
Travel Corporation (India) Limited		54,726,345		57,839,962
Indian Horizon Travel and Tours Limited		3,500		3,000
Thomas Cook Tours Limited		3,500		3,000
Export of Foreign Currencies*				
Thomas Cook (Mauritius) Operations Company Limited		165,145,845		164,709,583
Sale of Services*				
Thomas Cook (Mauritius) Holidays Limited		252,192		-
Facilities and Support services provided				
Thomas Cook Insurance Services (India) Limited		30,000,000		-
Services Availed#				
Thomas Cook (Mauritius) Holidays Limited		43,251,933		30,331,559
Balances as at the year end -				
Outstanding Receivables				
Thomas Cook Insurance Services (India) Limited	6,652,513		-	
Travel Corporation (India) Limited	10,925,088		52,876,960	
Indian Horizon Travel and Tours Limited	12,000		8,500	
Thomas Cook Tours Limited	12,000		8,500	
Thomas Cook (Mauritius) Operations Company Limited				
	639,039		14,041,153	
		18,240,640		66,935,113
Outstanding Payables				
Thomas Cook (Mauritius) Holidays Limited		4,329,769		7,053,153
(iii) Fellow Subsidiaries				
Sale of Services*				
Thomas Cook Tour Operations Limited, UK	400,801,192		330,760,671	
Thomas Cook AG, Germany	28,858,138		38,808,025	
Others	28,689,016		29,397,387	
		458,348,346		398,966,083

Schedules forming part of the Financial Statements

for the year ended 31st December, 2011

SCHEDULE "Q" : (Contd.)

	Year ended 31st December, 2011		Year ended 31st December, 2010	
	Rupees	Rupees	Rupees	Rupees
Services Availed#				
Thomas Cook Overseas Limited, Egypt		9,628,098		14,646,111
Balances as at the year end -				
Outstanding Receivables				
Thomas Cook Tour Operations Limited, UK	21,321,790		15,977,178	
Thomas Cook AG, Germany	-		6,743,941	
Thomas Cook Signature Limited, UK	4,946,097		4,903,133	
		26,267,887		27,624,252
Outstanding Payables				
Thomas Cook Overseas Limited, Egypt		4,718,008		7,090,258
* Sale value of transactions				
# Purchase value of transactions				
(iv) Key Management Personnel				
Remuneration#				
Madhavan Menon	19,044,969		16,878,705	
Vinayak K. Purohit	16,376,616		15,272,281	
Rakshit Desai	28,762,863		25,201,185	
R. R. Kenkare	9,710,318		7,161,550	
Amitabh Pandey	6,809,988		5,408,647	
Dr. Prasanth Nair	7,474,076		5,626,946	
		88,178,830		75,549,314
#Gratuity is contributed for the Company as a whole and hence excluded				
(v) Relative of Key Management Personnel				
Rent Expense				
Lili Menon		1,926,000		1,926,000
Balance as at the year end -				
Deposit Receivable				
Lili Menon		16,500,000		16,500,000
(j) Disclosures for Leases				
(A) Finance Leases				
(i) Minimum Lease Payments payable				
- Not later than one year		8,095,408		6,563,495
- Later than one year but not later than five years		18,337,438		17,345,953
		26,432,846		23,909,448
(ii) Present Value of Minimum Lease Payments payable				
- Not later than one year		5,995,412		4,730,578
- Later than one year but not later than five years		16,062,961		15,073,594
		22,058,373		19,804,172

Schedules forming part of the Financial Statements for the year ended 31st December, 2011

SCHEDULE "Q" : (Contd.)

	Year ended 31st December, 2011		Year ended 31st December, 2010	
	Rupees	Rupees	Rupees	Rupees
(iii) Reconciliation of Minimum Lease Payments and their Present Value				
- Minimum Lease Payments Payable as per (i) above		26,432,846		23,909,448
- Less: Finance Charges to be recognised in subsequent years		4,374,473		4,105,276
- Present Value of Minimum Lease Payments payable as per (ii) above		<u>22,058,373</u>		<u>19,804,172</u>
(iv) Finance Charges recognised in the Profit and Loss Account		2,274,709		2,371,520
(B) Operating Leases				
Disclosures in respect of cancellable agreements for office and residential premises taken on lease				
(i) Lease payments recognised in the Profit and Loss Account		222,303,976		216,757,072
(ii) Significant leasing arrangements				
- The company has given refundable interest free security deposits under certain agreements.				
- The lease agreements are for a period of eleven months to ninety years.				
- The lease agreements are cancellable at the option of either party by giving one month to six months' notice.				
- Certain agreements provide for increase in rent.				
- Some of the agreements contain a provision for their renewal.				
(iii) Future minimum lease payments under non-cancellable agreements				
- Not later than one year		23,563,092		18,868,975
- Later than one year and not later than five years		14,988,309		18,084,095
- Later than five years		-		-

Schedules forming part of the Financial Statements for the year ended 31st December, 2011

SCHEDULE "Q" : (Contd.)

(k) Employee Benefits

The disclosures as required as per the revised AS 15 are as under:

a) Charge to the Profit and Loss Account towards Contribution to Provident and Other Funds (including Actuarial Loss on Provident Fund of ₹ 2,966,256) amounts to ₹ 58,454,195 (Previous Year ₹ 48,390,716).

b) The disclosures in respect of gratuity, a defined benefit scheme (based on Actuarial Valuation) are as follows -

This does not include gratuity liability of ₹ 629,138 (Previous Year ₹ 469,356) and charge of ₹ 176,040 (Previous Year ₹ 88,139) in respect of Sri Lanka branch.

(i) The Following table sets forth the funded status of gratuity benefit plan, during the year ended 31st December 2011:-

	Year ended 31st December, 2011 Rupees	Year ended 31st December, 2010 Rupees
Present Value of Funded Obligations	76,862,214	68,466,008
Fair Value of Plan Assets	(66,826,937)	(54,872,181)
Present Value of Unfunded Obligations	-	-
Unrecognised Past Service Cost	-	-
Amount not Recognised as an Asset	-	-
Net Liability	10,035,277	13,593,827
Amounts in Balance Sheet		
Liability	10,035,277	13,593,827
Assets	-	-
Net Liability	10,035,277	13,593,827
(ii) The amount recognised in the statement of profit and loss are as follows:-		
Current Service Cost	10,041,967	9,513,760
Interest Cost	5,934,621	5,483,229
Expected return on Plan Assets	(4,541,022)	(3,639,816)
Net Actuarial (Gains) / Losses Recognised in the year	(250,102)	(4,061,349)
Past Service Cost	-	-
Losses / (Gains) on Curtailments and Settlements	-	-
Losses / (Gains) on Acquisition and Divestiture	-	-
Total Expense	11,185,464	7,295,824
Actual Return on Plan Assets	6,319,099	4,446,382
(iii) Changes in the present value of the defined benefit obligation:-		
Changes in Defined Benefit Obligation (DBO) during the year		
Defined Benefit Obligation at beginning of year	68,466,008	64,735,159
Current Service Cost	10,041,967	9,513,760
Interest Cost	5,934,621	5,483,229
Actuarial (Gain) / Losses	1,527,975	(3,254,783)
Past Service Cost	-	-
Actuarial Losses / (Gain) due to Curtailment	-	-
Liabilities Extinguished on Settlement	-	-
Liabilities Extinguished on Acquisition / (Settled on Divestiture)	-	-
Exchange Difference on Foreign Plans	-	-
Benefits Paid	(9,108,357)	(8,011,357)
Defined Benefit Obligation at year end	76,862,214	68,466,008
(iv) Change in Fair Value of Plan Assets		
Fair Value of Plan Assets beginning of year	54,872,181	45,132,049
Expected Return on Plan Assets	4,541,022	3,639,816
Actuarial Losses / (Gain)	1,778,077	806,566
Assets Distributed on Settlements	-	-
Contribution by Employer	14,744,014	13,305,107
Assets Acquired on Acquisition / (Distributed on Divestiture)	-	-
Exchange Difference on Foreign Plans	-	-
Benefits Paid	(9,108,357)	(8,011,357)
Fair Value of Plan Assets at year end	66,826,937	54,872,181

Schedules forming part of the Financial Statements for the year ended 31st December, 2011

SCHEDULE "Q" : (Contd.)

	Year ended 31st December, 2011	Year ended 31st December, 2010
(v) The major categories of plan assets as a percentage of fair value of total plan assets:-		
Insurer Managed Funds	100.00%	100.00%
(vi) Principal Actuarial Assumptions as at the balance sheet date:		
Discount Rate (p.a.)*	8.55%	8.00%
Expected Rate of Return on Assets (p.a.)**	7.50%	7.50%
Salary Escalation Rate (p.a.)***	6.00%	6.00%

* The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

** The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the Fund during the estimated term of the obligations.

*** The estimates of the future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

(vii) Experience Adjustments

(Rupees)

	Year Ended				
	31-Dec-11	31-Dec-10	31-Dec-09	31-Dec-08	31-Dec-07
Defined Benefit Obligation	76,862,214	68,466,008	64,735,159	76,827,770	52,110,984
Plan Asset	66,826,937	54,872,181	45,132,049	43,720,966	31,768,969
Surplus/(Deficit)	(10,035,277)	(13,593,827)	(19,603,110)	(33,106,804)	(20,342,015)
Expenses Adjustments on plan Liabilities	5,215,789	(725,302)	(7,955,266)	8,440,995	15,857,534
Expenses Adjustments on plan Assets	1,778,077	806,566	715,455	8,036,334	294,898

c) Leave encashment charged during the year amounts to ₹ 3,308,933 (Previous Year write back ₹ 3,434,477).

	Year ended 31st December, 2011	Year ended 31st December, 2010
(l) In determining earnings per share, the Company considers the net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of dilutive potential equity shares. Earnings per Share has been computed as under:		
Profit attributable to Equity Shareholders *	559,122,024	415,380,948
Weighted average number of shares - Basic	211,895,585	211,669,810
Weighted average number of shares - Diluted	218,227,091	218,910,237
Basic Earnings per Share (₹ per Equity Share of ₹ 1 each)	2.64	1.96
Diluted Earnings per Share (₹ per Equity Share of ₹ 1 each)	2.57	1.91
* Dividend amounting to ₹ 69 (Previous Year ₹ 69) (including Corporate Dividend Tax) on Preference shares outstanding during the year has been considered in determining the Earning per Share for year ended 31st December, 2011.		

Schedules forming part of the Financial Statements for the year ended 31st December, 2011

SCHEDULE "Q" : (Contd.)

(m) Employee Stock 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 23rd March, 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 installments 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 14th December, 2010, by the shareholders by means 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 Hundred Thousand) 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 (Three Million) 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.

Following are the details of Options granted under these Schemes :

Particulars	Grant Registration					
	GT 25 Jul 2007	GT 10 Jul 2008	GT 20 Mar 2009	GT 27 May 2010	SAYE 14 Dec 2010	GT 17 Feb 2011
Grant Date (GT)	25-Jul-07	10-Jul-08	20-Mar-09	27-May-10	14-Dec-10	17-Feb-11
Pricing Formula	95 % of the closing market price on the stock exchange where higher number of shares are traded			90 % of the closing market price on the stock exchange where higher number of shares are traded		
Exercise Price (₹ Per Share)	61.89	77.62	30.31	52.74	50.40	47.57
Options Granted and Accepted	1,104,125	1,240,000	2,068,725	991,313	1,020,310	1,397,825
Options Yet to be Vested	-	-	576,438	660,875	879,494	1,397,825
Options Vested and Exercisable	617,000	770,500	692,084	330,438	-	-
Options Exercised	113,540	-	460,793	-	-	-
Options Lapsed/Cancelled/Forfeited	373,585	469,500	339,410	-	140,816	-
Total No. of options In force (Vested and yet to be vested)	617,000	770,500	1,268,522	991,313	879,494	1,397,825

During the year ended 31st December, 2011, a total of 199,663 equity shares of ₹ 1 each were issued and allotted under the Thomas Cook Employee Stock Option Plan - 2007. Consequently, the issued and paid up Equity Share Capital has increased to 212,007,362 shares.

Schedules forming part of the Financial Statements for the year ended 31st December, 2011

SCHEDULE "Q" : (Contd.)

- (n) Exceptional Item in the previous year represents ₹ 100,000,000 received as compensation towards termination of Non Compete Agreement for the LKP Forex Acquisition.

(o) Derivative Instruments

The Company uses Forward Exchange Contracts to hedge against its foreign currency exposures related to the underlying transactions and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

The forward exchange contracts outstanding as at 31st December, 2011 are as under:

Currency Exchange	AUD/USD	CAD/USD	CHF/USD	EUR/USD	GBP/USD	JPY/USD
(i) Number of buy contracts	- (-)	- (-)	- (2)	- (3)	- (1)	- (-)
(ii) Aggregate Amount (Rupees)	- (-)	- (-)	- (48,938,625)	- (83,650,000)	- (107,566,125)	- (-)
(iii) Number of sale contracts	5 (7)	1 (1)	2 (4)	9 (26)	5 (13)	2 (5)
(iv) Aggregate Amount (Rupees)	133,490,518 (23,215,311)	48,095,375 (8,956,000)	60,720,696 (35,092,575)	113,301,375 (157,142,500)	172,198,027 (62,113,367)	42,487,351 (29,140,656)

(figures in brackets pertain to year 2010)

Currency Exchange	NZD/USD	SGD/USD	THB/USD	USD/INR
(i) Number of buy contracts	- (1)	- (1)	- (1)	2 (2)
(ii) Aggregate Amount (Rupees)	- (6,077,313)	- (1,742,500)	- (1,482,500)	148,694,000 (357,640,000)
(iii) Number of sale contracts	2 (3)	- (-)	- (-)	19 (14)
(iv) Aggregate Amount (Rupees)	27,681,750 (7,813,688)	- (-)	- (-)	1,532,079,250 (312,935,000)

(figures in brackets pertain to year 2010)

- (p) Employees of the Company and other parties misappropriated assets aggregating to ₹ 5,430,000 (Previous Year ₹ 5,620,000) during the year. The Company has recovered ₹ 5,070,000 so far. The cases are under investigation and Company has taken steps for recovering the balance amount.
- (q) The entire Promoter Shareholding of 77.1% has been pledged on 10th January, 2012. Subsequently on 8th February, 2012 Thomas Cook Group plc - the ultimate holding company of Thomas Cook (India) Limited has announced the launch of formal sale process for its 77.1% shareholding in Thomas Cook (India) Limited.
- (r) Previous year figures have been regrouped where necessary.

In terms of our report of even date

For LOVELOCK & LEWES

Firm Registration Number: 301056E

Chartered Accountants

NAGNATH V PAI

Partner

Membership No. 36134

Mumbai, 16th February, 2012

For and on behalf of the Board

MADHAVAN MENON

VINAYAK K. PUROHIT

RAKSHIT DESAI

R. R. KENKARE

Mumbai, 16th February, 2012

– Managing Director

– Executive Director - Finance

– Executive Director - Foreign Exchange

– President & Head - Legal &

Company Secretary

Balance Sheet Abstract

and Company's General Business profile

I Registration Details

Registration No.

2	0	7	1	7	/	T	A
---	---	---	---	---	---	---	---

 State Code

1	1
---	---

Balance Sheet Date

3	1
---	---

1	2
---	---

2	0	1	1
---	---	---	---

Date Month Year

II Capital raised during the year (Amount in ₹ Thousands)

Public Issue	Right Issue
- - - - - N I L	- - - - - N I L
Bonus issue	Private Placement
- - - - - N I L	- - - - - 2 0 0

* Private placement includes equity shares issued under Employees stock Option Plan.

III Position of Mobilisation and Deployment of Funds (Amount in ₹ Thousands)

	Total Liabilities #		Total Assets #
Sources of Funds	- 8 2 8 0 9 7 6	Total Assets #	- 8 2 8 0 9 7 6
Paid-up Capital	- - 2 1 7 9 2 3	Reserves & Surplus	- 3 3 2 8 4 3 4
Secured Loans	- - - 2 2 0 5 8	Unsecured Loans	- 2 2 5 9 3 4 0
Deffered Tax Liabilities (Net)	- - - 5 0 3 7 1	Investments	- 1 9 7 4 1 6 0
Application of Funds	Net Fixed Assets	Net Current Assets	Miscellaneous Expenditure
Net Fixed Assets	- - 7 2 4 5 0 0	Net Current Assets	- - - - - - - -
Net Current Assets	- 3 1 7 9 4 6 6	Accumulated Losses	- - - - - - - -
Accumulated Losses	- - - - - - - -	Accumulated Losses	- - - - - - - -

Total Liabilities and Total Assets include Deferred Tax Liabilities of ₹ 95,886 and Deferred Tax Asset of ₹ 45,515 respectively

IV Performance of the Company (Amount in ₹ Thousands)

	Revenue (Total Income)		Total Expenditure
+ -	- 3 4 9 1 2 3 4	+ -	- 2 6 6 2 4 7 7
<input checked="" type="checkbox"/> <input type="checkbox"/>	Profit/Loss before tax	<input checked="" type="checkbox"/> <input type="checkbox"/>	Profit/Loss after tax
	- - 8 2 8 7 5 7		- - 5 5 9 1 2 2

(Please tick Appropriate box + for Profit, - for Loss)

	Earning per share (in ₹)		Dividend Rate (%)
Basic (EPS)	- - - 2 . 6 4	Dividend Rate (%)	3 7 . 5 0
Diluted (EPS)	- - - 2 . 5 7		

V Generic Names of Three Principal Products / Services of the Company (as per monetary terms)

Item Code No. (ITC Code)	N O T A P P L I C A B L E
Product Description	A U T H O R I S E D F O R E I G N
	E X C H A N G E D E A L E R S
Item Code No. (ITC Code)	N O T A P P L I C A B L E
Product Description	T R A V E L A G E N T S
Item Code No. (ITC Code)	N O T A P P L I C A B L E
Product Description	T O U R O P E R A T O R S

For and on behalf of the Board

MADHAVAN MENON	- Managing Director
VINAYAK K. PUROHIT	- Executive Director - Finance
RAKSHIT DESAI	- Executive Director - Foreign Exchange
R. R. KENKARE	- President & Head - Legal & Company Secretary

Mumbai, 16th February, 2012

Cash Flow Statement

for the year ended 31st December, 2011

	Year ended		Year ended	
	31st December, 2011		31st December, 2010	
	Rupees	Rupees	Rupees	Rupees
A. Cash flow from operating activities				
Net Profit before Taxation and after Exceptional Item		828,757,213		631,520,683
Adjustments for -				
Depreciation/Amortisation	114,709,417		115,858,189	
Discounting charges for Employee Stock Options	9,171,293		1,789,670	
Interest on Income Tax Refund	(22,881,598)		-	
Interest and Other Finance Expenses (Net of Interest Income)	223,440,688		211,546,670	
Dividend Income	(1,216,982)		(406,454)	
(Profit)/Loss on Sale of Fixed Assets (Net)	(68,925,155)		(13,278,671)	
Bad Debts and advances written off	3,225,197		20,882	
Provision for Doubtful Debts and Advances (Net)	50,401,298		15,361,536	
Provision for diminution in the value of Long Term Investments	315		1,270	
(Profit) on Redemption of Long-term Investments	-		(14,098,942)	
		<u>307,924,473</u>		<u>316,794,150</u>
Operating profit before working capital changes		1,136,681,686		948,314,833
Adjustments for -				
Trade and Other Receivables	(241,506,250)		(551,441,045)	
Trade and Other Payables	560,295,308		(145,285,427)	
		<u>318,789,058</u>		<u>(696,726,472)</u>
Cash generated from operations		1,455,470,744		251,588,361
Direct Taxes paid (Net of refund of taxes)		(20,551,160)		(168,322,536)
Interest on Income Tax Refund		22,881,598		-
Net cash generated from operating activities		<u>1,457,801,182</u>		<u>83,265,825</u>
B. Cash flow from investing activities				
Purchase of Fixed Assets	(166,208,551)		(207,990,487)	
Sale of Fixed Assets	98,414,638		36,488,485	
Purchase of Investments	(4,541,186,397)		(2,396,059,455)	
Sale of Investments	4,541,176,471		2,361,429,006	
Interest Received	4,975,517		1,180,511	
Dividend Received	1,216,982		406,454	
Net cash used in investing activities		<u>(61,611,340)</u>		<u>(204,545,486)</u>
C. Cash flow from financing activities				
Proceeds from issue of Equity Shares under ESOP	6,051,784		14,103,850	
Proceeds from Borrowings (Net)	291,837,476		296,500,511	
Proceeds from Finance Lease (Net)	2,254,201		14,975,566	
Interest and Other Finance Expenses paid	(224,473,309)		(209,110,587)	
Dividend Paid	(79,288,268)		(79,342,838)	
Tax on Dividend Paid	(12,889,463)		(13,181,661)	
Net cash (used in) / generated from financing activities		<u>(16,507,579)</u>		<u>23,944,841</u>
Net increase / (decrease) in cash and cash equivalents		<u>1,379,682,263</u>		<u>(97,334,820)</u>
Cash and Cash Equivalents - Opening Balance		1,083,769,177		1,181,103,997
Cash and Cash Equivalents - Closing Balance		<u>2,463,451,440</u>		<u>1,083,769,177</u>

Notes:

- The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard – 3 on Cash Flow Statements, notified under sub-section (3C) of Section 211 of The Companies Act, 1956.
- Previous year figures have been regrouped where necessary.

