
COX & KINGS (INDIA) PRIVATE LIMITED

69TH ANNUAL REPORT

BOARD OF DIRECTORS

A. B. M. Good	Chairman
Peter A. Kerkar	Director
Pesi S. Patel	Director
Urrshila Kerkar	Director
Mr. M. Narayanan	Director
Mr. S.C. Bhargava	Director

AUDITORS

M/s. Chaturvedi & Shah
Chartered Accountants

BANKERS

State Bank of Patiala
State Bank of India

BRANCHES

Mumbai
Andheri, Mumbai
New Delhi
Jaipur
Bangalore
Chennai
Hyderabad
Kochi
Kolkata
Goa
Pune
Ahmedabad
Nagpur

OVERSEAS BRANCHES

Russia
New York

REGISTERED OFFICE

1st Floor, Turner Morrison Building
16 Bank Street,
Fort, Mumbai-400 001
www.coxandkings.com

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Sixty Ninth Annual Report, together with the Balance Sheet and Profit and Loss Account for the year ended 31st March 2009.

A. FINANCIAL RESULTS

The performance of the Company for the financial year ended March 31, 2008 is summarized below:

(Rs in Lacs)

Particulars	Year ended 31st March 2009	Year ended 31st March 2008
Revenues	16,137	12,213
Profit before Tax	6,091	4,875
Provision for Tax	2420	1,622
Provision for Deferred Tax	(225)	19
Provision for Fringe Benefit Tax	79	78
Profit After Tax	3821	3,156

RESULTS OF OPERATIONS

Sales and Service income: Commission and other operating income was Rs. 155.09 crores for the year ended 2009 as against Rs. 117.59 crores for the year ended 2008. The increase of 31.89 % is mainly due to the growth in the Inbound, Outbound, Domestic travel and Foreign Exchange business.

Other Income: Other income increased from Rs. 4.55 crores in the year ended 2008 to Rs. 6.27 crores for the year ended 2009. The increase is mainly on account of increase in Interest Income on Convertible Debentures and Foreign Exchange gains.

Profit before tax: Profit before tax is Rs. 60.91 crores for the year ended 2009 as against Rs. 48.76 crores for the year ended 2008. The net profit margins of our Company have gone up by 24.93 % due to increase in higher sales in the leisure segment, which derive higher gross margins.

APPROPRIATIONS**Dividend:**

Your Directors are please to recommend a dividend of Re. 0.2/- per Equity share for the financial year ended March 2009.

The dividend, if declared as above, would involve an outflow of Rs. 5,585,052/- towards dividend and Rs. 949,180/- towards dividend tax, resulting in a total outflow of Rs. 6,534,232 /-

SUBSIDIARY COMPANIES

The Company has applied to Central Government under section 212 (8) of the Companies Act 1956 for seeking exemption from attaching Balance Sheet, the copies of Balance Sheet, Profit and Loss Accounts, Directors Reports and Auditor's Report and other documents required to be attache under section 212 (1) of the Act. A gist of the financial performance of the subsidiaries is given in this Annual Report.

The annual accounts of the subsidiary companies are related detailed information will be made available to the shareholders seeking such information at any point of time. The annual accounts of the subsidiary companies will also be kept for inspection by any shareholder at the registered office of the company.

ACQUISITION AND JOINT VENTURES**Acquisition of Tempo Holidays Pty Limited:**

During the year under review, your Company has successfully completed the acquisition of Tempo Holidays Pty Ltd, Australia and Tempo Holidays NZ.

Cox & Kings Travel Ltd UK, subsidiary of the Company, has acquired East India Travel Company Inc, a boutique Travel company in

USA offering private travel and group travel to Latin America, Africa, Middle East, South East Asia, India and China mainly serving high net worth clients.

Joint Venture Agreement with IRCTC:

During the year, your company has signed a Joint Venture Agreement with Indian Railways Catering and Tourism Corporation Ltd (IRCTC) to own and operate a Luxury Train on PAN India basis.