In terms of our report of even date

For LOVELOCK & LEWES

Firm Registration Number: 301056E

Chartered Accountants

NAGNATH V PAI

Partner

Membership No. 36134

Mumbai, 16th February, 2012

For and on behalf of the Board

MADHAVAN MENON

VINAYAK K. PUROHIT

RAKSHIT DESAI

R. R. KENKARE

Mumbai, 16th February, 2012

– Managing Director

– Executive Director - Finance

– Executive Director - Foreign Exchange

– President & Head - Legal &

Company Secretary

Auditors' Report on the Consolidated Financial Statements of Thomas Cook (India) Limited

The Board of Directors of Thomas Cook (India) Limited

1. We have audited the attached Consolidated Balance Sheet of Thomas Cook (India) Limited (the "Company") and its subsidiaries; hereinafter referred to as the "Group" (refer Note 1 on Schedule Q to the attached consolidated financial statements) as at 31st December, 2011, the related consolidated Profit and Loss Account and consolidated Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These consolidated financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
 2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
 3. We did not audit the financial statements of the Sri Lanka branch of the Company whose share, as included in the consolidated financial statements, constitute total assets of ₹59,418,810 and net assets of ₹54,667,018 as at 31st December, 2011, total revenues of ₹67,815,898, net profit of ₹23,881,979 and net cash inflows amounting to ₹25,168,567 for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.
 4. We did not audit the financial statements of Thomas Cook (Mauritius) Holding Company Limited, Thomas Cook (Mauritius) Operations Company Limited, Thomas Cook (Mauritius) Travel Limited and Thomas Cook (Mauritius) Holidays Limited whose share, as included in the consolidated financial statements, constitute total assets of ₹304,461,118 and net assets of ₹234,049,314 as at 30th September, 2011, total revenue of ₹119,239,907, net loss of ₹7,659,653 and net cash outflows amounting to ₹36,586,653 for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.
 5. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21 - Consolidated Financial Statements notified under sub-section 3C of Section 211 of the Companies Act, 1956.
 6. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components of the Group as referred to above, and to the best of our information and according to the explanations given to us, in our opinion, the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at 31st December, 2011;
 - (b) in the case of the consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date; and
 - (c) in the case of the consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For LOVELOCK & LEWES
Firm Registration Number: 301056E
Chartered Accountants

NAGNATH V PAI
Partner
Membership Number: 36134

Mumbai
Date: 16th February, 2012

Consolidated Balance Sheet as at 31st December, 2011

	Schedule	As at 31st December, 2011		As at 31st December, 2010	
		Rupees	Rupees	Rupees	Rupees
SOURCES OF FUNDS					
SHAREHOLDERS' FUNDS					
Capital	A	217,923,012		217,723,349	
Reserves and Surplus	B	3,704,775,111		3,189,712,591	
			3,922,698,123		3,407,435,940
LOAN FUNDS					
Secured Loans	C	24,283,963		23,512,434	
Unsecured Loans	D	2,261,979,515		1,992,090,864	
			2,286,263,478		2,015,603,298
DEFERRED TAXATION (NET)					
Deferred Tax Liability	E	146,582,369		130,265,177	
Less: Deferred Tax Assets		96,568,325		53,926,833	
			50,014,044		76,338,344
	Total		6,258,975,645		5,499,377,582
APPLICATION OF FUNDS					
FIXED ASSETS					
Gross Block	F	3,309,341,805		3,254,721,422	
Less: Depreciation / Amortisation		857,719,521		845,763,650	
Net Block		2,451,622,284		2,408,957,772	
Capital Work-in-Progress (Including Capital Advances)		38,960,051		65,618,912	
			2,490,582,335		2,474,576,684
INVESTMENTS					
	G		382,713,099		155,771,917
CURRENT ASSETS, LOANS AND ADVANCES					
Sundry Debtors	H	2,264,029,751		2,224,963,486	
Cash and Bank Balances	I	2,734,785,285		1,601,037,810	
Loans and Advances	J	1,358,443,595		1,440,141,435	
		6,357,258,631		5,266,142,731	
LESS: CURRENT LIABILITIES AND PROVISIONS					
Liabilities	K	2,848,486,786		2,279,336,742	
Provisions	L	123,091,634		117,777,008	
		2,971,578,420		2,397,113,750	
Net Current Assets			3,385,680,211		2,869,028,981
	Total		6,258,975,645		5,499,377,582
Notes to the Consolidated Financial Statements Schedules "A" to "L" and "Q" referred to above form an integral part of the Balance Sheet.	Q				

In terms of our report of even date

For LOVELOCK & LEWES
Firm Registration Number: 301056E
Chartered Accountants

NAGNATH V PAI
Partner
Membership No. 36134

Mumbai, 16th February, 2012

For and on behalf of the Board

MADHAVAN MENON – Managing Director
VINAYAK K. PUROHIT – Executive Director - Finance
RAKSHIT DESAI – Executive Director - Foreign Exchange
R. R. KENKARE – President & Head - Legal &
Company Secretary

Mumbai, 16th February, 2012

Consolidated Profit and Loss Account for the year ended 31st December, 2011

Schedule	Year ended 31st December, 2011		Year ended 31st December, 2010	
	Rupees	Rupees	Rupees	Rupees
INCOME				
Revenue	3,737,926,711		3,179,542,263	
Less: Prior Period items [Refer Note 3(h) of Schedule "Q"]	-		75,841,212	
		3,737,926,711		3,103,701,051
Other Income		289,496,732		301,984,709
		<u>4,027,423,443</u>		<u>3,405,685,760</u>
EXPENDITURE				
Personnel Cost	1,540,113,484		1,290,299,496	
Advertisement and Business Promotion	199,724,404		206,019,708	
Other Expenses	1,110,940,208		920,655,409	
Interest and Other Finance Expenses (Net of Interest Income)	230,850,263		217,401,608	
Depreciation / Amortisation	139,350,757		135,041,975	
		<u>3,220,979,116</u>		<u>2,769,418,196</u>
PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEM		806,444,327		636,267,564
Add: Exceptional Item [Refer Note 3(i) of Schedule "Q"]		-		100,000,000
PROFIT AFTER EXCEPTIONAL ITEM AND BEFORE TAXATION		806,444,327		736,267,564
Provision for Taxation				
Current Tax	265,634,446		242,365,360	
MAT Entitlement credit [Refer Note 3(l) of Schedule "Q"]	(997,041)		(24,870,115)	
	<u>264,637,405</u>		<u>217,495,245</u>	
Short Provision of Income Tax for earlier years	5,871,214		-	
Deferred Tax	(26,460,556)		47,162,698	
		<u>244,048,063</u>		<u>264,657,943</u>
NET PROFIT AFTER TAXATION		562,396,264		471,609,621
Add: Transfer from Reserve created under Section 80HHD of the Income-tax Act, 1961		-		15,000,000
		<u>562,396,264</u>		<u>486,609,621</u>
Balance brought forward from previous year		1,381,972,524		1,029,606,280
		<u>1,944,368,788</u>		<u>1,516,215,901</u>
APPROPRIATIONS				
Transfer to General Reserve		55,912,209		41,538,102
Dividend for the previous year paid during the year		26,225		73,185
Corporate Dividend Tax for the Previous year and paid during the year		4,254		12,155
Proposed Dividend on Equity Shares		79,502,761		79,427,887
Proposed Dividend on Preference Shares		59		59
Corporate Dividend Tax		12,284,305		13,191,989
Balance carried to Balance Sheet		1,796,638,975		1,381,972,524
		<u>1,944,368,788</u>		<u>1,516,215,901</u>
Earnings per Share - Basic		2.65		2.23
Earnings per Share - Diluted		2.58		2.17
[₹ per Equity Share of ₹ 1 each] [Refer Note 3(g) of Schedule "Q"]				
Notes to the Consolidated Financial Statements Schedules "F" and "M" to "Q" referred to above form an integral part of the Profit and Loss Account.	Q			

In terms of our report of even date

For LOVELOCK & LEWES
Firm Registration Number: 301056E
Chartered Accountants

NAGNATH V PAI
Partner
Membership No. 36134

Mumbai, 16th February, 2012

For and on behalf of the Board

MADHAVAN MENON – Managing Director
VINAYAK K. PUROHIT – Executive Director - Finance
RAKSHIT DESAI – Executive Director - Foreign Exchange
R. R. KENKARE – President & Head - Legal &
Company Secretary

Mumbai, 16th February, 2012

Schedules forming part of the Consolidated Balance Sheet as at 31st December, 2011

	As at 31st December, 2011 Rupees	As at 31st December, 2010 Rupees
SCHEDULE "A" : CAPITAL		
Authorised		
345,827,060 Equity Shares of ₹ 1 each	345,827,060	345,827,060
114,760,000 'Class A' 4.65% Cumulative Non-Convertible Redeemable Preference Shares of ₹ 10 each	1,147,600,000	1,147,600,000
355,294 'Class B' 0.001% Cumulative Convertible / Redeemable Preference Shares of ₹ 10 each	3,552,940	3,552,940
302,000 'Class C' 0.001% Cumulative Convertible / Redeemable Preference Shares of ₹ 10 each	3,020,000	3,020,000
125,000,000 1% Cumulative Non-Convertible Redeemable Preference Shares of ₹ 10 each	1,250,000,000	1,250,000,000
	<u>2,750,000,000</u>	<u>2,750,000,000</u>
Issued and Subscribed		
212,007,362 (<i>Previous Year 211,807,699</i>) Equity Shares of ₹ 1 each fully paid-up [118,125,000 Equity Shares are held by the Holding Company, TCIM Limited, UK] [45,346,449 Equity Shares are held by Thomas Cook UK Limited, the Holding Company of TCIM Limited, UK]	212,007,362	211,807,699
319,765 'Class B' 0.001% Cumulative Convertible / Redeemable Preference Shares of ₹ 10 each	3,197,650	3,197,650
271,800 'Class C' 0.001% Cumulative Convertible / Redeemable Preference Shares of ₹ 10 each	2,718,000	2,718,000
	<u>217,923,012</u>	<u>217,723,349</u>
Of the above:		
(a) 2,799,930 equity shares were allotted pursuant to a contract without payment being received in cash.		
(b) 138,833,330 equity shares were allotted as fully paid-up bonus shares by capitalisation of General Reserve and Capital Reserve.		
(c) Following shares were allotted to the erstwhile shareholders of LKP Forex Limited pursuant to its merger with the Company effective 1st April, 2006		
(i) 319,765 'Class B' 0.001% Cumulative Convertible / Redeemable Preference Shares of ₹ 10 each		
(ii) 271,800 'Class C' 0.001% Cumulative Convertible / Redeemable Preference Shares of ₹ 10 each		
(iii) 14,949,000 Equity Shares of ₹ 1 each		
Note: The Company has granted share options under the Company's Employees Stock Option Plan and share options outstanding as at 31st December, 2011 are 5,924,654 (<i>Previous Year 4,926,478</i>). Of these 129,973 (<i>Previous Year 205,667</i>) options have vested in 2008, 500,347 (<i>Previous Year 462,500</i>) options have vested in 2009, 615,992 (<i>Previous Year 857,605</i>) options have vested in 2010, 1,163,709 (<i>Previous Year 1,153,396</i>) options have vested in 2011, 1,372,818 (<i>Previous Year 896,563</i>) options will vest in 2012, 1,675,873 (<i>Previous Year 1,350,747</i>) options will vest in 2013 and 465,942 (<i>Previous Year Nil</i>) options will vest in 2014. During the Year 199,663 (<i>Previous Year 361,130</i>) options were exercised.		

Schedules forming part of the Consolidated Balance Sheet as at 31st December, 2011

	As at 31st December, 2011		As at 31st December, 2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE "B" : RESERVES AND SURPLUS				
Reserve as required under Section 80HHD of the Income-tax Act, 1961				
Balance as per last Balance Sheet	-		15,000,000	
Less: Transfer to Profit and Loss Account	-		15,000,000	
		-		-
Share Premium				
Opening balance	1,634,578,415		1,620,094,498	
Add: Premium on Issue of Equity Shares under Employee Stock Option Plan	5,852,121		13,742,720	
Add: Transfer from Employee Stock Option Plan	317,465		741,197	
Closing balance		1,640,748,001		1,634,578,415
Employee Stock Options				
Opening Employee Stock Options Outstanding	8,420,784		7,372,311	
Add: Charge to Profit & Loss Account	9,171,293		1,789,670	
Less: Transferred to Share Premium Account	317,465		741,197	
Closing balance		17,274,612		8,420,784
General Reserve				
Balance as per last Balance Sheet	171,977,040		130,438,938	
Add: Transfer from Profit and Loss Account	55,912,209		41,538,102	
		227,889,249		171,977,040
Foreign Currency Translation Reserve		22,224,274		(7,236,172)
Profit and Loss Account		1,796,638,975		1,381,972,524
		<u>3,704,775,111</u>		<u>3,189,712,591</u>
SCHEDULE "C" : SECURED LOANS				
Finance Lease Liability (Obligations under finance lease are secured against fixed assets acquired under finance lease arrangements)		24,283,963		23,512,434
		<u>24,283,963</u>		<u>23,512,434</u>
SCHEDULE "D" : UNSECURED LOANS				
Short-term Loan from Banks		2,022,124,976		1,696,604,508
Bank Overdrafts		239,854,539		295,486,356
		<u>2,261,979,515</u>		<u>1,992,090,864</u>
SCHEDULE "E" : DEFERRED TAXATION (NET)				
Deferred Tax Liability				
On Fiscal Allowance on Fixed Assets		146,582,369		130,265,177
Less: Deferred Tax Assets				
On Provisions Allowable for tax purposes when paid	10,262,892		11,092,705	
On Provision for Doubtful Debts and Advances	51,993,386		29,400,953	
On Unabsorbed Business Losses	34,312,047		12,460,515	
On Unamortised Expenditure	-		972,660	
		96,568,325		53,926,833
		<u>50,014,044</u>		<u>76,338,344</u>

Schedules forming part of the Consolidated Balance Sheet as at 31st December, 2011

SCHEDULE "F" : FIXED ASSETS

Description	Gross Block (at cost)			Depreciation/Amortisation			Net Block				
	As at 01.01.2011	Additions	Deductions	Translation Exchange Difference	As at 31.12.2011	As at 01.01.2011	For the year	On Deductions	Translation Exchange Difference	As at 31.12.2011	As at 31.12.2010
Intangible Assets											
Goodwill	8,831,169	-	-	-	8,831,169	-	-	-	-	8,831,169	-
Goodwill on Consolidation	1,453,969,274	-	-	-	1,453,969,274	-	-	-	-	-	1,453,969,274
Software	384,464,956	96,850,512	-	2,634,441	483,949,909	264,391,145	70,844,120	-	824,611	336,059,876	120,073,811
Tangible Assets											
Leasehold Properties	54,032,658	6,803,969	1,403,020	-	59,433,607	37,999,147	912,978	1,312,758	-	37,599,367	21,834,240
Freehold Properties	478,904,444	-	12,093,801	-	466,810,643	71,785,130	7,649,518	4,350,012	-	75,084,636	391,726,007
Strong Room	692,425	-	-	-	692,425	616,319	16,166	-	-	632,485	59,940
Furniture and Fittings	315,587,419	54,038,308	36,464,450	1,871,694	335,032,971	120,770,026	20,074,279	26,414,566	535,878	114,965,617	194,817,393
Computers	261,184,595	27,421,420	64,008,099	1,649,761	226,247,677	215,008,941	23,398,257	63,979,642	1,266,207	175,693,763	46,175,654
Office Equipment	234,643,713	12,294,179	22,346,053	2,192,895	226,704,734	88,204,105	10,252,357	14,315,266	442,081	84,583,277	146,439,608
Vehicles	62,410,769	11,577,226	27,247,018	848,419	47,589,396	38,157,668	6,203,082	20,443,070	351,651	24,269,331	24,253,101
Total	3,254,721,422	208,985,614	163,562,441	9,197,210	3,309,341,805	845,763,650	139,350,757	130,815,314	3,420,428	857,719,521	2,451,622,284
<i>Previous year</i>	<i>2,942,022,942</i>	<i>417,407,556</i>	<i>106,169,176</i>	<i>1,460,100</i>	<i>3,254,721,422</i>	<i>774,341,007</i>	<i>135,041,975</i>	<i>63,370,476</i>	<i>(248,856)</i>	<i>845,763,650</i>	<i>2,408,957,772</i>

Notes:

- Cost of Freehold Properties includes:
 - 130 (Previous Year 130) unquoted fully paid-up Shares of ₹ 6,500 (Previous Year ₹ 6,500) in various Co-operative Societies.
 - Share application money of ₹ 2,040 (Previous Year ₹ 2,040) to various Co-operative Societies.
 - Premises of ₹ 195,016,253 (Previous Year ₹ 207,114,753) on freehold land where the Company is yet to be registered as the owner of a proportionate share in land.
 - Premises of ₹ 192,708,900 (Previous Year ₹ 163,506,670) where the Co-operative Society is yet to be formed.
 - ₹ 12,100,000 being cost of 65 Debentures of the face value of ₹ 100/- each of R.R. Investments and Estates Limited.
as office premises and 900 equity shares of the face value of ₹ 100/- each of R.R. Investments and Estates Limited.
- Intangible Assets include softwares - internally generated/developed – Gross Block ₹ 76,247,048; Net Block ₹ 53,442,794.
- Gross block and Net block of assets includes assets acquired under Finance Leases as follows:
 - Vehicles ₹ 27,292,931 (Previous Year ₹ 25,821,792) and ₹ 22,373,362 (Previous Year ₹ 19,340,904) respectively.
 - Computer hardware ₹ 3,053,425 (Previous Year ₹ 3,053,425) and ₹ 1,068,699 (Previous Year ₹ 1,832,055) respectively.
 - Computer software ₹ 2,040,754 (Previous Year ₹ 2,040,754) and ₹ 714,264 (Previous Year ₹ 1,224,453) respectively.

Schedules forming part of the Consolidated Balance Sheet as at 31st December, 2011

	As at 31st December, 2011		As at 31st December, 2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE "G" : INVESTMENTS				
(Unquoted unless otherwise stated)				
Current Investments				
In Treasury Bills of Government of Mauritius - Trade	41,609,792		34,798,118	
- 1 Unit of Face Value of MUR 26,000,000 (<i>Previous Year MUR 24,800,000</i>)				
In fully paid-up Units of Mutual Funds - Non Trade				
- 199,951 (<i>Previous Year - Nil</i>) Units of ₹ 1,000/- each of Franklin Templeton Treasury Management Account Super Institutional Plan - Daily Dividend Reinvestment.	200,085,625		-	
- 13,959,951 (<i>Previous Year - Nil</i>) Units of ₹ 10/- each of SBI Premier Liquid Fund - Super Institutional - Daily Dividend	140,053,213		-	
- Nil (<i>Previous Year - 6,134,969</i>) Units of ₹ 10/- each of IDFC Money Manager Fund - Treasury Plan - Super Institutional Plan C - Growth.	-		70,000,000	
- Nil (<i>Previous Year 2,985,559</i>) Units of ₹ 10/- each - SBI Magnum Insta Cash Fund - Daily Dividend Option	-		50,009,015	
		381,748,630		154,807,133
Long-term (at cost)				
In fully paid-up Ordinary Shares - Trade				
- 676 fully paid-up Class C (Series I) Common Stock of USD 0.0001 each of Visa Inc.		962,589		962,589
In fully paid-up Ordinary Shares - Non Trade				
- 10 fully paid-up Equity Shares of ₹ 10/- each of JIK Industries Limited - Quoted		18,000		18,000
- 100 fully paid-up Equity Shares of ₹ 10/- each of Weizmann Limited - Quoted		879		2,000
- 66 fully paid-up Equity Shares of ₹ 10/- each of Karma Energy Limited - Quoted		615		-
- 66 fully paid-up Equity Shares of ₹ 10/- each of Weizmann Forex Limited - Quoted		506		-
		382,731,219		155,789,722
Less: Provision for diminution in value of investment		18,120		17,805
		382,713,099		155,771,917
Aggregate amount of Quoted Investments		1,880		2,195
Aggregate amount of Unquoted Investments		382,711,219		155,769,722
		382,713,099		155,771,917
Aggregate Market Value of Quoted Investments		5,338		2,195
SCHEDULE "H" : SUNDRY DEBTORS				
Unsecured, Considered Good				
Outstanding exceeding six months	120,908,456		149,974,718	
Others	2,143,121,295		2,074,988,768	
		2,264,029,751		2,224,963,486
Unsecured, Considered Doubtful				
Outstanding exceeding six months	153,532,662		83,652,762	
Outstanding less than six months	5,705,910		-	
	159,238,572		83,652,762	
Less: Provision for Doubtful Debts	159,238,572		83,652,762	
		-		-
		2,264,029,751		2,224,963,486

Schedules forming part of the Consolidated Balance Sheet as at 31st December, 2011

	As at 31st December, 2011		As at 31st December, 2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE "I" : CASH AND BANK BALANCES				
Cash and Cheques on Hand (including Foreign Currencies - Notes and paid documents)		1,187,156,114		534,718,005
Remittances in Transit (including Foreign Currencies - Notes and paid documents)		715,000,211		285,132,729
Balances with Scheduled Banks				
on Current Accounts	398,345,257		366,738,476	
on Deposit Accounts	40,467,856		243,832,672	
[Of the above ₹ 9,890,562 (Previous Year ₹ 14,000,949) is on lien with various authorities]				
		438,813,113		610,571,148
Balances with Non-Scheduled Banks				
On Current Accounts				
Bank of America, Singapore	10,551,346		-	
Deutsche Bank Trust Company Americas, New York, USA	30,461,509		-	
Deutsche Bank AG, Frankfurt, Germany	56,916,935		12,579,529	
Bank of Nova Scotia, Toronto, Canada	6,789,574		-	
ANZ National Bank Limited, Wellington, New Zealand	11,184,883		4,678,048	
ANZ National Bank Limited, Melbourne, Australia	561,751		979,333	
Bank of America, Bangkok, Thailand	5,691,579		1,740,908	
Bank of America, Frankfurt, Germany	33,991,416		-	
Bank of America, Sydney, Australia	56,821,741		-	
Bank of America, London, UK	26,566,971		-	
Bank of America, Toronto, Canada	3,815,800		-	
JP Morgan Chase Bank, New York, USA	8,744,711		2,467,610	
Bank of America, Tokyo, Japan	685		-	
AfrAsia Bank Limited, Mauritius	727,099		668,580	
Bank One, Mauritius	2,505,251		187,875	
Bramer Bank, Mauritius	11,585,274		36,616,579	
HSBC Bank, Mauritius	3,906,887		2,769,810	
Barclays Bank, Mauritius	12,085,015		5,082,471	
State Bank, Mauritius	11,965,693		11,247,625	
Mauritius Commercial Bank, Mauritius	58,977,468		59,532,632	
Indian Ocean International Bank, Mauritius	1,901,213		1,185,745	
Banque Des Mascareignes Bank, Mauritius	698,724		278,310	
Deutsche Bank, Frankfurt, Germany	347,076		8,254,255	
Deutsche Bank, London, UK	59,917		3,442,242	
Deutsche Bank, New York, USA	2,387,658		347,804	
Standard Chartered Bank, Frankfurt, Germany	1,179		-	
Standard Chartered Bank, London, UK	1,362		-	
Commercial Bank, Colombo, Sri Lanka	9,177,919		130,890	
Standard Chartered Grindlays Bank, Colombo, Sri Lanka	19,507,071		15,762,185	
NDB Bank, Colombo, Sri Lanka	4,660		15,790	
Lloyds Bank, London, UK	-		1,234,327	
	387,938,367		169,202,548	
On Deposit Account				
NDB Bank, Colombo, Sri Lanka	5,877,480		1,413,380	
[Of the above ₹ 1,398,113 (Previous Year ₹ Nil) is on lien with various authorities]				
		393,815,847		170,615,928
		2,734,785,285		1,601,037,810

Schedules forming part of the Consolidated Balance Sheet as at 31st December, 2011

	As at 31st December, 2011		As at 31st December, 2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE "J" : LOANS AND ADVANCES				
(Unsecured, Considered Good unless otherwise stated)				
Advances recoverable in cash or in kind or for value to be received				
Considered Good	1,328,426,553		1,170,300,695	
Considered Doubtful	2,000,000		5,273,797	
	1,330,426,553		1,175,574,492	
Less: Provision for Doubtful Advances	2,000,000		5,273,797	
		1,328,426,553		1,170,300,695
Advance Tax (Net of Provision for tax)		23,589,692		244,970,625
MAT Entitlement Credit [Refer Note 3(l) of Schedule "Q"]		6,427,350		24,870,115
		<u>1,358,443,595</u>		<u>1,440,141,435</u>
SCHEDULE "K" : LIABILITIES				
Sundry Creditors*		2,117,316,946		1,825,908,090
Advance Payments from Customers for which value is still to be given (including Travellers Cheques, Drafts and Transfers Unpaid)		675,196,626		402,918,229
Unpaid Dividend@		2,284,339		2,118,436
Interest accrued but not due		8,130,068		7,716,918
Fractional Entitlement on Bonus Shares Refund Accounts		49,066		49,066
Other Liabilities		45,509,741		40,626,003
		<u>2,848,486,786</u>		<u>2,279,336,742</u>
*Includes Book Overdrafts aggregating to ₹ 453,201,432 (Previous Year ₹ 264,380,958)				
@There is no amount due and outstanding to be credited to Investor Education and Protection Fund.				
SCHEDULE "L" : PROVISIONS				
Proposed Dividend		79,502,761		79,427,887
Proposed Preference Dividend		59		59
Corporate Dividend Tax		12,897,343		13,498,247
Provision for Provident Fund		2,966,256		-
Provision for Leave Encashment		7,091,569		3,597,949
Provision for Gratuity		20,223,968		20,843,188
Provision for Fringe Benefit Tax (Net of Advance Tax)		409,678		409,678
		<u>123,091,634</u>		<u>117,777,008</u>

Schedules forming part of the Consolidated Profit and Loss Account for the year ended 31st December, 2011

	Year ended 31st December, 2011		Year ended 31st December, 2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE "M" : OTHER INCOME				
Dividend on Investments		1,498,398		1,310,878
Rent		338,421		169,286
Profit on Sale of Fixed Assets (Net)		72,660,499		142,626,864
Exchange Variation (Net) other than in the normal course of business as Foreign Exchange Authorised Dealers		21,285,194		13,629,502
Recovery of Expenses		43,038,325		43,635,535
Education and Training Income		11,972,751		2,269,250
Interest on Income Tax Refund		24,293,325		6,711,328
Profit on Redemption of Long-term Investments		-		14,098,942
Liabilities no longer required written back		93,288,434		70,599,045
Miscellaneous Income		21,121,385		6,934,079
		<u>289,496,732</u>		<u>301,984,709</u>
SCHEDULE "N" : PERSONNEL COST				
Salaries, Wages and Bonus*		1,324,617,861		1,062,102,915
Contribution to / Provision for Provident and Other Funds		67,148,716		56,262,701
Premium on / Provision for Gratuity-cum-Life Assurance Policy		15,648,868		12,129,329
Staff Welfare Expenses		65,403,651		55,850,850
Staff Training, Recruitment and Other Costs		21,827,521		22,177,392
Incentive/Commission to Staff and Directors		45,466,867		81,776,309
		<u>1,540,113,484</u>		<u>1,290,299,496</u>
* Includes ₹ 9,171,293 (Previous Year ₹ 1,789,670) on account of discounting charges on Employee Stock Options.				

Schedules forming part of the Consolidated Profit and Loss Account for the year ended 31st December, 2011

	Year ended 31st December, 2011		Year ended 31st December, 2010	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE "O" : OTHER EXPENSES				
Rent		220,665,218		208,458,569
Rates and Taxes		11,049,263		7,634,974
Insurance		12,034,871		12,593,964
Repairs and Maintenance				
Buildings	765,880		639,343	
Others	96,306,593		74,102,205	
		97,072,473		74,741,548
Electricity		41,386,170		46,012,955
Printing and Stationery		28,932,247		23,696,701
Postage, Telegrams, Telex and Telephones		128,294,767		115,526,722
Freight Currency Shipment		30,794,216		22,513,736
Legal and Professional Charges		191,680,390		143,156,693
Auditors' Remuneration				
Audit Fees	7,051,472		7,051,472	
Reports under the provisions of the Income-tax Act, 1961	3,775,000		3,775,000	
Miscellaneous Reports	2,970,000		246,000	
Reimbursement of Expenses	241,400		158,096	
	14,037,872		11,230,568	
Branch Auditors' Remuneration - Audit Fees	457,943		430,533	
		14,495,815		11,661,101
Travelling and Conveyance		120,303,371		115,328,495
Directors' Fees		2,773,326		1,671,819
Security Services		36,095,841		29,230,099
Vehicle Running and Maintenance		28,705,944		28,756,856
Licence Fees		21,362,438		22,250,197
Bad Debts and advances written off		13,971,345		33,622
Provision for Doubtful Debts and Advances (Net)		72,312,013		19,513,022
Provision for diminution in the value of Long Term Investment		315		1,270
Donations		67,854		7,500
Miscellaneous Expenses		38,942,331		37,865,566
		<u>1,110,940,208</u>		<u>920,655,409</u>
SCHEDULE "P" : INTEREST AND OTHER FINANCE EXPENSES (NET OF INTEREST INCOME)				
Interest				
Short-term Loans from Banks	151,576,601		125,621,975	
Bank Overdrafts	49,796,394		26,384,414	
Others	1,886,808		6,549,790	
	203,259,803		158,556,179	
Other Finance Expenses (Net)	31,791,516		63,349,243	
		235,051,319		221,905,422
Less: Interest Income				
On Deposits with Banks (Gross)	3,401,785		4,258,015	
[Tax Deducted at Source ₹ 188,932 (Previous Year ₹ 113,795)]				
Others	799,271		245,799	
		4,201,056		4,503,814
		<u>230,850,263</u>		<u>217,401,608</u>

Schedules forming part of the Consolidated Financial Statements for the year ended 31st December, 2011

SCHEDULE "Q" : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Consolidation

The consolidated financial statements of Thomas Cook (India) Limited (the Company) and its subsidiary companies are prepared in accordance with Accounting Standard (AS) - 21 on Consolidated Financial Statements, as per the Companies (Accounting Standard) Rules, 2006. All Inter-Company balances and transactions have been eliminated.

(a) List of subsidiary companies considered in the consolidated financial statements is as follows -

<u>Name of the Company</u>	<u>Country of Incorporation</u>	<u>Proportion of Ownership</u>
Travel Corporation (India) Limited	India	100%
Thomas Cook Insurance Services (India) Limited	India	100%
Indian Horizon Travel and Tours Limited	India	100%
Thomas Cook Tours Limited	India	100%
TC Visa Services (India) Limited	India	100%
Thomas Cook (Mauritius) Holding Company Limited*	Mauritius	100%
Thomas Cook (Mauritius) Operations Company Limited*	Mauritius	100%
Thomas Cook (Mauritius) Travel Limited*	Mauritius	100%
Thomas Cook (Mauritius) Holidays Limited*	Mauritius	100%

* The accounting year for these Companies is October to September, hence these Companies are consolidated for the period 1st October, 2010 to 30th September, 2011. There are no significant transactions or other events from 1st October, 2011 to 31st December, 2011. There is no change in Company's interest in these subsidiaries from 1st October, 2011 to 31st December, 2011.

(b) The excess of cost of the Company of its investment in the subsidiary company over its share of equity of the subsidiary company, at the date on which the investment in the subsidiary company is made is recognised as Goodwill being an asset in the Consolidated Financial Statements.

2. Significant Accounting Policies

The financial statements are prepared to comply in all material aspects with the applicable statute. The significant accounting policies are as follows -

(a) Basis of Accounting

The financial statements are prepared in accordance with the historical cost convention.

(b) Fixed Assets and Depreciation / Amortisation

(i) The gross block of fixed assets is stated at the purchase price of acquisition of such fixed assets including any attributable cost for bringing the asset to its working condition for its intended use.

(ii) Depreciation on fixed assets is provided at the rates specified in Schedule XIV of the Companies Act, 1956 or the rates determined based on the useful lives of the assets as estimated by the management, whichever are higher. Depreciation is provided on Straight Line Method. The rates adopted for depreciation determined on the basis of useful lives of fixed assets are as follows:

<u>Description of Asset</u>	<u>Rate of Depreciation/Amortisation</u>
Software (including softwares - internally generated / developed)	25%
Computers	25%
Office Equipment - VSAT and Communication Router	10%
Vehicles	15%

Fixed assets costing ₹ 5,000 or less are fully depreciated in the year of acquisition.

(iii) Leasehold properties are amortised over the period of the lease.

(c) (i) Foreign Currency Transactions

All the monetary items denominated in foreign currency are valued at the Foreign Exchange Dealers Association of India (FEDAI) rate (except for Sri Lanka branch and Mauritius Subsidiaries), and the exchange variations arising out of settlement/conversion at the FEDAI rate are recognised in the Profit and Loss Account.

Monetary items of Sri Lanka branch are valued at closing rates obtained from Central Bank of Sri Lanka, as the daily buying and selling rates are set on rates obtained from them.

In case of foreign exchange business at Mauritius Subsidiaries, foreign currency transactions are stated at the rate of exchange prevailing at the time of accounting such transactions and exchange variations are dealt within the Profit and Loss Account. Current assets and liabilities at the year end are converted at closing rates and exchange variations are recognised in the Profit and Loss Account.

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 turnover.

Schedules forming part of the Consolidated Financial Statements for the year ended 31st December, 2011

SCHEDULE "Q" : (Contd.)

- (ii) Foreign Branch and Subsidiaries
- In the case of foreign branch, being Integral operations, revenue items except depreciation are translated at average rate, depreciation is translated at the rates used for the translation of respective fixed assets. All monetary assets and liabilities are translated at the closing exchange rates and non monetary assets are translated at the exchange rates prevailing on the date of the transaction.
- In the case of foreign subsidiaries, being Non-integral operations, revenue items are translated at average rate. All assets and liabilities are translated at the closing exchange rates. Any exchange difference arising on consolidation is recognised in the "Foreign Currency Translation Reserve".
- (d) Investments
- Long-term Investments are stated at cost. Provision is made to recognise a decline, other than temporary, in the value of Long-term Investments. Current Investments are stated at lower of cost or fair value.
- (e) Employee Benefits
- (i) Long-term Employee Benefits
- (a) Defined Contribution Plans
- The Company has Defined Contribution Plan for Post Employment Benefit in the form of Superannuation scheme. Contributions to Superannuation scheme are charged to the Profit and Loss account as incurred. The contribution to Superannuation scheme are based on the premium contribution called for by Life Insurance Corporation of India (LIC) with whom the Company has entered into an agreement for its Indian operations.
- The Company has Defined Contribution Plans for post employment benefits for some of the employees in the form of Provident Fund. Contributions to Defined Contribution schemes such as Provident Fund, etc. are charged to the Profit and Loss Account as incurred. The contributions are made to a government administered Provident Fund towards which the company has no further obligations beyond its monthly contributions.
- (b) Defined Benefit Plans
- The company has Defined Benefit Plan for Post Employment Benefit in the form of Gratuity. 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 agreement for its Indian operations. Any short fall/excess based on independent actuarial valuation is accounted for in the relevant period.
- 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. Any short fall/excess based on independent actuarial valuation is accounted for in the relevant period.
- (ii) Short-term Employee Benefits
- As per the leave policy of the Company, liability for leave balance is treated as short term in nature. Provision towards short term accrued leave is made based on accumulated unutilised leave balances of employees on the payroll of the Company at the year-end.
- (iii) Employee benefits of Sri Lanka branch and Mauritius companies are provided for on the basis of the local laws.
- (f) Employee Stock Option Plan
- Stock options granted to the employees under the stock option schemes established after 19th June, 1999 are evaluated as per the accounting treatment prescribed by Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 as amended from time to time, issued by Securities and Exchange Board of India. Accordingly the excess of market value of the stock options as on the date of grant over the exercise price of the options is recognized as deferred employee compensation and is charged to profit and loss account on graded vesting period of the options.
- (g) Revenue
- Revenue comprises of travellers cheques commissions and margins on foreign exchange transactions in the normal course of business as authorised dealers, net commissions earned on travel management, service agency charges including profit or loss in respect of tour and card product activities. In line with established international practice, the income arising from the buying and selling of foreign currencies (net of brokerages paid) is included on the basis of margins achieved, since inclusion on the basis of their gross value would not be meaningful and potentially misleading for use as an indicator of the level of the Company's business.
- (h) Revenue Recognition
- Commission on tickets and service charges from customers are recognised on issue of the tickets. Incentive from airlines are accounted on the basis of tickets issued to sectors travelled.

Schedules forming part of the Consolidated Financial Statements for the year ended 31st December, 2011

SCHEDULE "Q" : (Contd.)

Revenue on foreign exchange transactions is recognised at the time of purchase and sale.

Revenue on holiday packages is recognised on proportionate basis considering the actual number of days completed as at the year end to the total number of days for each tour.

In case of Insurance business, commission on insurance policies sold is recognised on the effective commencement of the policies.

Revenue from other income is accounted on accrual basis.

(i) Leases

Assets acquired under finance lease arrangements are capitalised at the inception of the lease at the lower of the fair value and the present value of minimum lease payments and a liability is created for an equivalent amount. Lease rentals are allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period. Lease rentals in respect of operating lease arrangements are charged to the Profit and Loss Account.

(j) Taxes on Income

Current tax is determined as the amount of tax payable in respect of estimated taxable income for the year.

Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years.

(k) Impairment of Assets

At each Balance Sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, management estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amount an impairment loss is recognised in the Profit and Loss Account to the extent carrying amount exceeds recoverable amount.

(l) Provision and Contingent Liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or at present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

3. Notes to the Financial Statements

- (a) Estimated amount of contracts remaining to be executed on capital account and not provided for ₹9,294,809 (*Previous Year ₹ 13,213,038*).

	As at 31st December, 2011 Rupees	As at 31st December, 2010 Rupees
(b) Contingent Liabilities		
(i) Claims against the Company not acknowledged as debts		
- Demand from Bombay Electricity Supply and Transport (BEST) for Electricity	1,961,083	1,961,083
- Revocation of Bank Guarantee given to Airport Authority of India	5,387,244	-
- Various Miscellaneous Claims	-	420,722
(ii) Disputed Income-tax Demands	169,163,815	148,608,045
(iii) Disputed Service Tax Demands	1,533,652,073	931,398,693
(iv) Disputed Demand for increase in rent raised by Brihanmumbai Municipal Corporation	45,480,820	41,346,200
(v) Disputed Value Added Tax Demands	-	3,182,594

Note:

Future cash outflows in respect of the above contingent liabilities are determinable only on receipt of judgements/decisions pending with various forums/authorities.

- (c) The tax year for the Company being the year ending 31st March, the provision for taxation for the year is the aggregate of the provision made for the three months ended 31st March, 2011 and the provision based on the figures for the remaining nine months up to 31st December, 2011, the ultimate tax liability of which will be determined on the basis of the figures for the period 1st April, 2011 to 31st March, 2012.
- (d) Segment information is provided so that the users of these financial statements can appreciate the diverse nature of the businesses carried out by Thomas Cook (India) Limited and its subsidiary companies.

(i) Business Segments

- Financial services Include wholesale purchase and sale of foreign currencies and paid documents
- Travel and related services Include retail purchase and sale of foreign currencies and paid documents, tour operations, travel management and travel insurance

(ii) Geographical Segments

- India Include revenue from customers within India
- Rest of the world Include revenue from customers outside India

Schedules forming part of the Consolidated Financial Statements for the year ended 31st December, 2011

SCHEDULE "Q" : (Contd.)