Pursuant to the said agreement, your company has subscribed to 50% share capital of the Joint Venture Company i.e. Royale Indian Rail Tours Ltd by subscribing 25,00,000 shares of Rs. 10 each.

FINANCIAL RESOURCES

Increase In Authorised Capital:

During the financial year under review the Authorised Share Capital of the Company was increased from Rs. 40.00 Crores to 110.00 Crores.

Rights issue of shares: With a view to raise the funds by way of induction of fresh Equity Share Capital, your Directors vide its resolution dated 18th May 2009, offered 19,547,682 Equity Shares of Rs.10/- each at par for subscription to the existing equity shareholders of the Company on rights basis in proportion of 7 shares for every 10 shares held. At the time of preparing this report, the offer was open for subscription to the shareholders of the Company.

DIRECTORS

In terms of Articles 125 of the Articles of Association of the Company, Mr. A.B.M Good and Mr. M. Narayanan retire by rotation and being eligible, offer themselves for reappointment at the ensuing Annual General Meeting.

AUDITORS AND AUDITORS REPORT

M/s. Chaturvedi & Shah, Statutory Auditors of the company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

The Company has received letter from M/s. Chaturvedi & Shah, to the effect that their appointment, if made, would be within the prescribed limits under section 224(1B) of the Companies Act 1956 and they are not disqualified for such appointment within the meaning of section 226 of the said Act.

FIXED DEPOSITS

During the year under review, the Company has not accepted any deposit under Section 58A of the Companies Act, 1956, read with Companies (Acceptance of Deposits) Rules, 1975.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, with regard to Directors' Responsibility Statement, it is hereby confirmed that :

- i) In the preparation of annual accounts for the period ended on 31 March, 2009, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March, 2009 and of the profit of the Company for the year ended on that date;
- iii) The Directors had 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 frauds and other irregularities;
- iv) The Directors had prepared the accounts for the financial year ended 31 March, 2009 on a 'going concern' basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has no activity relating of conversation of energy or technology absorption.

The figures for the foreign exchange earnings and outgo are as follows:

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Foreign Exchange Earnings: Rs.1,297,276,586/- (Previous Year- Rs. 1,353,831,361/-)

Foreign Exchange Outgo: Rs. 26,164,803/- (Previous Year- Rs. 16,907,830)
(Other than in the normal course of the business as Tour Operator and Foreign Exchange Restricted Authorised Dealer)

PARTICULARS OF EMPLOYEES

Information as per the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended are annexed herewith and form part of this Report.

ACKNOWLEDGEMENT

Your Directors place on record their appreciation of the support and co-operation received from the employees for their contribution to the growth and success of the Company. Your Company's consistent growth has been made possible by their hard work, service excellence, solidarity, co-operation, commitment and support.

Your Directors also express their deep sense of gratitude to our Customers, Business Partners, Associates, Banks & Financial Institutions, Suppliers, Solicitors, Advisors and all our well wishers for their continuous guidance and support.

On behalf of the Board of Directors

**Sd/-
DIRECTOR**

**Sd/-
DIRECTOR**

**Place: Mumbai.
Date: 14th July 2009**

**Registered Office:
1st Floor Turner Morrison Building
16 Bank Street,
Fort, Mumbai-400 001**

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Annexure to the Director's Report

Information pursuant to Section 217 (2A) of the Companies Act 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended and forming part of Directors' Report for the financial year ended 31st March 2009.