	Year ended 31st December, 2011		Year ended 31st December, 2010	
	Rupees	Rupees	Rupees	Rupees
(l) Information in respect of Primary Segments				
(a) Segment Revenue				
Financial Services		434,584,300		383,761,973
Travel and Related Services		3,303,342,411		2,719,939,078
		<u>3,737,926,711</u>		<u>3,103,701,051</u>
(b) Segment Result				
Financial Services	238,943,456		195,928,702	
Travel and Related Services	1,285,977,479		1,129,480,563	
		1,524,920,935		1,325,409,265
Less: Interest and other finance expenses	230,850,263		217,401,608	
Other Common Expenses	487,626,345		471,740,093	
		<u>718,476,608</u>		<u>689,141,701</u>
Profit before Taxation and Exceptional item		<u>806,444,327</u>		<u>636,267,564</u>
(c) Other Information				
(i) Segment Assets				
Financial Services	1,551,935,895		1,212,784,466	
Travel and Related Services	5,117,881,304		4,538,703,283	
		6,669,817,199		5,751,487,749
Add: Common Assets		<u>2,560,736,866</u>		<u>2,145,003,583</u>
		<u>9,230,554,065</u>		<u>7,896,491,332</u>
(ii) Segment Liabilities				
Financial Services	256,218,264		132,569,566	
Travel and Related Services	2,547,674,474		2,263,673,254	
		2,803,892,738		2,396,242,820
Add: Common Liabilities		<u>2,503,963,204</u>		<u>2,092,812,572</u>
		<u>5,307,855,942</u>		<u>4,489,055,392</u>
(iii) Segment Capital Employed (Segment Assets less Segment Liabilities)				
Financial Services	1,295,717,631		1,080,214,900	
Travel and Related Services	2,570,206,830		2,275,030,029	
		3,865,924,461		3,355,244,929
Add: Common Capital Employed		<u>56,773,662</u>		<u>52,191,011</u>
		<u>3,922,698,123</u>		<u>3,407,435,940</u>
(iv) Capital Expenditure				
Financial Services	32,790,301		57,819,055	
Travel and Related Services	17,987,816		201,458,286	
		50,778,117		259,277,341
Add: Common Capital Expenditure		<u>158,207,497</u>		<u>158,130,215</u>
		<u>208,985,614</u>		<u>417,407,556</u>
(v) Depreciation/Amortisation				
Financial Services	20,302,115		23,155,729	
Travel and Related Services	82,841,338		98,639,845	
		103,143,453		121,795,574
Add: Common Depreciation and Amortisation		<u>36,207,304</u>		<u>13,246,401</u>
		<u>139,350,757</u>		<u>135,041,975</u>
(vi) Significant Non-Cash Expenditure				
Financial Services	5,993,242		4,803,467	
Travel and Related Services	80,290,116		14,743,177	
		86,283,358		19,546,644
Add: Common Non-Cash Expenditure		-		-
		<u>86,283,358</u>		<u>19,546,644</u>

Schedules forming part of the Consolidated Financial Statements for the year ended 31st December, 2011

SCHEDULE "Q" : (Contd.)

	Year ended 31st December, 2011		Year ended 31st December, 2010	
	Rupees	Rupees	Rupees	Rupees
(II) Information in respect of Secondary Segments				
(a) Segment Revenue				
India		3,209,602,565		2,672,445,898
Rest of the World		528,324,146		431,255,153
		<u>3,737,926,711</u>		<u>3,103,701,051</u>
(b) Carrying amount of Segment Assets				
India	6,016,910,165		4,901,525,446	
Rest of the World	652,907,034		849,962,303	
		6,669,817,199		5,751,487,749
Add: Common Assets		2,560,736,866		2,145,003,583
		<u>9,230,554,065</u>		<u>7,896,491,332</u>
(c) Capital Expenditure				
India	35,656,267		249,362,051	
Rest of the World	15,121,849		9,915,290	
		50,778,116		259,277,341
Add: Common Capital Expenditure		158,207,498		158,130,215
		<u>208,985,614</u>		<u>417,407,556</u>

(e) Related Party Disclosures

(A) Enterprises where control exists

(i) Holding Company

TCIM Limited, UK holds 55.72% of Equity Shares of the Company. Thomas Cook UK Limited, the Holding Company of TCIM Limited, UK owns 21.39% of Equity Shares of the Company. Thomas Cook UK Limited is a step down subsidiary of Thomas Cook Group plc, the ultimate holding company.

(B) Other Related Parties with whom the Company had transactions during the year

(i) Fellow Subsidiaries

Thomas Cook Tour Operations Limited, UK
Thomas Cook AG, Germany
Thomas Cook Northern Europe
Thomas Cook Signature Limited, UK
Neckermann Reisen, Germany
Thomas Cook Overseas Limited, Egypt

(ii) Key Management Personnel

Madhavan Menon
Vinayak K. Purohit
Rakshit Desai
R. R. Kenkare
Amitabh Pandey
Dr. Prasanth Nair

(iii) Relative of Key Management Personnel

Lili Menon

Schedules forming part of the Consolidated Financial Statements for the year ended 31st December, 2011

SCHEDULE "Q" : (Contd.)

(C) Disclosure of transactions between the Company and related parties and outstanding balances as at the year end:

	Year ended 31st December, 2011		Year ended 31st December, 2010	
	Rupees	Rupees	Rupees	Rupees
(i) Holding Company				
License Fees				
Thomas Cook UK Limited		20,051,185		19,148,800
Reimbursement of Expenses				
Thomas Cook UK Limited		23,421,576		11,884,487
Dividend Remitted				
TCIM Limited, UK		44,296,875		44,296,875
Thomas Cook UK Limited		17,004,918		17,004,918
Balances as at the year end -				
Outstanding Payables				
Thomas Cook UK Limited		30,813,650		11,165,667
(ii) Fellow Subsidiaries				
Sale of Services*				
Thomas Cook Tour Operations Limited, UK	400,801,192		330,760,671	
Thomas Cook AG, Germany	28,858,138		38,808,025	
Thomas Cook, Northern Europe	24,685,596		46,531,161	
Others	28,689,016		29,397,387	
		483,033,942		445,497,244
Services Availed#				
Thomas Cook Overseas Limited, Egypt		9,628,098		14,646,111
Balances as at the year end -				
Outstanding Receivables				
Thomas Cook Tour Operations Limited, UK	21,321,790		15,977,178	
Thomas Cook AG, Germany	-		6,743,941	
Thomas Cook, Northern Europe	3,422,783		13,531,774	
Thomas Cook Signature Limited, UK	4,946,097		4,903,133	
		29,690,670		41,156,026
Outstanding Payables				
Thomas Cook Overseas Limited, Egypt		4,718,008		7,090,258
*Sale value of transactions				
#Purchase value of transactions				
(iii) Key Management Personnel				
Remuneration#				
Madhavan Menon	19,044,969		16,878,705	
Vinayak K. Purohit	16,376,616		15,272,281	
Rakshit Desai	28,762,863		25,201,185	
R. R. Kenkare	9,710,318		7,161,550	
Amitabh Pandey	6,809,988		5,408,647	
Dr. Prasanth Nair	7,474,076		5,626,946	
		88,178,830		75,549,314
#Gratuity is contributed for the Company as a whole and hence excluded.				
(iv) Relative of Key Management Personnel				
Rent Expense				
Lili Menon		1,926,000		1,926,000
Balance as at the year end -				
Deposit Receivable				
Lili Menon		16,500,000		16,500,000

Schedules forming part of the Consolidated Financial Statements for the year ended 31st December, 2011

SCHEDULE "Q" : (Contd.)

	Year ended 31st December, 2011	Year ended 31st December, 2010
	Rupees	Rupees
(f) Disclosures for Leases		
(A) Finance Leases		
(i) Minimum Lease Payments payable		
- Not later than one year	9,043,258	8,255,661
- Later than one year but not later than five years	19,989,226	20,024,836
	<u>29,032,484</u>	<u>28,280,497</u>
(ii) Present Value of Minimum Lease Payments payable		
- Not later than one year	6,750,229	6,100,952
- Later than one year but not later than five years	17,533,734	17,411,482
	<u>24,283,963</u>	<u>23,512,434</u>
(iii) Reconciliation of Minimum Lease Payments and their Present Value		
- Minimum Lease Payments Payable as per (i) above	29,032,484	28,280,497
- Less: Finance Charges to be recognised in subsequent years	4,748,521	4,768,063
- Present Value of Minimum Lease Payments payable as per (ii) above	<u>24,283,963</u>	<u>23,512,434</u>
(iv) Finance Charges recognised in the Profit and Loss Account	2,602,408	5,098,706
(B) Operating Leases		
Disclosures in respect of agreements for office and residential premises taken on lease		
(i) Lease payments recognised in the Profit and Loss Account	244,001,640	241,153,078
(ii) Significant leasing arrangements		
- The Company has given refundable interest free security deposits under certain agreements.		
- The lease agreements are for a period of eleven months to ninety years.		
- The lease agreements are cancellable at the option of either party by giving one month to six months' notice.		
- Certain agreements provide for increase in rent.		
- Some of the agreements contain a provision for their renewal.		
(iii) Future minimum lease payments under non-cancellable agreements		
- Not later than one year	36,058,169	28,388,396
- Later than one year and not later than five years	35,593,819	35,382,667
- Later than five years	2,323,943	2,028,619

Schedules forming part of the Consolidated Financial Statements for the year ended 31st December, 2011

SCHEDULE "Q" : (Contd.)

	Year ended 31st December, 2011	Year ended 31st December, 2010
	Rupees	Rupees
(g) In determining earnings per share, the Company considers the net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of dilutive potential equity shares. Earnings per Share has been computed as under:		
Profit attributable to Equity Shareholders *	<u>562,396,195</u>	<u>471,609,552</u>
Weighted average number of shares - Basic	211,895,585	211,669,810
Weighted average number of shares - Diluted	218,227,091	218,910,237
Basic Earnings per Share (₹ per Equity Share of ₹ 1 each)	2.65	2.23
Diluted Earnings per Share (₹ per Equity Share of ₹ 1 each)	2.58	2.17
*Dividend amounting to ₹ 69 (Previous Year ₹ 69) (including Corporate Dividend Tax) on Preference shares outstanding during the year has been considered in determining the Earning per Share for year ended 31st December, 2011.		

- (h) Thomas Cook Mauritius Operations Company Limited (TCMOCL), a subsidiary of Thomas Cook (India) Limited (TCIL), operates in foreign exchange business.

During the previous year it was observed that there were accounting and reconciliation issues in the books of accounts of TCMOCL, therefore, TCIL appointed Lovi Mehrotra & Associates (LMA) – one of the internal auditors for TCIL - to re-write the accounts of TCMOCL. It was observed that the financial statements of TCMOCL had been misstated in prior years by the Finance Manager of that Subsidiary. An independent investigation revealed that there were unexplained asset balances, accounting of duplicate/unsupported sales entries, unsatisfactory books of accounts and erroneous bank reconciliation statements in the books as on 30th September, 2009 and concluded that TCMOCL overstated the profits aggregating to ₹ 75,841,212 in prior years. However they did not indicate any instance of unauthorised or inappropriate withdrawals or missing deposit in the bank accounts. The investigation report concluded that the turnover and profit for the year ended 31st December, 2008 and period ended 30th September, 2009 were overstated by ₹ 23,485,806 and ₹ 52,355,406 respectively.

Consequently, corresponding bank balances and retained profits as on 31st December, 2008 and 30th September, 2009 were overstated by ₹ 23,485,806 and ₹ 52,355,406 respectively. These amounts aggregating to ₹ 75,841,212 have been corrected in the previous year and shown as a prior period item under the head "Revenue".

The investigators had made recommendations in their report to mitigate control weaknesses, which have since been implemented. The finance manager in charge of the accounting function in TCMOCL has been replaced and internal controls have been strengthened.

- (i) Exceptional Item for the previous year represents ₹ 100,000,000 received as compensation towards termination of Non Compete Agreement for the LKP Forex Acquisition.
- (j) Employee Stock 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 23rd March, 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.

Schedules forming part of the Consolidated Financial Statements for the year ended 31st December, 2011

SCHEDULE "Q" : (Contd.)

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 installments 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 14th December, 2010, by the shareholders by means 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 Hundred Thousand) 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 (Three Million) 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.

Following are the details of Options granted under these Schemes :

Particulars	Grant Registration					
	GT 25 Jul 2007 25-Jul-07	GT 10 Jul 2008 10-Jul-08	GT 20 Mar 2009 20-Mar-09	GT 27 May 2010 27-May-10	SAYE 14 Dec 2010 14-Dec-10	GT 17 Feb 2011 17-Feb-11
Pricing Formula	95 % of the closing market price on the stock exchange where higher number of shares are traded			90 % of the closing market price on the stock exchange where higher number of shares are traded		
Exercise Price (₹ Per Share)	61.89	77.62	30.31	52.74	50.40	47.57
Options Granted and Accepted	1,104,125	1,240,000	2,068,725	991,313	1,020,310	1,397,825
Options Yet to be Vested	-	-	576,438	660,875	879,494	1,397,825
Options Vested and Exercisable	617,000	770,500	692,084	330,438	-	-
Options Exercised	113,540	-	460,793	-	-	-
Options Lapsed/Cancelled/Forfeited	373,585	469,500	339,410	-	140,816	-
Total No. of options In force (Vested and yet to be vested)	617,000	770,500	1,268,522	991,313	879,494	1,397,825

During the year ended 31st December, 2011, a total of 199,663 equity shares of ₹ 1 each were issued & allotted under the Thomas Cook Employee Stock Option Plan - 2007. Consequently, the issued and paid up Equity Share Capital has increased to 212,007,362 shares.

- Employees of the Company and other parties misappropriated assets aggregating to ₹ 22,255,369 (Previous Year ₹ 5,620,000) during the year. The Company has recovered ₹ 8,365,540 so far. The cases are under investigation and Company has taken steps for recovering the balance amount.

Schedules forming part of the Consolidated Financial Statements for the year ended 31st December, 2011

SCHEDULE "Q" : (Contd.)

- (l) As per the provision of Section 115JAA, MAT Credit receivable has been recognized on the basis of return of income filed for the previous years. MAT credit is recognised as an asset to the extent there is convincing evidence that the Company will pay normal Income Tax during the specified period (as per the Income Tax Act, 1961). MAT credit is recognised as an asset in accordance with the recommendation contained in guidance note issued by the Institute of Chartered Accountants of India and disclosed in the Schedule "J", Loans and Advances. The said assets is created by the way of credit to the Profit and Loss Account and shown as MAT Credit Entitlement. The company will review the same at each balance sheet date and write down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the company will pay normal Income Tax during the specified period (as per the Income Tax Act, 1961).
- (m) The entire Promoter Shareholding of 77.1% has been pledged on 10th January, 2012. Subsequently on 8th February, 2012 Thomas Cook Group plc - the ultimate holding company of Thomas Cook (India) Limited has announced the launch of formal sale process for its 77.1% shareholding in Thomas Cook (India) Limited.
- (n) Previous Year figures have been regrouped where necessary.

In terms of our report of even date

For LOVELOCK & LEWES
Firm Registration Number: 301056E
Chartered Accountants

NAGNATH V PAI
Partner
Membership No. 36134

Mumbai, 16th February, 2012

For and on behalf of the Board

MADHAVAN MENON – Managing Director
VINAYAK K. PUROHIT – Executive Director - Finance
RAKSHIT DESAI – Executive Director - Foreign Exchange
R. R. KENKARE – President & Head - Legal &
Company Secretary

Mumbai, 16th February, 2012

Consolidated Cash Flow Statement

for the year ended 31st December, 2011

	Year ended 31st December, 2011		Year ended 31st December, 2010	
	Rupees	Rupees	Rupees	Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Taxation and after Exceptional Item		806,444,327		736,267,564
Adjustments for -				
Depreciation/Amortisation	139,350,757		135,041,975	
Discounting charges for Employee Stock Options	9,171,293		1,789,670	
Interest on Income Tax Refund	(24,293,325)		(6,711,328)	
Interest and Other Finance Expenses (Net of Interest Income)	230,850,263		217,401,608	
Dividend Income	(1,498,398)		(1,310,878)	
(Profit)/Loss on Sale of Fixed Assets (Net)	(72,660,499)		(142,626,864)	
Bad Debts and advances written off	13,971,345		33,622	
Provision for Doubtful Debts and Advances (Net)	72,312,013		19,513,022	
Provision for diminution in the value of Long Term Investments	315		1,270	
(Profit) on Redemption of Long-term Investments	-		(14,098,942)	
		<u>367,203,764</u>		<u>209,033,155</u>
Operating profit before working capital changes		1,173,648,091		945,300,719
Adjustments for -				
Trade and Other Receivables	(287,158,151)		(594,759,234)	
Trade and Other Payables	579,960,652		(125,456,191)	
		<u>292,802,501</u>		<u>(720,215,425)</u>
Cash generated from operations		1,466,450,592		225,085,294
Direct Taxes paid (Net of refund of taxes)		(30,684,921)		(149,352,624)
Interest on Income Tax Refund		24,293,325		6,711,328
Net cash generated from operating activities		<u>1,460,058,996</u>		<u>82,443,998</u>
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(187,875,759)		(397,422,140)	
Sale of Fixed Assets	105,407,626		185,425,564	
Purchase of Investments	(5,023,077,606)		(3,049,108,997)	
Sale of Investments	4,796,136,109		3,263,557,721	
Interest Received	7,883,727		4,278,513	
Dividend Received	1,498,398		1,310,878	
Net cash (used in)/generated from investing activities		<u>(300,027,505)</u>		<u>8,041,539</u>
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of Equity Shares under ESOP	6,051,784		14,103,850	
Proceeds from Borrowings (Net)	269,888,651		299,592,294	
Proceeds of Finance Lease (Net)	771,529		15,573,279	
Interest and Other Finance Expenses paid	(234,638,169)		(218,269,464)	
Dividend Paid	(79,288,268)		(79,342,838)	
Tax on Dividend Paid	(12,889,463)		(13,181,661)	
Net cash (used in)/generated from financing activities		<u>(50,103,936)</u>		<u>18,475,460</u>
D. EFFECT OF EXCHANGE FLUCTUATION ON TRANSLATION RESERVE		23,819,920		(9,064,658)
Net increase in cash and cash equivalents		<u>1,133,747,475</u>		<u>99,896,339</u>
Cash and Cash Equivalents - Opening Balance		1,601,037,810		1,501,141,471
Cash and Cash Equivalents - Closing Balance		<u>2,734,785,285</u>		<u>1,601,037,810</u>

Notes:

- The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard – 3 on Cash Flow Statements, notified under sub-section (3C) of Section 211 of The Companies Act, 1956.
- Previous year figures have been regrouped where necessary.

In terms of our report of even date

For and on behalf of the Board

For LOVELOCK & LEWES

Firm Registration Number: 301056E

Chartered Accountants

NAGNATH V PAI

Partner

Membership No. 36134

MADHAVAN MENON

VINAYAK K. PUROHIT

RAKSHIT DESAI

R. R. KENKARE

– Managing Director

– Executive Director - Finance

– Executive Director - Foreign Exchange

– President & Head - Legal &
Company Secretary

Mumbai, 16th February, 2012

Mumbai, 16th February, 2012

Information Regarding Subsidiary Companies Pursuant to Section 212 of the Companies Act, 1956

Name of the Subsidiary company	Financial year ending of the subsidiary	Number of equity shares held	Extent of holding	Net aggregate amount of the subsidiary company's profit/(loss) not dealt with in the company's account		Net aggregate amount of the subsidiary company's profit/(loss) dealt with in the company's account	
				For the Subsidiary Company's financial period ended 30th September, 2011/ 31st December,2011	For the Subsidiary Company's previous financial years	For the Subsidiary Company's financial period ended 30th September, 2011/ 31st December,2011	For the Subsidiary Company's previous financial years
Travel Corporation (India) Limited	31.12.2011	1,576,698	100%	INR 22,175,835	INR 72,633,864	-	-
Thomas Cook Tours Limited	31.12.2011	50,000	100%	INR 12,139	INR 10,024	-	-
Thomas Cook Insurance Service (India) Limited	31.12.2011	50,000	100%	INR (10,728,906)	INR 4,267,194	-	-
Indian Horizon Travel and Tours Limited	31.12.2011	50,000	100%	INR 12,139	INR 10,024	-	-
Thomas Cook (Mauritius) Holding Company Limited	30.09.2011	1,655,500	100%	USD (53,205)	USD (10,590)	-	-
				# INR (2,949,365)	# INR (487,794)		
Thomas Cook (Mauritius) Operations Company Limited*	30.09.2011	1,000,000	100%	MUR (174,089)	MUR (15,093,913)	-	-
				# INR (269,242)	# INR (23,665,646)		
Thomas Cook (Mauritius) Travel Limited*	30.09.2011	13,100	100%	MUR (213,502)	MUR (126,398)	-	-
				# INR (330,197)	# INR (185,512)		
Thomas Cook (Mauritius) Holidays Limited*	30.09.2011	13,100	100%	MUR (3,005,493)	MUR 2,484,515	-	-
				# INR (4,648,233)	# INR 3,646,446		

* All the shares are held by Thomas Cook (Mauritius) Holding Co. Limited

Equivalent INR for corresponding foreign currency

For and on behalf of the Board

MADHAVAN MENON - Managing Director
 VINAYAK K. PUROHIT - Executive Director- Finance
 RAKSHIT DESAI - Executive Director- Foreign Exchange
 R. R. KENKARE - President & Head- Legal & Company Secretary

Mumbai 16th February, 2012

Brief Financial details in respect of Subsidiary Companies for the year ended 31st December, 2011

Name of Subsidiary	Reporting Currency	Issued & subscribed Share Capital	Reserves	Total Assets	Total Liabilities	Investments	Total income	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	Country
Travel Corporation (India) Limited	INR	15,766,980	581,979,507	943,277,646	636,151,056	290,619,897	375,809,118	4,695,228	(17,480,607)	22,175,835	-	India
Thomas Cook Insurance Services (India) Limited	INR	500,000	14,286,729	37,811,144	23,024,415	-	72,453,055	(14,926,736)	(4,197,830)	(10,728,906)	-	India
Thomas Cook Tours Limited	INR	500,000	(40,793)	484,443	25,236	-	-	15,039	2,900	12,139	-	India
Indian Horizon Travel & Tours Limited	INR	500,000	(40,958)	484,278	25,236	-	-	15,039	2,900	12,139	-	India
Thomas Cook (Mauritius) Holding Company Limited *	INR	73,248,730	(3,415,547)	25,170,602	6,593,883	51,256,464	-	(2,949,365)	-	(2,949,365)	-	Mauritius
Thomas Cook (Mauritius) Operations Company Limited *	USD	1,655,500	(95,900)	505,459	133,696	1,187,837	-	(53,205)	-	(53,205)	-	Mauritius
Thomas Cook (Mauritius) Travel Limited *	INR	147,841,257	61,396,062	235,230,110	67,602,583	41,609,792	110,240,648	(4,269,631)	(4,000,389)	(269,242)	-	Mauritius
Thomas Cook (Mauritius) Holidays Limited *	MAU	100,000,000	25,820,092	141,450,265	40,651,273	25,021,100	71,280,346	(2,760,695)	2,586,606	(174,089)	-	Mauritius
Thomas Cook (Mauritius) Holdings Limited *	INR	2,322,400	(2,990,760)	1,509,022	2,177,382	-	-	(330,197)	-	(330,197)	-	Mauritius
Thomas Cook (Mauritius) Operations Company Limited *	MAU	1,310,000	(1,711,903)	907,416	1,309,319	-	-	(213,502)	-	(213,502)	-	Mauritius
Thomas Cook (Mauritius) Holidays Limited *	INR	5,547,396	(596,528)	41,511,151	36,560,283	-	7,686,297	(4,562,263)	85,970	(4,648,233)	-	Mauritius
Thomas Cook (Mauritius) Operations Company Limited *	MAU	3,826,000	(848,908)	24,961,785	21,984,693	-	4,969,872	(2,949,907)	55,587	(3,005,494)	-	Mauritius

Note :

i) * The accounting year for these Companies is October to September.

ii) Indian rupee equivalents of the figures given in foreign currencies in the accounts of the subsidiary companies are based on exchange rates as on 30th September, 2011

For and on behalf of the Board

MADHAVAN MENON - Managing Director
VINAYAK K. PUROHIT - Executive Director- Finance
RAKSHIT DESAI - Executive Director - Foreign Exchange
R. R. KENKARE - President & Head- Legal & Company Secretary

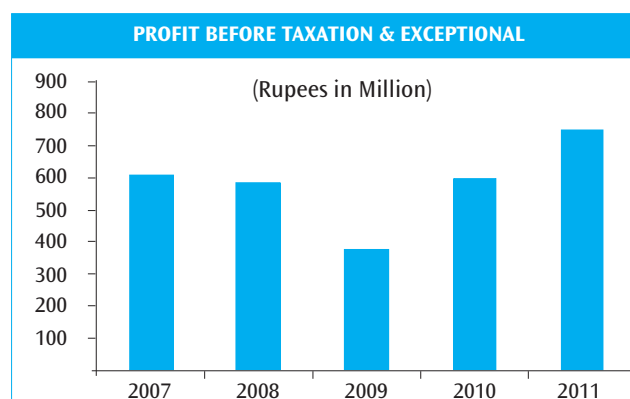
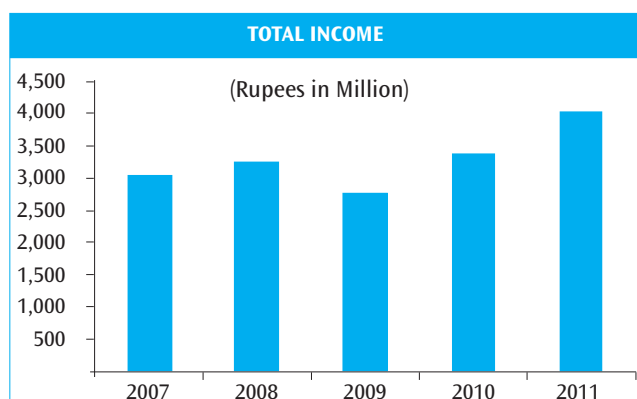
Mumbai 16th February, 2012

Consolidated Five Financial Years' Performance

(Rupees in Million)

	2011	2010	2009	2008	2007
Total Income	4,027.4	3,405.7	2,746.3	3,259.0	3,042.3
Total Expenditure	3,221.0	2,769.4	2,341.4	2,627.9	2,386.3
Profit Before Taxation & Exceptional	806.4	636.3	404.9	631.1	656.0
Profit After Taxation	562.4	471.6	250.1	373.3	519.1
Dividend Paid / Payable	79.5	79.4	79.3	79.3	80.4
Dividend Tax	12.3	13.2	13.6	15.8	21.0
Dividend (%)	37.5	37.5	37.5	37.5	50.0
Earning per Share - Basic (Rs. Per Equity Share of ₹ 1 each)	2.65	2.23	1.19	2.42	2.91
Equity Share Capital	212.0	211.8	211.5	160.8	160.8
Preference Capital	5.9	5.9	5.9	1,055.9	1,038.7
Reserves & Surplus	3,704.8	3,189.7	2,802.5	1,023.2	755.0
Shareholders' Funds	3,922.7	3,407.4	3,019.9	2,239.9	1,954.5
Loan Funds	2,286.3	2,015.7	1,700.4	2,604.5	2,857.2
Total Source of Funds	6,209.0	5,423.1	4,720.3	4,844.4	4,811.7
Fixed Assets	2,490.6	2,474.6	2,191.6	2,156.5	2,172.7
Investments	382.7	155.8	356.1	2.2	7.0
Net Current Assets#	3,335.7	2,792.7	2,172.6	2,685.7	2,631.8
Misc. Expenditure		-	-	-	0.1
Total Application of Funds	6,209.0	5,423.1	4,720.3	4,844.4	4,811.7

Net of Deferred Tax Liability.



THOMAS COOK (INDIA) LIMITED - OFFICES

MUMBAI**Head Office**

Thomas Cook (India) Limited
Thomas Cook Building
324, Dr. D. N. Road
Fort, Mumbai - 400 001
Tel: 022-6160 3333
Fax: 022 22871069 / 66091454

Bandra

Thomas Cook (India) Limited
269 B. Jubilee Court
Shop - 2, Linking Road,
Bandra,
Mumbai - 400 050
Tel: 022-66093237 / 8, 022-66093241, 022-66093242

Borivali

Thomas Cook (India) Limited
Shop - 2, Bhattad Towers
Kora Kendra
Borivali (W)
Mumbai - 400 092
Tel: 022-65992732 UPTO 36

Chembur

Thomas Cook (India) Limited
Corporate Park, Unit - 8
Sion – Trombay Road
Chembur,
Mumbai - 400 071
Tel: 022-6160 3333

Chembur**Krishna Kunj**

Thomas Cook (India) Limited
Krishna Kunj, Shivpuri,
Flat - 18/B, Ground Floor,
S T Road, Chembur,
Mumbai - 400 071
Tel: 022- 25288601- 4

Colaba

Thomas Cook (India) Limited
22/B, Ground Floor,
Cusrow Baug,
Colaba Causeway,
Mumbai - 400 005
Tel: 022-66092605 upto 2610

Fort-Hitkari House

Thomas Cook (India) Limited
Hitkari House,
284, Shahid Bhagat Singh Road,
Fort, Mumbai – 400001
Tel: 022- 66091688

Lower Parel –Kiosk

Thomas Cook (India) Limited
Grand Galleria Area,
The Phoenix Mills Ltd,
462, Senapati Bapat Marg,
Lower Parel,
Mumbai - 400 013
Tel: 022- 64552035

Nariman Point

Thomas Cook (India) Limited
Chander Mukhi,
First Floor,
Nariman Point,
Mumbai - 400 021
Tel: 022 -6609 0000

Oshiwara

Thomas Cook (India) Limited
Shop - 26, Meera Co-Op. Hsg. Soc. Ltd.,
New Link Road, Near Oshiwara Police Station,
Andheri (West),
Mumbai – 400 053
Tel: 022- 64557603 / 607 / 610

Prabadevi

Thomas Cook (India) Limited
Ground Floor, Shop - 6,
Kohinoor Corner,
1218, V Savarkar Marg,
Mumbai - 400 025
Tel - 67520762 / 67520762

Powai

Thomas Cook (India) Limited
Delphi Wing - A, Shop - 2, Ground Floor,
Hiranandani Business Park, Powai,
Mumbai - 400 076
Tel: 022 -66093422 / 26 / 27, 022- 66093244 / 28

Sahar

Thomas Cook (India) Limited
A 1/2, Silver Arch
Srinivas Bagadkar Marg
J. B. Nagar
Off Tarun Bharat Layout
Andheri (East)
Mumbai - 400 059
Tel: 022-66093353 / 66093354

Sahar- Airport

Thomas Cook (India) Limited
Sahar International Airport,
Sahar, Mumbai - 400 099
Mobile - 99200 72921

Sahar-Torana Aptmt

Thomas Cook (India) Limited
Flat - 4, Ground floor,
Opp. P & T Colony,
Sahar Road, Andheri (East)
Mumbai - 400 099

Seepz

Thomas Cook (India) Limited
SEEPZ, Near SDF1 Building,
Andheri East,
Mumbai – 400 096
Tel: 022-66093400 upto 66093413

Thane

Thomas Cook (India) Limited
Abhimaan II
Ground Floor, Shop No 5,6,&7
LBS Road, Teen Hath Naka
Thane - West
Tel: 022-67935400 UPTO 9

Vashi

Thomas Cook (India) Limited
Shop - 4,
Grain Merchant Co-op. Housing Society Ltd,
- 26/35, Sector 17,
Vashi,
Navi Mumbai – 400 705
Tel: 022- 66097033

AGRA

Thomas Cook (India) Limited
Shop - G 1,
18/165 Crystal Tower
Fatehbad Road,
Agra,
Uttar Pradesh - 282 001
Tel - 0562-6458201/ 0562-6458194

Shilpgram

Thomas Cook (India) Limited
Shilpgram,
Near Eastern Gate of Tajmahal,
Tajganj, Agra
Uttar Pradesh - 282 001
Tel: 0562-6458192

AHMEDABAD

Thomas Cook (India) Limited
30-33, Supermall,
Near Lal Bungalow,
C. G. Road,
Ahmedabad - 380 006
Tel: 079- 26409191

Mardia Plaza

Thomas Cook (India) Limited
Shop 18 & 19, Upper Level,
Mardia Plaza, CG Road,
Ahmedabad – 380 006
Tel: 079-66633233

Mani Nagar

Thomas Cook (India) Limited
Shope G-2, Sukh Chain Complex,
Dalbradha Vallabh Colony,
Jawahar Chowke, Mani Nagar
Ahmedabad – 380008
Tel: 79-25462965 / 2959 , 079-64501051

Ushadeep

Thomas Cook (India) Limited
“Ushadeep” Near Navrangpura
Railway Crossing,
Navrangpura,
Ahmedabad – 380 009
Tel: 079-66633190

Website : www.thomascook.in • E-mail : holidays@thomascook.in

Call Centre - 67686970 (8 a.m. to 8 p.m. 365 days a year) Toll-free (Within India) 1800-2099-100, 1800-209-2665
(US & CANADA CALLERS) 1866 9778687 (United Kingdom) + 8081016989 SMS (within India) 56767100

• “Holidays” • “Visas” • “Passport” •

AMRITSAR

Thomas Cook (India) Limited
Premises # 7A, 1st Floor,
Urban Circle - 110,
6 Lawrence Road,
Near State Bank of Bikaner & Jaipur
Amritsar - 143 001
Punjab
Tel: 0183-5012327 / 5013535, 0183-6549750

ANAND

Thomas Cook (India) Limited
G-4, Maruti Sumiran,
Anand Vidyanagar Road,
Opp. Nand Bhoomi,
Gujarat.
Tel: 02692-656411 upto 14

AURANGABAD

Thomas Cook (India) Limited
3 & 4, Bagaria Arcade –
Chetan Trade Centre,
Guru Ramdas Nagar,
Opp. S.F.S., Jalna Road,
Aurangabad – 431 001
Tel: 0240-6611239

BENGALURU

Thomas Cook (India) Limited
70, Mahatma Gandhi Road
“Vimal Chambers”
Bengaluru - 560 001
Tel: 080- 67178800 / 080-67178889,
080-67178851

ITPL

Thomas Cook (India) Limited
12, Ground floor
International Tech Park
Whitefield Road
Bengaluru – 560 066
Karnataka
Tel: 080 - 28410565 / 0567

Koramanagla

Thomas Cook (India) Limited
Unit - G-6, Municipal - 121/3, Ground Floor,
Salarpuria Money Center,
121 Koramangala Industrial Layout ,
Bengaluru,
Karnataka - 560034
Tel: 080-41206985

Electronic City

Thomas Cook (India) Limited
Shop - 6 & 7, Ground Flr
Konappana Agrahara,
1st Phase Electronic City,
Bengaluru - 561 229
Tel: 080- 6456309

Malleswaram

Thomas Cook (India) Limited
Municipal - 315, Ground Floor,
15th Cross, Sampige Road,
Bengaluru - 560003
Tel: 080-65370034 / 35,080-65370037 / 38

Bengaluru -AIRPORT

Thomas Cook (India) Limited
Bengaluru International Airport Limited
Devanahalli Road
Devanahalli,
Bengaluru- 560 300
Tel: 080- 6783774, 080-66783771

BARDOLI

Thomas Cook (India) Limited
Shop - 122, Millenium Mall,
Station Road,
Bardoli – 394601.
Tel: 02622-229363 / 653521

BARODA

Thomas Cook (India) Limited
Landmark Building,
Shop 1-3, Ground Floor
Race Course Road
Vadodara
Tel: 0265-6634703, 0265-6634706

Dwarkesh

Thomas Cook (India) Limited
Shop - G-23,
Dwarkesh Complex,
R.C. Dutt Road,
Vadodara - 390 005
Tel: 0265-2327097 / 99

BHOPAL

Thomas Cook (India) Limited
Alankar Complex, Ground Floor,
Plot - 10, M.P. Nagar,
Bhopal – 462 0010
Tel: 755-6463506

BHUBANESHWAR

Thomas Cook (India) Limited
130 Ashok Nagar,
Janpath,
Bhubaneswar,
Tel: 0674-2539893 / 4, 0674-6451701 / 21

BHUJ

Thomas Cook (India) Limited
Shop - 2, Lav Kush Apartment,
Hospital Road,
Bhuj - 370001
Tel: 02832-256469 / 70

CALICUT

Thomas Cook (India) Limited
5/3283, A 11-15
Sky Tower Shopping Mall
Bank Road Jn
Kozhikode – 673 001
Tel: 0495-6451149

CHANDIGARH

Thomas Cook (India) Limited
SCO 28/29/30, Sector 9 – D
Madhya Marg
Chandigarh
Tel: 0172-6610907, 0172-6610901

CHENNAI

Thomas Cook (India) Limited
G4, Eldorado Building
112, Nungambakkam High Road
Chennai - 600 034
Tel: 044-64548689 / 90, 044-64549212

Adyar

Thomas Cook (India) Limited
K.R. Buildings, Ground Floor
New - 12, L.B. Road
Adyar, Chennai - 600 020
Tel: 044-64549739, 044-64549742

Spencer Plaza

Thomas Cook (India) Limited
G17A & B, Shop - 14.15C & 20,
Phase I, Spencer Plaza,
768-769, Anna Salai,
Chennai - 600 002
Tel: 044-28492427, 044-28492423

Anna Nagar

Thomas Cook (India) Limited
Block AC 9/1, 2nd Avenue,
Annanagar, Chennai – 600040.
Tel: 044-26203054, 044-64549213

Heavitree

Thomas Cook (India) Limited
Door - 47(Old - 23),
(Heavitree Building)
Spur Tank Road,
Chetput, Chennai - 600031
Tel: 044-66632602, 044-66632630

Ceebros

Thomas Cook (India) Limited
Ceebros Centre,
45 Montieth Road,
Chennai - 600 008
Tel: 044-66774600 upto 608

Chennai - Airport

Thomas Cook (India) Limited
Anna International Terminal
Chennai International Airport
Meenambakkam,
Chennai 600 027
Tel: 044-64549979

COCHIN- PALAL TOWER

Thomas Cook (India) Limited
Palal Towers, 1st floor
Right Wing
M. G. Road
Cochin - 682 016
Tel: 0484-6607708

Cochin Airport

Thomas Cook (India) Limited
Cochin International Airport Ltd.
Vapalassery, Angamally
Nedumbassery
Ernakulam - 680 535
Tel: 0484-2610052

COIMBATORE

Thomas Cook (India) Limited
City Center, First Floor
No 14 & 15, East Arokiyasamy Road
R.S.Puram, Coimbatore - 641 002
Tel: 0422-6450753, 0422-6450752

DELHI

Thomas Cook (India) Limited
C-35 Connaught Place
New Delhi - 110 001
Tel: 011-66271900, 011-65452953 / 65455202

Nehru Place

Thomas Cook (India) Limited
GF-10 Satyam Cineplex
Plot - 45, Nehru Place,
District Centre,
New Delhi - 110 019
Tel: 011-26467484, 011-26471903

Janpath

Thomas Cook (India) Limited
Ground Floor, Room - 04,
Janpath Hotel,
Janpath, New Delhi
Tel: 011-26467484, 011-2647190 / 65452948

Vasant Vihar

Thomas Cook (India) Limited
61 PVR Priya Cinema,
Basant Lok,
Vasant Vihar,
New Delhi - 110057
Tel: 011-41669168 / 69

Punjabi Bagh

Thomas Cook (India) Limited
Punjabi Bagh Branch,
Basement 24,
Central Market,
Punjabi Bagh West,
New Delhi - 110 026
Tel: 011-45418000

Delhi - Airport

Thomas Cook (India) Limited
Indira Gandhi Intl. Airport
Terminal I & Terminal II,
New Delhi - 110 037
Tel: 011-49633758

DEHRADUN

Thomas Cook (India) Limited
1st Floor, 67 / 3, Rajpur Road,
Dehradun - 248 001,
Uttaranchal
Tel: 0135-2740586

GOA

Thomas Cook (India) Limited
8, Alcon Chambers
Dayanand Bandodkar Marg
Panaji
Goa - 403 001
Tel: 0832-2221312, 0832- 6639256

Calangute Market

Thomas Cook (India) Limited
SBI - Implant
C/o. State Bank of India
Hotel Orfil, Ground Floor
Calangute Market
Calangute
Goa - 403 516
Tel: 0832-2275693

Calangute

Thomas Cook (India) Limited
Shop - 47,
Brisa Complex, Naikwaddo
Calangute, Goa - 403 516
Tel: 0832-2282455

Margao

Thomas Cook (India) Limited
Shop - 4, Mabai Hotel
Opp. Municipal Garden
Margao, Goa
Tel: 0832-6481958 / 2714768

Candolim

Thomas Cook (India) Limited
H. No 483, Vadi Candolim
Next to Lemon Tree Resort
Aguada Road
Candolim Bardez
Goa - 403 515
Tel: 0832-6519759

GURGAON

Thomas Cook (India) Limited
Plot - 520,
Phase - III, Udyog Vihar ,
Gurgaon.
Tel: 0124-6540280, 0124-2561112

Mehrauli

Thomas Cook (India) Limited
1st India Place
Tower B, Gr. Floor
Sushant Lok 1
Mehrauli, Gurgaon Road
Gurgaon - 122 002
Tel: 0124-2389586, 0124-4067143

Apparel House

Thomas Cook (India) Limited
Apparel Export Promotion Council,
Apparel House, Institutional Area,
Sector-44,
Gurgaon - 122 003
Tel: 0124-2570764

GUWAHATI

Thomas Cook (India) Limited
Divine Plaza, Shop - B2 & GS 2,
Ground Floor, G.S. Road, Near New Secretariat,
Guwahati - 781 006
Assam
Tel: 0361- 2229932/ 2229941

HUBLI

Thomas Cook (India) Limited
M. - 3005, First Floor,
Coen Road, Hubli - 580 020
Tel: 0836-6444003

HYDERABAD

Thomas Cook (India) Limited
Nasir Arcade
6-1-57, Saifabad
Hyderabad - 500 004
Tel: 040-66742744

Hitech City

Thomas Cook (India) Limited
Cyber Towers, A Core
Podium Level, Hitech city
Ground Floor, Madhpur
Hyderabad - 500 033
Tel: 040-66442723, 040- 66661100/01

Secunderabad

Thomas Cook (India) Limited
160-D, Patny Nagar,
Sardar Patel Road,
Secunderabad
Andhra Pradesh - 500 003
Tel: 040-66386603

INDORE

Thomas Cook (India) Limited
UG-1 Royal Gold
4 Yeshwant Niwas Road
Indore - 452001
Tel: 0731-6454840

JAIPUR

Thomas Cook (India) Limited
2 A&B, (102) Jaipur Towers
Mirza Ismail Road
Jaipur - 302 001
Tel: 0141-2360940 / 801, 0141-5114141 / 42

Gopal Bari

Thomas Cook (India) Limited
19-C, First floor,
Gopal Bari, Ajmer Road,
Jaipur - 302001
Tel: 0141-2360801/940
Fax: 2360974

JAISALMER

Thomas Cook (India) Limited
Shop - 1, Rana Kothar House,
H - 4814, Commercial Complex,
Gandhi Chowk,
Jaisalmer,
Rajasthan - 345 001
Tel: 02992-253265

JAMNAGAR

Thomas Cook (India) Limited
Shop - 9, Ground Floor,
Shri Dhan Palace,
Near Town Hall, Jamnagar,
Gujarat - 361 006
Tel: 0288-2664578 / 6549316

JAMSHEDPUR

Thomas Cook (India) Limited
Nalanda Hotel
3 S.B. Shop Area
(Opposite Ram Mandir)
Bistupur, Jamshedpur-831001
Jharkhand
Tel: 0657-6452536

JALANDHAR

Thomas Cook (India) Limited
Gurmeet Building,
Police Lines,
Jalandhar
Tel: 0181-6450194, 0181-6450170

JODHPUR

Thomas Cook (India) Limited
Shop - 1, Mahaveer Complex,
Ajeet Colony,
Jodhpur - 342 001,
Rajasthan
Tel: 0291-2512064 / 66

KANNUR

Thomas Cook (India) Limited
Ground Floor, Rasheedha Building,
Fort Road,
Kannur - 670 002
Tel: 0497-6450593

KAPURTHALA

Thomas Cook (India) Limited
45, Aman Nagar,
Jaskirat Complex,
Jalandhar Road,
Kapurthala - 144 601
Tel: 01822-657942 / 750

KARNAL

Thomas Cook (India) Limited
Shop - 201, Part 1,
Sector 12, Karnal,
Haryana
Tel: 0184-6531566

KOLHAPUR

Thomas Cook (India) Limited
Unit - 15, 1st Floor
" Gemstone ",
R. D. Vichare Complex
Near S. T. Bus Stand
New Shahupuri,
Kolhapur – 416 002
Tel: 0231-6616426, 0231-6490467

KOLKATA

Thomas Cook (India) Limited
19B, Shakespeare Sarani
1st Floor Kolkata - 700 071
Tel: 033-66526246, 033-66526231

Salt Lake

Thomas Cook (India) Limited
Module 304, SDF Building
Block EP & GP Sector V
Salt Lake
Kolkata - 700 091
Tel: 033- 66526214 / 15

Lake Garden

Thomas Cook (India) Limited
378, Lake Garden
1st Floor, South City Mall`123
P. S. Lake, Kolkata – 700 045
Tel: 033-24229922, 033-64542163

Lake Town

Thomas Cook (India) Limited
238, Lake Town,
Block B,
Kolkata – 700 089
Tel: 033-64500699

KOTTAYAM

Thomas Cook (India) Limited
- XIII/6A, Kailash Building,
Near SBT Main Branch,
Kottayam – 686 001
Tel: 0481-6450197

KOVALAM

Thomas Cook (India) Limited
VP IX / 750 ,
Aryanivas,
Kovalam,
Trivandrum – 695 527.
Tel - .0471- 2485466 / 6450299

LEH

Thomas Cook (India) Limited
Shop No 1, First Floor,
Samkar Gonpa Complex,
Main Bazar,
Leh-Ladakh,
Jammu & Kashmir - 194101
Tel: 01982-250519

LUCKNOW

Thomas Cook (India) Limited
68, Hazrat Ganj, First Floor,
Opp. Gandhi Ashram,
Lucknow - 226001
Tel: 0522-6459454, 0522-6459095

LUDHIANA

Thomas Cook (India) Limited
SCO 32 (Mezzanine Floor),
Feroze Gandhi Market,
Ludhiana - 141 001
Tel: 0161-6614901 / 902, 0161-6614906

MADURAI

Thomas Cook (India) Limited
Foreign Exchange Division
1st Floor, V & W Shops,
KRV Arcade,
16 & 17 North Veli Street,
Madurai - 625 001
Tamil Nadu
Tel: 0452-6444878, 0452-6444882 .

MANGALORE

Thomas Cook (India) Limited
A1 / B1 , Ground Floor,
Ram Bhavan Complex
Govinda Pai Circle, Kodialbail
Mangalore - 575003
Tel - 0824-6450583

MCLEODGANJ

Thomas Cook (India) Limited
Shop - 20,
Runchal's Mount View Complex,
Mcleodganj,
Tehsil Dharamsala
Kangra - 176219
Tel: 01892-221192

MYSORE

Thomas Cook (India) Limited
Shop No 5
Building No 1274/1a
Hari Plaza Building
Dewans Road
Mysore – 570 001
Tel - 0821-2420090

MYSORE RAILWAY STATION

Indian Railway Catering and Tourism Corporation
Ltd.
IRCTC Tourist Information and Facilitation Centre,
- 1, Booking Office Concourse Hall,
Near Main Entrance,
Mysore Railway Station,
Mysore - 570001
Karnataka

NASHIK

Thomas Cook (India) Limited
1/A, Navkar Heights
Sharanpur Road, New Pandit Colony
Near Rajiv Gandhi Bhavan
Nashik – 422 002
Tel: 0253-6695056 / 58

NAGPUR

Thomas Cook (India) Limited
Shop Nos. 1, 2 & 3
Oasis Plaza, Gokul Peth
Off WHC Road
Laxmi Bhavan Square
Nagpur - 440 010
Tel: 0712-6647635 / 36 / 38

NAVSARI

Thomas Cook (India) Limited
Shop No 1 & 2 Upper level,
S.P Apartment, Opp.
Nagarpalika Shopping Centre,
Dudhiya Talav Road,
Navsari – 396445
Tel: 02637-652329 / 658007

NAWANSHAHR

Thomas Cook (India) Limited
B-1/100, Opp.
Adarsh Bal Vidyalaya,
Banga Road,
Nawanshahr,
Punjab
Tel - 0823-503439

NOIDA

Thomas Cook (India) Limited
K-10,First Floor,
Near HSBC Bank,
Sector-18,
Noida - 201301
Tel: 0120-4762000, 0120-6460635

PATIALA

Thomas Cook (India) Limited
Patiala Branch, Ground Floor,
SCO 156, Leela Bhawan Market,
Patiala - 147001
Tel: 0175-6539401

PATNA

Thomas Cook (India) Limited
C/o. Travel Corporation (India) Ltd
Hotel Maurya Centre
South Gandhi Maidan
Patna - 800 001
Tel: 0612-2221699

PHAGWARA

Thomas Cook (India) Limited
Indian Bank Building,
G T Road, Phagwara,
Punjab - 144401
Tel: 01824-645952

PONDICHERRY

Thomas Cook (India) Limited
Ground Floor - 2A,
Labour Donnais Street,
Pondicherry - 605 001
Tel: 0413-2226136 / 6459092

PUNE

Thomas Cook (India) Limited
Shop - 4 & 13, Thackers House
2418 Gen. Thimmaya Road
Pune - 411 001
Tel: 020-66007901

Chinchwad

Thomas Cook (India) Limited
A22, Empire Estate, Ground Floor
Mumbai-Pune Road
Chinchwad, Pune - 411 019
Tel: 020-65100161 / 27456734

ICC Tower

Thomas Cook (India) Limited
Travel Desk, ICC Tower, Plot - 403,
A/2, Ground Floor,
Senapati Bapat Marg,
Bhamburda Village (Shivaji Nagar),
Pune - 411016
Tel: 020- 66040210 /01/02

Hinjewadi

Thomas Cook (India) Limited
Hotel Tamanna Executive, Plot - 7,
Pune Infotech Park, Opp. Infosys,
Hinjewadi,
Pune - 411 027
Tel: 020-22934180 / 22932379

Dhole Patil

Thomas Cook (India) Limited
Shop No 7,
P T Gera Centre,
Dhole Patil Road,
Pune - 411001
Tel: 022- 66464380 / 79

Bhandarkar

Thomas Cook (India) Ltd
Showroom 1,
Amar House,
CTS 892/MP-1,
Final Plot - 268,
Bhandarkar Road, Shivajinagar,
Pune - 411001
Tel: 020-66099670/ 81

Gulmohar

Thomas Cook (India) Limited
Office - 201, 2nd Floor
'A' Wing, Gulmohar Apartments,
2420, Gen. Thimayya Road (East Street),
Pune - 411 001
Tel: 020-66220628

Inorbit Mall

Thomas Cook (India) Limited
Sr. - 35, Ador Plot, (Inorbit Mall)
At Vadgaon Sheri, Pune Nagar Road,
Pune - 411 006
Tel: 020- 64735002

Phoenix Marketcity

Thomas Cook (India) Limited
Phoenix Marketcity (Vamona Developers Pvt.Ltd
S. - 207, Viman Nagar Road,
Pune - 411014.

PUSHKAR

Thomas Cook (India) Limited
Shriya Guest House,
Pushkar,
Rajasthan - 305 022
Tel: 0145-2773193

RAIPUR

Thomas Cook (India) Limited
G-209, SLT Waterfront
Gaurav Path, Telibandha Gurdwara,
Raipur - 492 006
Tel: 0771-6450280

RAJKOT

Thomas Cook (India) Limited
Shop - 4 & 5,
Shree Jee Complex,
Near Swami Narayan Temple,
Kalawad Road,
Rajkot - 360001
Tel: 0281-2454459

SALEM

Thomas Cook (India) Limited
Empire Arcade
1st Floor, Shop H
Commercial Complex
356 /1 Omalur Main Road
Salem - 636 004
Tel: 0427-6444009 / 010

SURAT

Thomas Cook (India) Limited
Shop - UG-1,
Raj Hans Plaza,
God Dod Road,
Surat - 395007
Gujarat
Tel: 0261-6592480

Ghodhdood Road

Thomas Cook (India) Limited
U-8, Rajhans Plaza,
Ghodhdood Road,
Surat - 395 007
Gujarat
Tel - 0261 - 2651017 / 2651018

TIRUPATHI

Thomas Cook (India) Limited
301, Central Park,
580, Tilak Road,
Tirupathi - 517 501
Tel - 0877-6457422

Tirupathi Railway Station

Thomas Cook (India) Limited
IRCTC Tourism Information & Facilitation Centre
Opp. To General Enquire Counter
Near Main Entrance Gate,
Platform - 1, Tirupati Railway Station
Tirupathi
Tel: 0877 - 6457424 / 25

TRICHUR

Thomas Cook (India) Limited
Shop. - 19/44/07, Ground Floor,
Centre Point, M. G. Road,
Thrissur - 04
Tel: 0487-6444989 upto 991

TRICHY

Thomas Cook (India) Limited
JC TOWER
Shop - M2 Mezzanine floor
Karur By- pass Road
Trichy - 620 018
Tel: 0431-6452023 upto 27

TRIVANDRUM

Thomas Cook (India) Limited
TC 25/2421 (I),
Ground Floor,
Soundarya Bldg,
M.G. Road,
Trivandrum - 695 001
Tel: 0471-2338140 / 41

OVERBRIDGE JUNCTION

Thomas Cook (India) Limited
28 / 2392, Ground Floor,
Pournami Bldg,
Overbridge Junction,
Thiruvananthapuram,
Kerala - 695 001
Tel: 0471-6450213 / 2473106

VARKALA

Thomas Cook (India) Limited
Kerala Bamboo House,
CLIFF, Kurakkanni,
Varkala,
Trivandrum - 695141

UDAIPUR

Thomas Cook (India) Limited
Shop - 3-4,
Rang Niwas Palace Hotel,
Lake Palace Road,
Udaipur - 313 001
Tel: 0294-2423358, 0294-2522239

UDUPI

Thomas Cook (India) Limited
Shop - 26C,
Ground Floor,
Vasuki Towers,
Thaluk Office Road,
Udupi
Karnataka - 576101
Tel - 0820-2527132

VARANASI

Thomas Cook (India) Limited
S-20/51-5, Varunapal,
The Mall,
Varanasi
Uttar Pradesh - 221 002
Tel: 0542-2509946, 0542-6450224

VIJAYAWADA

Thomas Cook (India) Limited
1st Floor, 39-1-68 A
Labbipet
M. G. Road
Vijayawada
Andhra Pradesh - 520 010
Tel: 0866-6636436

VISHAKAPATNAM

Thomas Cook (India) Limited
Eswar Plaza
47-14-7, Ground Floor
Dwarka Nagar
Vishakapatnam - 530 016
Tel: 0891-6692581 upto 583

VRINDAVAN

Thomas Cook (India) Limited
Ras Bihari Complex,
Raman Reti Road,
Vrindavan - 281 121
Tel: 0565-6453728

THOMAS COOK (INDIA) LIMITED - CENTRE OF LEARNING OFFICES

MUMBAI

Thomas Cook Centre of Learning
Hitkari House,
284 Shahid Bhagat Singh Road,
Near GPO, Fort,
Mumbai - 400001
Tel: 022-66091685 / 66091686 / 66091688

PUNE

Thomas Cook Centre of Learning
201, Gulmohar Apt, 2nd Floor, 2420,
G T road, East Street,
Pune – 411001
Tel: 020 - 66220624

CHENNAI

Thomas Cook Centre of Learning
Ceebros Centre,
45 Montieth road, Egmore,
Chennai – 600008
Tel: 044 - 66774600 / 66774615

TRAVEL CORPORATION (INDIA) LIMITED - OFFICES

MUMBAI**Head Office**

Travel Corporation (India) Ltd
Thomas Cook Building
324, Dr. D. N. Road, Fort, Mumbai - 400 001
Tel: 022-6160 3333
Fax: 022 22871069 / 66091454

Nariman Point

Travel Corporation (India) Ltd
Thomas Cook (India) Limited
Chander Mukhi, First Floor,
Nariman Point, Mumbai- 400 021
Tel: 022 -6609 0000

AGRA

Travel Corporation (India) Limited
Hotel Clarks Shiraz
54, Taj Road, Agra, Uttar Pradesh
Tel: 0562-6458188 / 2226521 UPTO 3

BENGALURU

Travel Corporation (India) Limited
70, Mahatma Gandhi Road
"Vimal Chambers" Bengaluru - 560 001
Tel: 080- 67178800 / 080-67178889, 080-67178851

COCHIN

Travel Corporation (India) Limited
Telstar Building, 1st Floor, P.B. No 2427,
Ravipuram, M.G. Road, Cochin – 682 016
Tel: 0484 -6563 211 to 222

CHENNAI

Travel Corporation (India) Limited
Heavitree, 47, Spurtank Road, Chetpet,
Chennai, Tamil Nadu
Tel: 6663 2619/2621/2623

GOA

Travel Corporation (India) Limited
101, Citi Centre, 19, Patto Plaza,
Panjim, Goa- 403 001
Tel: 0832- 66391

GURGAON

Travel Corporation (India) Ltd
Plot - 520, Phase – III, Udyog Vihar ,
Gurgaon.
Tel: 0124-6540280, 0124-2561112

JAIPUR

Travel Corporation (India) Limited
19-C, First floor,
Gopal Bari, Ajmer Road,
Jaipur – 302001
Tel: 0141-2360801/940
Fax: 2360974

JODHPUR

Travel Corporation (India) Limited
Shop - 1, Mahaveer Complex,
Ajeet Colony, Jodhpur - 342 001,
Rajasthan
Tel: 0291-2512064 / 66

KOVALAM

Travel Corporation (India) Limited
VP IX / 750 ,
Aryanivas,
Kovalam,
Trivandrum – 695 527
Tel - .0471- 2485466 / 6450299

NEW DELHI

Travel Corporation (India) Limited,
C-35, Inner Circle,
Connaught Place,
Delhi
Tel: 011-66272100

UDAIPUR

Travel Corporation (India) Limited
Shop - 3-4,
Rang Niwas Palace Hotel,
Lake Palace Road,
Udaipur - 313 001
Tel: 0294-2423358, 0294-2522239

VARANASI

Travel Corporation (India) Ltd
S-20/51-5, Varunapul,
The Mall,
Varanasi,
Uttar Pradesh - 221 002
Tel: 0542-2509946, 0542-6450224

INTERNATIONAL BRANCHES – TRAVEL CORPORATION (INDIA) LIMITED

GERMANY

Travel Corporation (India) Limited
Joachim-Becher-Strasse 860320
Frankfurt
Germany
Tel: 0049 69 565253
Fax: 69 5604165

USA

Travel Corporation (India) Limited
358 Fifth Avenue, Suite 1201
New York, NY 10001,
Tel: 00 212 935 4825
Fax: 00 1212-753 -3956

SPAIN

Madrid
Travel Corporation (India) Limited
C/Cristobal Bordiu
35 – Oficina 410 28003,
Madrid, Spain
Fax: 0034 91-5533887
Tel: 0034 91 5545457

Barcelona

Travel Corporation (India) Limited
Aribau 265, 4-1
08021, Barcelona,
Spain
Tel: 0034-93-2001415/ 93-2412255
FaX: 93-4140333

JAPAN

Travel Corporation (India) Limited
502, Tachibana Buiding
3 -14 -15 Shibaura,
Minato-ku, Tokyo 108 – 0023
Tel: 0081 3 3456 5959
Fax: 00 81 3 3456-5960

Website: www.tcindia.com

Call Centre - 67686970, Fax: 66091454

Toll-free (Within India) 1800-2099-100, 1800-209-2665

THOMAS COOK INSURANCE SERVICES (INDIA) LIMITED - OFFICES

MUMBAI**Head Office**

Thomas Cook Insurance Services (India) Limited
 Thomas Cook Building,
 324, Dr. D. N. Road
 Fort, Mumbai - 400 001
 Tel: 022-6160 3333
 Fax: 022 22871069 / 66091454

AHMEDABAD

Thomas Cook Insurance Services (India) Limited
 30-33, SUPERMALL,
 Near Lal Bungalow,
 C. G. Road
 Ahmedabad - 380 006
 Tel: 079- 26409191

BENGALURU

Thomas Cook Insurance Services (India) Limited
 70, Mahatma Gandhi Road
 "Vimal Chambers"
 Bengaluru - 560 001
 Tel: 080- 67178800 / 080-67178889
 F. E. & 080-67178851

BHOPAL

Thomas Cook Insurance Services (India) Limited
 Alankar Complex, Ground Floor,
 Plot - 10, M.P. Nagar,
 Bhopal – 462 0010
 Tel: 755-6463506

CHANDIGARH

Thomas Cook Insurance Services (India) Limited
 SCO 28/29/30, Sector 9 – D
 Madhya Marg
 Chandigarh
 Tel no - 0172-6610907
 F. E. & 0172-6610901 –

CHENNAI

Thomas Cook Insurance Services (India) Limited
 G4, Eldorado Building
 112, Nungambakkam High Road
 Chennai - 600 034
 Tel: 044-64548689 / 90
 044-64549212 9222-

COCHIN

Thomas Cook Insurance Services (India) Limited
 Palal Towers, 1st floor
 Right Wing
 M. G. Road
 Cochin - 682 016
 Tel: 0484-6607708

COIMBATORE

Thomas Cook Insurance Services (India) Limited
 City Center, First Floor
 No 14 & 15, East Arokiaysamy Road
 R.S.Puram, Coimbatore - 641 002.
 Tel: 0422-6450753, 0422-6450752

DELHI

Thomas Cook Insurance Services (India) Limited
 C-35 Connaught Place
 New Delhi - 110 001
 Tel: 011-66271900
 011-65452953 / 65455202

GURGAON- UDYOG VIHAR

Thomas Cook Insurance Services (India) Limited
 Plot - 520,
 Phase – III, Udyog Vihar ,
 Gurgaon.
 Tel: 0124-6540280, 0124-2561112

HYDERABAD

Thomas Cook Insurance Services (India) Limited
 Nasir Arcade
 6-1-57, Saifabad
 Hyderabad - 500 004
 Tel: 040-66742744

INDORE

Thomas Cook Insurance Services (India) Limited
 UG-1 Royal Gold
 4 Yeshwant Niwas Road
 Indore - 452001
 Tel: 0731-6454840

JAIPUR

Thomas Cook Insurance Services (India) Limited
 2 A&B, (102) Jaipur Towers
 Mirza Ismail Road
 Jaipur - 302 001
 Tel: 0141-2360940 / 801, 0141-5114141 / 42

KOLKATA

Thomas Cook Insurance Services (India) Limited
 19B, Shakespeare Sarani
 1st Floor Kolkata - 700 071
 Tel: 033-66526246, 033-66526231

MANGALORE

Thomas Cook Insurance Services (India) Limited
 A1 / B1 , Ground Floor,
 Ram Bhavan Complex
 Govinda Pai Circle, Kodialbail
 Mangalore - 575003
 Tel - 0824-6450583

MYSORE

Thomas Cook Insurance Services (India) Limited
 Shop No 5, Building No 1274/1a
 Hari Plaza Building
 Dewans Road
 Mysore – 570 001
 Tel - 0821-2420090

NAGPUR

Thomas Cook Insurance Services (India) Limited
 Shop Nos. 1, 2 & 3
 Oasis Plaza, Gokul Peth
 Off WHC Road, Laxmi Bhavan Square
 Nagpur - 440 010
 Tel: 0712-6647635 / 36 / 38

NASHIK

Thomas Cook Insurance Services (India) Limited
 Navkar Heights,
 Gr Flr, Sharanpur Rd, Near Rajeev Gandhi Bhavan,
 Maharashtra
 Tel: 0253-6695055 upto 59

PUNE

Thomas Cook Insurance Services (India) Limited
 Shop - 4 & 13, Thackers House
 2418 Gen. Thimmaya Road
 Pune - 411 001
 Tel: 020-66007901

RAJKOT

Thomas Cook Insurance Services (India) Limited
 Shop - 4 & 5, Shree Jee Complex,
 Near Swami Narayan Temple,
 Kalawad Road, Rajkot – 360001

INTERNATIONAL BRANCHES / SUBSIDIARIES- THOMAS COOK (INDIA) LIMITED

MAURITIUS**Anglo Mauritius House**

Thomas Cook (Mauritius) Operations Co. Limited
213 4141
Anglo Mauritius House
4, Intendance Street,
Port –Louis
Tel: 00230-2134141

Caudan

Thomas Cook (Mauritius) Operations Co. Limited
Caudan , Shop 036
Le Caudan Waterfront II
Port Louis
Tel: 00230-2109660
Fax 00 230-210 9674

Grand Bay

Thomas Cook (Mauritius) Operations Co. Limited
Restaurant Palais De Chine
Royal Road, Grand Bay
Tel: 00 230-2631111
Fax: 00 230-263 4444

Arsenal

Thomas Cook (Mauritius) Operations Co. Limited
Shop 1A, Arsenal Shopping Complex
Royal Road,
Arsenal
Tel: 00230-2491248
Fax: 00230-2491248

Flic en flac

Thomas Cook (Mauritius) Operations Co. Limited
Opposite Pasadena Village,
Flic en Flac.
Tel: 00230-4538447
Fax: 00230- 453 8448

Curepipe

Thomas Cook (Mauritius) Operations Limited
Currimjee Arcades
Sir Winston Churchill Street
Curepipe
Tel: 00230- 670 1975
Fax: 00230-670 1988

Quatre Bornes

Thomas Cook (Mauritius) Operations Limited
Select Market, Royal Road
Quatre Bornes
Tel: 00230-4278040

Flacq

Thomas Cook (Mauritius) Operations Limited
Royal Road, Opposite Taxi Stand
Central Flacq
Tel: 00230-4130123
Fax: 00230-413 0754

Trou Aux Biches

Thomas Cook (Mauritius) Operations Limited
Coastal Rd,
Tel: 00230-2657241
Fax: 00230-265 7249

Trou Deau Douce

Thomas Cook (Mauritius) Operations Limited
Coastal Rd,
Trou deau Douce
Tel: 00230-4801449

Riviere Noire

Thomas Cook (Mauritius) Operations Limited
Royal Road,
Rivière Noire
Tel: 00230-483 8815

Floreal

Thomas Cook (Mauritius) Operations Limited
Adamas Complexe,
Floreal
Tel: 00230-6976342

Belle Mare

Thomas Cook (Mauritius) Operations Limited
Coastal Road
Belle Mare
Tel: 00-230-415222

Mahebourg

Thomas Cook (Mauritius) Operations Ltd
Atchia Buliding, Corner Marianne Et,
Labourdonnais Street
Mahebourg
Tel: 00-230-631 1953

Mauritius – Airport

Thomas Cook (Mauritius) Operation Co. Limited
SSR International Airport
Plaisance, Plaine Magnien
Mauritius
Arrival Tel: 00-230 603 6061
Departure Tel: 00 230 603 6062

SRILANKA

Thomas Cook (India) Limited
Bandaranaike International Airport
Katunayake, Sri Lanka
Arrival Tel: 0094 114 832881
Departure Tel: 00941 11 114 833784

Union Place

Thomas Cook (India) Limited
- 393, Union Place, Colombo 2,
Sri Lanka
Tel: 00 94 114 741515, 00 94 114 628258



Thomas Cook (India) Limited

Registered Office : Thomas Cook Building, Dr. D. N. Road, Fort, Mumbai 400 001

PROXY FORM

Folio No. _____ /DP ID No.* _____ & Client ID No.* _____
(*Applicable for members holding Shares in electronic form)

I/We _____ of _____ in the district of _____ being a member / members of THOMAS COOK (INDIA) LIMITED hereby appoint _____ of _____ or failing him/her _____ of _____ as my/our proxy to attend and vote for me/us and on my/our behalf at the **THIRTY-FIFTH ANNUAL GENERAL MEETING** of the Company to be held on Friday, 15th June, 2012 at 3.30 p.m. at Y. B. Chavan Auditorium, Gen. Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai – 400 021 or at any adjournment/s thereof.

Signed this day of, 2012

Affix
Rupee 1
Revenue
Stamp

Signature

Note: The Proxy must be returned duly completed so as to reach the Registered Office not less than 48 hours before the Meeting.

TEAR HERE



Thomas Cook (India) Limited

Registered Office : Thomas Cook Building, Dr. D. N. Road, Fort, Mumbai 400 001

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting hall

Folio No. _____ /DP ID No.* _____ & Client ID No.* _____
(*Applicable for members holding Shares in electronic form)

Address : _____ Name : _____

(IN BLOCK CAPITAL)

I hereby record my presence at the **THIRTY-FIFTH ANNUAL GENERAL MEETING** of THOMAS COOK (INDIA) LIMITED held on Friday, 15th June, 2012 at 3.30 p.m. at Y. B. Chavan Auditorium, Gen. Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai – 400 021.

.....
Signature of Shareholder/Proxy
Name of the Shareholder

Notes :

- (1) Members/Proxy holders are requested to bring their attendance slip with them when they come to the meeting and hand it over at the entrance after signing it.
- (2) Members/Proxy holders who come to attend the meeting are requested to bring their copies of the Notice and Annual Accounts.

TEAR HERE

Awards



'Most Trusted Tour Operator'
at The Times Travel Honours Awards, 2011



'Specialist Tour Operator'
at the Condé Nast Traveller Readers' Travel Awards, 2011



'Superbrand'
2011-2012, by the Consumers for Excellence in Travel Services



'Best Inbound Operator'
at the Travel Agents Association of India Travel Awards, 2011



'Most Preferred Company Providing Foreign Exchange'
CNBC Awaaz, Travel Awards, 2011

'The Most Trusted Brand in Services'
by Brand Trust Report™, India Study, 2012




Registered Office :
 Thomas Cook (India) Limited, Thomas Cook Building, Dr. D.N. Road, Fort,
 Mumbai 400 001, India. Phone: 91 22 61603333 Fax: 91 22 22871069

www.thomascook.in



TRAVEL SMOOTH

HOLIDAYS • BUSINESS TRAVEL • FOREIGN EXCHANGE • VISAS • PASSPORTS • TRAVEL INSURANCE



NOTICE

NOTICE is hereby given that the Thirty-fifth ANNUAL GENERAL MEETING of THOMAS COOK (INDIA) LIMITED will be held at Y. B. Chavan Auditorium, Gen. Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai – 400 021 on Friday, 15th June, 2012 at 3.30 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the audited Balance Sheet as at 31st December, 2011, the Profit and Loss Account for the year ended 31st December, 2011 the Report of the Directors and the Auditors thereon.
2.
 - a) To declare Dividend for Class 'B' Preference Shares.
 - b) To declare Dividend for Class 'C' Preference Shares.
 - c) To declare Dividend for Equity Shares for the year ended 31st December, 2011.
3. To appoint a Director in place of Mr. H. S. Billimoria, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Vinayak K. Purohit, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this Meeting, until the conclusion of the next Annual General Meeting of the Company and to authorise the Board to fix their remuneration.
6. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 228 and other applicable provisions, if any, of the Companies Act, 1956, M/s PricewaterhouseCoopers, Chartered Accountants, Firm Registration No. W4179, Colombo, Sri Lanka be and are hereby re-appointed as the Branch Auditors of the Sri Lanka Branch of the Company to hold office from the conclusion of this meeting upto the conclusion of the next Annual General Meeting to examine and audit the books of accounts of the Sri Lanka Branch of the Company for the financial year 01-01-2012 to 31-12-2012 at a remuneration to be fixed by the Board of Directors and the Branch Auditors mutually.”

SPECIAL BUSINESS:

7. **Re-appointment of Mr. Rakshit Desai, Executive Director – Foreign Exchange**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956 and read with Schedule XIII of

the said Act and in terms of the recommendation of the Recruitment & Remuneration Committee and the approval of the Board of Directors of the Company vide their respective resolutions dated 21st October, 2011, and subject to the such other approvals including that of the Central Government, and other applicable authority(ies), if any, as may be required, the approval of members of the Company be and is hereby accorded to the re-appointment of Mr. Rakshit Desai, Wholetime Director, designated as an Executive Director – Foreign Exchange for a period of one year commencing from 25th November, 2011 to 24th November, 2012 and on the terms and conditions as set out in the Agreement entered into between the Company and Mr. Rakshit Desai, Executive Director – Foreign Exchange, with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or remuneration and/or agreement or any amendments and/or modification(s) thereto as may be agreed to between the Board and Mr. Rakshit Desai, subject to the approval of the Central Government, if any, as may be required to such alteration(s)/ variation(s)/ amendment(s);

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the remuneration as stated above, be paid as a minimum remuneration during the currency of his tenure from 25th November 2011 upto 24th November 2012, subject to the requisite approvals, if any, as may be required;

RESOLVED FURTHER THAT, pending the receipt of approval from the requisite authorities, if any, as may be required, Mr. Rakshit Desai shall draw the above stated remuneration as minimum remuneration during the currency of his tenure;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to accept such modification/s in the terms and conditions, which the Central Government may direct, if so required, and as may be acceptable to the Company and Mr. Rakshit Desai;

RESOLVED FURTHER THAT, any Director and / or the Company Secretary of the Company be and is hereby authorised severally to do all such acts, deeds, matters and things as may be considered necessary or desirable to give effect to this resolution and matters incidental thereto.”

8. **Re-appointment of Mr. Madhavan Menon, Managing Director:**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956 and read with Schedule XIII of the said Act and in terms of the recommendation of the Recruitment & Remuneration Committee and the approval of the Board of Directors of the Company vide their respective resolutions dated 16th February, 2012, and subject to the such other approvals

including that of the Central Government, and other applicable authority(ies), if any, as may be required, the approval of members of the Company be and is hereby accorded to the re-appointment of Mr. Madhavan Menon, as Managing Director, for a period of three years commencing from 1st March, 2012 to 28th February, 2015, notwithstanding that the previous Service Agreement dated 29th April, 2009, Supplemental Service Agreement dated 21st June, 2010 and Second Supplemental Service Agreement dated 11th February, 2011 had validity till 30th April, 2012, upon and subject to the terms and conditions as set out in the draft Agreement to be entered into between the Company and Mr. Madhavan Menon, Managing Director, with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or remuneration and/or agreement or any amendments and/or modification(s) thereto as may be agreed to between the Board and Mr. Madhavan Menon, subject to the approval of the Central Government, if any, as may be required to such alteration(s)/ variation(s)/ amendment(s);

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the remuneration as stated above, be paid as a minimum remuneration during the currency of his tenure 1st March, 2012 to 28th February, 2015, subject to the requisite approvals, if any, as may be required;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to accept such modification/s in the terms and conditions, which the Central Government may direct, if so required, and as may be acceptable to the Company and Mr. Madhavan Menon;

RESOLVED FURTHER THAT, any Director and / or the Company Secretary of the Company be and is hereby authorised severally to do all such acts, deeds, matters and things as may be considered necessary or desirable to give effect to this resolution and matters incidental thereto.”

9. Revision in terms of appointment of Mr. Vinayak K. Purohit, Executive Director – Finance

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as **SPECIAL RESOLUTION**:

“**RESOLVED THAT**, in partial modification of the special resolution passed by the Company at its Annual General Meeting held on 12th May, 2010, and pursuant to Sections 198, 269, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII of the said Act, and in terms of the recommendation of the Recruitment & Remuneration Committee and approval of the Board of Directors of the Company at their respective meetings held on 16th February, 2012, and subject to such other approvals including that of the Central Government, and other applicable authority(ies), if any, as may be required under the applicable law, consent of the members be and is hereby accorded to the variation in terms and conditions of appointment of Mr. Vinayak K. Purohit, contained in the Service Agreement dated 21st June, 2010, as set out in the draft Supplemental Service Agreement to be entered into between the Company and Mr. Vinayak K. Purohit, by replacing certain clauses of the Service Agreement as detailed therein, with liberty to the Board of Directors to alter and vary the terms and conditions of the said Agreement and/or modification(s) as may be agreed to between the Board and Mr. Vinayak K. Purohit,

subject to the approval of the Central Government, if any, as may be required to such alteration(s)/ variation(s)/ amendment(s):

RESOLVED FURTHER THAT, the Board of Directors be and is hereby authorised to accept such modification/s in the terms and conditions, which the Central Government may direct, if so required, and as may be acceptable to the Company and Mr. Vinayak K. Purohit;

RESOLVED FURTHER THAT, any Director and / or the Company Secretary of the Company be and is hereby authorised severally to do all such acts, deeds, matters and things as may be considered necessary or desirable to give effect to this resolution and matters incidental thereto.”

BY ORDER OF THE BOARD

R. R. KENKARE
President & Head – Legal & Company Secretary

Registered Office:
Thomas Cook Building,
Dr. D. N. Road, Fort, Mumbai 400 001

Dated: 16th February, 2012

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxy form, in order to be valid, should be lodged with the Company at its registered office at least 48 hours before the scheduled time of the meeting.
2. The Register of Members and the Share Transfer Register of the Company will remain closed from Friday, 8th June, 2012 to Friday, 15th June, 2012 (both days inclusive).
3. The Dividend when declared, will be payable to those shareholders of the Company, holding shares in physical form, whose names appear in the Register of Members of the Company on Friday, 15th June, 2012 and to those shareholders of the Company, holding shares in electronic form, whose names appear in the Benpos (Beneficiary Position) download received from the depositories as of end of day of Thursday, 7th June, 2012.
4. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries in writing to the Company Secretary at least ten (10) days before the date of the Meeting, so that the information required may be made available at the meeting.
5. Members are requested to bring the attendance slips alongwith their copies of the Report and accounts to the meeting. As a measure of economy, copies of the annual report will not be distributed at the Annual General Meeting.
6. Members holding shares in physical form are requested to notify/ send the following to the Company's Registrars and Share Transfer Agents to facilitate better service:
 - (i) any change in their address / mandate / bank details
 - (ii) particulars of their bank account in case the same have not been sent earlier, and,

(iii) share certificate(s) held in multiple accounts in identical names or joint accounts in the same order of names for consolidation of such shareholdings into one account.

7. 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.

8. Members may please note that pursuant to the provisions of Section 205(A)(5) of the Companies Act, 1956, dividend declared for the year 2005 and thereafter, which remains unclaimed for a period of 7 years will be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 205C of the Companies Act, 1956, as and when the same falls due for such transfer. Members who have not encashed their dividend warrants for the year 2005 or thereafter are requested to write to the Company's Registrars and Share Transfer Agents.

All Unclaimed Dividend remaining unpaid / unclaimed upto the financial year ended 31st October, 2003, has been transferred and for the financial year ended 31st October, 2004, dividend for which was declared at the Annual General Meeting of the members held on 17th March, 2005, will be transferred by May 2012, to the IEPF.

Members are requested to note that no claim shall lie against the Company or the said Fund in respect of any amounts which are unclaimed and unpaid for a period of seven years from the dates that they first become due for payment and no payment shall be made in respect of any such claims.

9. 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 Registrars and Share Transfer Agents, M/s. TSR Darashaw Limited, 6-10, Haji Moosa Patrawala Industrial 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.

10. Mr. H. S. Billimoria and Mr. Vinayak K. Purohit retire by rotation and are eligible for re-appointment at the Annual General Meeting.

Brief résumés of the Directors being appointed/re-appointed are included in the Corporate Governance Report forming a part of the Annual Report.

EXPLANATORY STATEMENT

As required under Section 173(2) of the Companies Act, 1956, the Explanatory Statement sets out all the material facts concerning the Special Business referred to in the accompanying Notice dated 16th February, 2012.

Item No. 7

Re-appointment of Mr. Rakshit Desai

Mr. Rakshit Desai was originally appointed as Executive Director - Travel Services on 25th November, 2008. He was reappointed for a further period of one (1) year with effect from 25th November, 2010 to 24th November, 2011. With effect from 1st August, 2011, the Board of Directors approved the change in responsibility of Mr. Desai, from Executive Director – Travel Services to Executive Director - Foreign Exchange. Upon the recommendation of the Recruitment & Remuneration Committee, the Board of Directors, vide resolution dated 21st October, 2011, reappointed Mr. Desai for a further term of one year with effect from 25th November, 2011 to 24th November, 2012, subject to the approval of members of the Company and of the Central Government, if any, as may be required.

Rakshit Desai presently serves as Executive Director – Foreign Exchange and is responsible for the Company's foreign exchange business as well as the marketing functions.

He has a B.Com degree from Sydenham College, Mumbai, an MBA from Griffith University, Australia and an M.Sc. from The London School of Economics, UK.

He joined the Thomas Cook Group in 2003, engaging across a broad range of strategic, commercial and operational areas internationally. The successful restructuring and turnaround of the Canadian retail business led to a series of Director - level roles responsible for the outsourcing and off shoring of the UK back office; leading thomascook.com; M&A in Financial Services; and subsequently membership of the UK Executive Board overseeing strategic planning, post-merger integration and general business transformation. Prior to joining the Thomas Cook Group, he was with Roland Berger Strategy Consultants, London where he specialised in strategic and transformational issues for major multinational corporations.

Having regard to the role, responsibility and expertise of Mr. Desai, it would be in the interest of the Company to have him continue on the Board as Executive Director – Foreign Exchange.

The material terms and conditions as approved by the Board of Directors and contained in the agreement entered into between Mr. Rakshit Desai and the Company for re-appointment are as follows:

REMUNERATION:

Base Salary:

Not exceeding Rs. 10,00,000/- (Rupees Ten Lakh Only) per month subject to such annual increments as the Recruitment & Remuneration Committee and/or the Board may determine and approve, from time to time.

Other Allowance:

Restricted to an amount equivalent to Mr. Desai's Annual Basic Salary.

Performance Bonus:

Bonus at the end of every financial year, as the Recruitment & Remuneration Committee and/or the Board may in its absolute discretion determine and approve, linked to Mr. Desai's performance as Executive Director – Foreign Exchange.

Perquisites:

In addition to Salary, Other Allowance and Performance Bonus, Mr. Desai shall be entitled to the following perquisites as per the rules of the Company, and as detailed in the Compensation and Benefits Sheet attached hereto and which is an integral part of the Agreement:

- i. **Housing:** House Rent Allowance (H.R.A.) or Company provided accommodation equivalent to not more than Rs. 75,00,000/- (Rupees Seventy Five Lakh) per annum. In case of Company provided 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 not exceeding Rupees seventy-five lakh per annum. The provision of residential accommodation by the Company to Mr. Desai is however conditional upon his continuing in employment with the Company as Whole-time Director and the use and occupation of the same by Mr. Desai shall cease immediately upon his ceasing to be in the employment of the Company as Whole-time Director for any reason whatsoever;
- ii. **Car:** Mr. Desai and his family shall be entitled to the use of a suitable air-conditioned car and all expenses for the maintenance, running and upkeep of such car, subject to the same not exceeding Rs. 18,50,000/- (Rupees Eighteen Lakh Fifty Thousand) per annum;
- iii. **Telephone:** Mr. Desai shall be entitled to the use of a telephone (company owned telephone line) at his residence, fax machine, and 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 membership fees of one club, as per Company policy;
- v. Reimbursement of medical expenses incurred for himself and his family;
- vi. **Medical Hospitalization Insurance:** a suitable medical insurance policy, covering hospitalization of Mr. Desai and his family, whilst Mr. Desai is in the employment of the Company;
- vii. Personal Accident Insurance for Mr. Desai only;
- viii. **Health Check Up:** The Company shall bear the cost of an Annual Comprehensive Health checkup for Mr. Desai only;
- ix. Any other benefit/perquisite as may be determined by the Board at its discretion from time to time.

Retirement Benefits:

Company's contribution to Provident Fund as per the Employees Provident Funds and Miscellaneous Provisions Act, 1952 as per Company's policy and Gratuity 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.

Benefits and Amenities:

The following shall not be included for the purpose of computation of remuneration or perquisites as aforesaid:

- i. Company's contribution to Provident Fund as per Company's rules to the extent this is not taxable under the Income-tax Act, 1961;

- ii. Gratuity as per Company's rules;

The expression "family" used in the Agreement, shall mean Mr. Desai's spouse and dependent children as determined by the Company from time to time.

Income-Tax, if any, on or in respect of the entire remuneration payable to him shall be borne and paid by Mr. Desai.

Annual Leave:

Mr. Desai will be entitled to Annual Leave of 30 days, inclusive of Casual Leave and Sick Leave. Administration of this Leave will be in accordance with the Rules and Regulations of the Company for the time being in force.

Other Major Terms:

Notwithstanding anything herein contained, it is expressly agreed and understood that:

- (a) the total remuneration and perquisites payable by the Company to Mr. Desai, including salary, other allowance, performance bonus and perquisites as aforesaid shall be subject to, the overall ceiling on managerial remuneration prescribed in the Act unless otherwise approved by the Central Government,. The audited accounts of the Company shall be final and conclusive with regard to the determination of the Company's net profits computed in the manner prescribed under the Act;
- (b) where in any financial year during the tenure of Mr. Desai's employment as Whole-time Director with the Company, the Company has no profits or its profits are inadequate, the aforesaid remuneration payable by the Company to Mr. Desai shall be paid as minimum remuneration, subject to approval by the Members of the Company and Central Government;
- (c) the Board of Directors may increase, augment and / or enhance or vary the remuneration agreed to be paid from time to time to Mr. Desai subject to and in accordance with the applicable provisions of the Act and/or the Guidelines for Managerial Remuneration, or approval, issued by the Central Government or other appropriate authority in that behalf as in force and as amended from time to time.

Mr. Desai undertakes that, so long as he functions as a Whole-time Director of the Company, he shall not be engaged or interested, directly or indirectly, in any business, activity, employment, operation or undertaking. Mr. Desai shall not, so long as he functions as Director in the whole-time employment of the Company, become interested or otherwise concerned, directly or through his wife, sons or unmarried daughters, in any selling agency of the Company without the prior approval of the Company and the Central Government. Provided however that, it shall be permissible to Mr. Desai to hold shares of any other Company or Companies quoted on a recognised Stock Exchange or of any other company not in the same line of business as the Company or not having dealings with the Company. The holding of such shares shall not be deemed a contravention of this clause.

Mr. Desai shall not, during his tenure as Whole-time Director, or at any time thereafter, without the prior consent in writing, of the Board in that behalf, divulge or disclose to any person whomsoever or make any use whatever for his own or for any other purpose any information or knowledge obtained by him during his tenure as Whole-time Director as to the business or affairs of the Company,

or as to any operations or activities or methods or trade secrets or finances or other confidential information of the Company or any of its subsidiaries, associates or affiliate companies or clients and shall use his best endeavours to prevent any other person from doing so. Provided however that, any such divulgence or disclosure by Mr. Desai to the officers and employees of the Company to the extent required for the proper performance of his duties as Whole-time Director shall not be deemed to be a contravention of this clause.

Notwithstanding anything to the contrary herein contained, the Company may terminate the Agreement with immediate effect, without incurring any obligation to give 6 months notice or to pay in lieu of notice period, if Mr Desai:

- (a) commits a breach of any of the terms, provisions or covenants herein contained;
- (b) is found to be guilty of inattention, negligence, dishonesty or misconduct by the Board;
- (c) becomes disqualified or unable to act as a director of the Company for any reason whatsoever, including pursuant to the provisions of sections 203, 274, 283 and 388E of the Act; and
- (d) is unable or is prevented by reason of ill health or accident, disability, physical or mental, from performing his duties under the Agreement for a period of six months in any twelve consecutive calendar months.

Notwithstanding anything to the contrary herein contained:

- (a) the Company shall be entitled to terminate the Agreement at any time by giving Mr. Desai not less than six month's notice in writing in that regard, without assigning any reason thereto, or upon payment to Mr. Desai of the gross salary payable to him for a period of six months in lieu of such notice. Computation of gross salary will include all components of Mr. Desai's remuneration package including perquisites but shall not include stock options and any form of Variable Pay like bonus / commission.
- (b) Mr. Desai shall be entitled to terminate the Agreement at any time by giving to the Company not less than six month's notice in writing in that regard, without assigning any reason to the Company, or upon payment of six month's gross salary in lieu of such notice. Computation of gross salary will include all components of Mr. Desai's remuneration package including perquisites but shall not include stock options and any form of Variable Pay like bonus / commission.

Save as aforesaid, Mr. Desai shall not be entitled to any other payment, benefit or perquisite, whether by way of salary, remuneration, compensation, sitting fees for attending meetings of the Board or otherwise, for or in respect or by virtue of his employment with the Company as a Whole-time Director.

Mr. Desai shall, as long as he continues to hold the office of Whole-time Director, be liable to retire by rotation.

Upon expiry or earlier determination of the Agreement for any reason, Mr. Desai shall cease to be in the employment of the Company as Whole-time Director, whereupon, he shall ipso facto cease to be a Director of the Company and/or the Company's subsidiary company / affiliate company / associate company/(ies), as the case may be. Further, if he ceases to hold the office of Director for any cause

whatsoever, he shall ipso facto and immediately cease to be the Executive Director – Foreign Exchange of the Company without the company incurring any obligation to give any notice or to pay Mr. Desai for the notice period salary.

The Company may, if it considers necessary for protection of its business interests, trade secrets and confidential information, require of Mr. Desai that he shall not, for a period of 6 months from the termination of the Agreement, shall directly or indirectly, and whether alone or in conjunction with or on behalf of any other person, and whether as a principal shareholder, director, employee, agent, consultant, partner or otherwise, be engaged, concerned or interested in or have business dealings with any other person, organization or a company carrying on business similar to the business in which the Company is engaged in, and the Company shall, when it so requires of Mr. Desai to desist from being engaged in or concerned with any other business, as aforesaid, pay to Mr. Desai during the said period, compensation every month for a period of six months equal to his last drawn gross salary. Computation of gross salary will include all components of Mr. Desai's remuneration package including perquisites but shall not include stock options and any form of Variable Pay like bonus / commission.

A copy of the Agreement entered into by the Company with Mr. Rakshit Desai is available for inspection by the Members at the Registered Office of the Company on all its working days except Saturdays, Sundays and public holidays between 11 a.m. and 1 p.m. upto the date of the ensuing Annual General Meeting and will also be available for inspection at the Meeting.

The Board of Directors, therefore, commends the passing of the Special Resolution contained in Item No. 7 of the accompanying Notice.

Mr. Desai does not hold any shares in the Company. As on 31st December 2011, he is a member of the Share Transfer & Shareholders' / Investors' Grievance Committee and Sub-Committee of the Board of Directors of the Company.

No Director other than Mr. Rakshit Desai may be considered to be concerned or interested in the said resolution.

Item No. 8

Re appointment of Mr. Madhavan Menon

Mr. Madhavan Menon, (B.A. (Business), Georgetown University, USA., MBA, Finance & International Business, George Washington University, USA), born on 12 February, 1955, was appointed as an Additional and Executive Director-Foreign Exchange for 3 years with effect from 1st May, 2000 to 30th April, 2003, re-appointed for a further period of 3 years with effect from 1st May, 2003 to 30th April, 2006. He was appointed as the Managing Director of Thomas Cook (India) Limited (TCIL) with effect from 27th April, 2006, re-appointed for a further term of three years with effect from 1st May, 2009 till 30th April, 2012 and has been recently re-appointed by the Board of Directors for a further term of three years with effect from 1st March, 2012 to 28th February, 2015.

He has a total experience of over 33 years. His previous assignment prior to joining TCIL was as Chief Operations & Administrative Officer of Birla Sunlife Asset Management Co. (AMC) Ltd. His expertise spans over Banking, Finance and Travel-related Foreign Exchange Management.

His responsibilities in TCIL include achievement of planned revenues through business development and growth.

The material terms and conditions as approved by the Board of Directors and contained in the draft agreement to be entered into between Mr. Madhavan Menon and the Company for re-appointment are as follows:

REMUNERATION:

- a. **Base / Basic Salary:** Rs. 6,25,150/- (Rupees Six Lakh, Twenty-Five Thousand, One Hundred Fifty Only) per month, which shall however be subject to such annual increments as the Recruitment & Remuneration Committee and/or the Board may determine and approve, from time to time.
- b. **Other Allowance:** Restricted to an amount equivalent to Mr. Menon's Annual Basic Salary.
- c. **Performance Bonus:** Bonus at the end of every financial year, as the Recruitment & Remuneration Committee and/or the Board may in its absolute discretion determine and approve, linked to Mr. Menon's performance as Managing Director.
- 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, and as detailed in the Compensation and Benefits Sheet attached to, and forming part of the Agreement:
 - i. **Housing:** House Rent Allowance (H.R.A.) or Company leased/provided accommodation to the tune of not more than Rs. 32,46,000/- (Rupees Thirty-Two Lakh, Forty-Six Thousand Only) per annum
 - ii. **Car/Conveyance Allowance:** Mr. Menon and his family shall be entitled to conveyance allowance or the use of a suitable air-conditioned car and all expenses for the maintenance, running and upkeep of such car, subject to the same not exceeding Rs. 23,00,000/- (Rupees Twenty-Three Lakh Only) per annum;
 - iii. **Telephone:** Mr. Menon shall be entitled to the use of a telephone (company owned telephone line) at his residence, fax machine, and 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 membership fees of one club, as per Company policy;
 - v. **Medical Hospitalization Insurance:** a suitable medical insurance policy, covering hospitalization of Mr. Menon and his family, whilst Mr. Menon is in the employment of the Company;
 - vi. Personal Accident Insurance for Mr. Menon only;
 - vii. **Health Check Up:** The Company shall bear the cost of an Annual Comprehensive Health checkup for Mr. Menon only;
 - viii. Any other benefit/perquisite as may be determined by the Board at its discretion from time to time.
- e. **Retirement Benefits:** Company's contribution to Provident Fund as per the Employees Provident Funds and Miscellaneous Provisions Act, 1952 as per Company's policy, and Superannuation as per

Company's policy, and Gratuity 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.

- f. The expression "family" used in the Agreement, shall mean Mr. Menon's spouse and dependent children as determined by the Company from time to time.
- g. **Income-Tax,** if any, on or in respect of the entire remuneration payable to Mr. Menon shall be borne and paid by him.
- h. **Annual Leave:** Mr. Menon will be entitled to Annual Leave of 30 days, inclusive of Casual Leave and Sick Leave. Administration of this Leave will be in accordance with the Rules and Regulations of the Company for the time being in force.

Other Major Terms:

Notwithstanding anything herein contained, it is expressly agreed and understood that:

- (a) the total remuneration and perquisites payable by the Company to Mr. Menon, including salary, other allowance, performance bonus and perquisites as aforesaid shall be subject to, the overall ceiling on managerial remuneration prescribed in the Act, unless otherwise approved by the Central Government. The audited accounts of the Company shall be final and conclusive with regard to the determination of the Company's net profits computed in the manner prescribed under the Act.
- (b) where in any financial year during the tenure of Mr. Menon's employment as Managing Director with the Company, the Company has no profits or its profits are inadequate, the aforesaid remuneration (consisting of all his fixed and variable pay but not stock options) payable by the Company to Mr. Menon shall be paid as "minimum remuneration", subject to approval by the Members of the Company and Central Government;
- (c) the Board of Directors may increase, augment and / or enhance or vary the remuneration agreed to be paid from time to time to Mr. Menon subject to and in accordance with the applicable provisions of the Act and/or the Guidelines for Managerial Remuneration, or approval issued, if so required, by the Central Government or other appropriate authority in that behalf as in force and as amended from time to time.

Save as aforesaid, Mr. Menon shall not be entitled to any other payment, benefit or perquisite, whether by way of salary, remuneration, compensation, sitting fees for attending meetings of the Board or otherwise, for or in respect or by virtue of his employment with the Company as a Managing Director.

Mr. Menon undertakes that, so long as he functions as a Managing Director of the Company, he shall not be engaged or interested, directly or indirectly, in any business, activity, employment, operation or undertaking. Mr. Menon shall not, so long as he functions as Managing Director of the Company, become interested or otherwise concerned, directly or through his wife, sons or unmarried daughters, in any selling agency of the Company without the prior approval of the Company and the Central Government. Provided however that, it shall be permissible for Mr. Menon to hold shares of any other company or companies quoted on a recognised Stock Exchange or of

any other company not in the same line of business as the Company or not having dealings with the Company or any subsidiary or associate of the Company, whether or not that subsidiary / associate is in the same line of business as the Company or is having dealings with the Company. The holding of such shares shall not be deemed a contravention of this clause.

Mr. Menon shall not, during his tenure as Managing Director, or at any time thereafter, without the prior consent in writing of the Board in that behalf, divulge or disclose to any person whosoever or make any use whatsoever for his own or for any other purpose any information or knowledge obtained by him during his tenure as Managing Director as to the business or affairs of the Company, or as to any operations or activities or methods or trade secrets or finances or other confidential information of the Company or any of its subsidiaries, associates or affiliate companies or clients and shall use his best endeavours to prevent any other person from doing so. Provided however that, any such divulgence or disclosure by Mr. Menon to the officers and employees of the Company to the extent required for the proper performance of his duties as Managing Director shall not be deemed to be a contravention of this clause.

Notwithstanding anything to the contrary herein contained, the Company may terminate the Agreement with immediate effect, without incurring any obligation to give 12 (twelve) month's notice or to pay in lieu of notice period, if Mr Menon:

- (a) commits a breach of any of the terms, provisions or covenants herein contained;
- (b) is found to be guilty of inattention, negligence, dishonesty or misconduct by the Board;
- (c) becomes disqualified or unable to act as a Director of the Company for any reason whatsoever, including pursuant to the provisions of sections 203, 274, 283 and 388E of the Act; and
- (d) is unable or is prevented by reason of ill health or accident, disability, physical or mental, from performing his duties under the Agreement for a period of 6 (six) months in any 12 (twelve) consecutive calendar months.

Notwithstanding anything to the contrary herein contained:

- (a) the Company shall be entitled to terminate the Agreement at any time by giving Mr. Menon not less than 12 (twelve) month's notice in writing in that regard, without assigning any reason thereto, or upon payment to Mr. Menon of the gross salary payable to him for a period of 12 (twelve) months in lieu of such notice. Computation of gross salary will include all components of Mr. Menon's remuneration package including perquisites but shall not include stock options and any form of variable pay like bonus / commission.
- (b) Mr. Menon shall be entitled to terminate the Agreement at any time by giving to the Company not less than 12 (twelve) month's notice in writing in that regard, without assigning any reason to the Company.

The Company may, if it considers necessary for the protection of its business interests, trade secrets and confidential information, require of Mr. Menon that he shall not, for a period of 12 (twelve) months from the termination of his Agreement, either directly or indirectly, and whether alone or in conjunction with or on behalf of any other

person, and whether as a principal, shareholder, director, employee, agent, consultant, partner or otherwise, and whether for or without remuneration, be in any manner engaged, concerned or interested in or have any business dealings with any other person, organization or a company carrying on or engaged in business which is the same as or similar to the business in which the Company is engaged in. Mr. Menon hereby agrees and undertakes to comply strictly with the Company's aforesaid requirement and in consideration of him doing so, the Company shall pay to Mr. Menon during the said period, compensation equal to his last drawn salary every month for a period of 12 (twelve) months.

The aforesaid "Post Separation" restrictive period of 12 (twelve) months may run separately with the notice period at the sole discretion of the Management.

"Last drawn salary" will include all components of his remuneration package including perquisites but shall not include stock options and any form of variable pay like bonus/ commission.

Change in the ownership / effective control of the Management:

In the event of a change in the ownership / effective control of the Management of the Company taking place during the continuance of the Agreement, the Company shall be entitled to terminate the Agreement by notice in writing to Mr. Menon. If such termination takes place within 12 (twelve) months from the date of such change in the ownership / effective control, but prior to the expiry of the Agreement, the Company shall pay to Mr. Menon as compensation for loss of office of Managing Director in one single payment of the amount as may be payable pursuant to the provisions of the Companies Act, 1956, exclusive of performance bonus.

No such payment shall however be made to Mr. Menon in the event of the commencement of the winding up of the Company, whether before, or at anytime within 12 (twelve) months after, the date on which he ceased to hold office, if the assets of the Company on the winding up, after deducting the expenses thereof, are not sufficient to repay to the shareholders of the Company the Share Capital (including the premiums, if any) contributed by them.

For the purpose of this Clause, the term "change in effective control" of the Management of the Company shall mean the reduction of the shareholding of Thomas Cook UK Limited and / or its associates to 50% or less of the Issued, Subscribed and Paid-up Share Capital of the Company for the time being.

A copy of Agreement to be entered into by the Company in respect of reappointment of Mr. Madhavan Menon is available for inspection by the Members at the Registered Office of the Company on all its working days except Saturdays, Sundays and public holidays between 11 a.m. and 1 p.m. upto the date of the ensuing Annual General Meeting and will also be available for inspection at the Meeting.

The Board of Directors, therefore, commends the passing of the Special Resolution contained in Item No. 8 of the accompanying Notice.

Mr. Menon holds 2000 (two thousand) shares in the Company. As on 31st December, 2011, he is a member of the Share Transfer & Shareholders' / Investors' Grievance Committee and Sub-Committee of the Board of Directors of the Company.

No Director other than Mr. Madhavan Menon may be considered to be concerned or interested in the said resolution.

Item No. 9**Revision in terms of appointment of Mr. Vinayak K. Purohit**

Mr. Vinayak K. Purohit, born on 3rd November, 1955, is a Chartered Accountant and a Finance person by profession. He is a graduate of the Commerce discipline from Mumbai University, as also an Associate of the Institute of Chartered Accountants of India.

Mr. Vinayak K. Purohit joined Thomas Cook (India) Limited as its Executive Director – Finance in May, 2007, from HT Media Limited, New Delhi where he held the position of Chief Financial Officer for a year.

Prior to that, Mr. Purohit served as Chief Financial Officer of Companies such as GE Countrywide Financial Services Limited, Rediff.com India Limited, BPL Mobile Communications Limited and Crest Animation Limited. He worked with Marico Industries Limited from 1992 to 1997 and grew to the position of General Manager – Finance. In 1984, he joined Britannia Industries Limited as Corporate Accounts Manager, where he worked for eight years. Mr. Vinayak K. Purohit started his career in 1979 as an Accounts Officer with Nirlon Limited.

The Board had, on the recommendation of the Recruitment & Remuneration Committee, vide resolution passed at its meeting held on 16th February, 2012, approved the revision in Mr. Vinayak K. Purohit's terms of appointment, with effect from 1st March, 2012 upto 13th May, 2013, particularly, the clauses on notice period and post separation restrictive period in the best interests of the Company, subject to the approval of the members of the Company at the General Meeting and subject to such further approvals including that of the Central Government, if any, as may be required under the applicable law.

The modified Clauses, as set out in the draft Supplemental Service Agreement to be entered into, are given below:

Clauses 14 (a) and (b):

14. Notwithstanding anything to the contrary herein contained:

- (a) The Company shall be entitled to terminate this Agreement at any time by giving Mr. Purohit not less than 6 (six) month's notice in writing in that regard, without assigning any reason thereto, or upon payment to Mr. Purohit of the Gross Salary payable to him for a period of 6 (six) months in lieu of such notice. Computation of Gross Salary will include all components of Mr. Purohit's remuneration package including perquisites but

shall not include stock options and any form of Variable Pay like bonus / commission.

- (b) Mr. Purohit shall be entitled to terminate this Agreement at any time by giving to the Company not less than 6 (six) month's notice in writing in that regard, without assigning any reason to the Company, or upon payment of 6 (six) month's Gross Salary in lieu of such notice. Computation of Gross Salary will include all components of Mr. Purohit's remuneration package including perquisites but shall not include stock options and any form of Variable Pay like bonus / commission.

All other terms and conditions stated in the Service Agreement dated 21st June 2010 shall remain unchanged and be applicable accordingly, except Clauses 14 (a) and (b) as mentioned hereinabove.

A copy of Agreement to be entered into by the Company in respect of variation of the terms of appointment of Mr. Vinayak K. Purohit is available for inspection by the Members at the Registered Office of the Company on all its working days except Saturdays, Sundays and public holidays between 11 a.m. and 1 p.m. upto the date of the ensuing Annual General Meeting and will also be available for inspection at the Meeting.

The Board of Directors, therefore, commends the passing of the Special Resolution contained in Item No. 9 of the accompanying Notice.

Mr. Purohit holds 6000 (six thousand) shares in the Company. As on 31st December, 2011, he is a member of the Share Transfer & Shareholders' / Investors' Grievance Committee and Sub-Committee of the Board of Directors of the Company.

No Director other than Mr. Vinayak K. Purohit may be considered to be concerned or interested in the said resolution.

BY ORDER OF THE BOARD

R. R. KENKARE
President & Head – Legal & Company Secretary

Registered Office:
Thomas Cook Building,
Dr. D. N. Road, Fort, Mumbai 400 001
Dated: 16th February, 2012