Sr. No	Name	Designation	Age	Remuneration	Qualification	Experience in years	Date of Commencement of Employment	Last employment held
1	Urrshila Kerkar	Director	51	10,462,555	B.A. Hons.	30	1-Dec-04	Business.
2	Arup Sen	Executive Director	52	6,945,608	B.A. Hons. Economics	30	16-Jan-90	SITA World Travels
3	Anil Khandelwal	Chief Financial Officer	37	6,503,485	Chartered Accountants	10	1-Jan-08	
4	Cyrus Sarkari	Head	45	4,079,189	B.Com	25	26-Nov-96	Rasheid.J.Taleyarkhan
5	Ashutosh Mehre	Head	41	3,969,149	MEP(IIMA)	15	1-Oct-07	Kuoni Travel India Pvt. Ltd.
6	Kavita Bhalla	Vice President	49	3,043,589	B.A. Hons., PG in Travel & Tourism, PG in Mass Communication.	22	12-May-2000	SITA World Travels
7	Sanjeev Malchand Chhajjer	Vice President	43	3,262,657	B.Com	18	1-Oct-01	Rajesh Malleables Ltd.
8	Karan S. Anand	Head	46	3,665,928	B.A. Hons.	16	1-Jan-05	Business.
9	Ravindran Menon	Head	47	2,577,713	B.A.	26	19-Aug-04	TRAVELEX
10	Krishna Wattal	Head-Inbound Tours	46	3,045,014	B.A. Hons.	27	18-Sep-1995	Abercromble & Kent, 2 yrs CNK Tour Escort
11	Ajay Seth	Head (AVP)	48	3,463,461	B.Com, Dip in Travel & Tourism	27	1-Jan-95	Travel House
12	Viral Gandhi	CIO	35	3,188,765	BE (Electronics.)	14	27-May-08	TCS
13	Suresh Pendakur	Senior General Manager	42	2,775,033	B.Com	19	15-Dec-2000	Brindaban Veg Refinery Pvt Ltd.
14	Sandeep Joshi	Senior General Manager	38	2,581,947	B.Com	16	19-May-95	International Travel House
15	Ruzbe Daruwala	Senior General Manager	37	3,192,182	B.Com	18	10-Dec-07	Kuoni (SOTC Travel Market)
16	V Karthik	Senior General Manager	35	2,902,424	BE (Electronics.) Dip in s/w Mgmt.	15	12-Jan-99	Princeton Software Exports Pvt.ltd
17	Michael Miranda	Senior General Manager	37	2,909,605	B.Com, CFA, PGDBA	10	16-Aug-01	UVI holidays.com
18	Yusuf Poonawala	Head All India Sales & Marketing	32	3,128,539	B.Com, PG MBA, GNNIT, Dip in Travel & Tourism	14	1-May-99	Khuzema Enterprises
19	John Nair	Senior General Manager	40	2,626,346	B.Com	19	1-Nov-95	Treasure Tours & Travels
20	Avinash Shroff	Head (GM)	34	2,881,493	B.Com, PGDBA, GNIIT	15	1-Feb-09	Kuoni Travel India Pvt. Ltd.

Notes:

1. Remuneration is inclusive of remuneration received, Income Tax and Contribution to Provident Fund.
2. All employees are entitled Gratuity, Medical benefits and Leave Travel Assistance as per the rules of the Company.
3. All the employments are contractual in nature.
4. All the employees has adequate experience to discharge the responsibilities assigned to them
5. No employees are related to any director of the company.
6. None of the employees hold more then 2% of paid up capital of the Company.

On behalf of the Board of Directors

**Sd/-
DIRECTOR**

**Place: Mumbai.
Date: 14th July, 2009**



AUDITORS' REPORT

To
The Board of Directors
Cox and Kings (India) Limited

We have audited the attached Consolidated Balance Sheet of Cox and Kings (India) Limited (the Company) and its Subsidiaries and its joint ventures (collectively referred to as "the Group") as at 31st March 2009, and also the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto.

These financial statements are the responsibility of the Company's management and have been prepared by the Management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

We have 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:

1. We did not audit the financial statements of all subsidiaries and joint ventures, whose financial statements / consolidated financial statements reflect total assets of Rs. 3,197,303,605/- as at 31st March, 2009, total revenue of Rs. 1,318,060,228 and net cash outflows amounting to Rs. 295,347,952/- for the year ended, and financial statements of an associate in which the share of loss of the Group is Rs. 6,308,808/-. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of auditors.
2. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting standards (AS) 21, Consolidated Financial Statements and Accounting Standards (AS) 23, Accounting for Investments in Associates and Accounting Standards (AS) 27, Accounting for Investments in Joint Ventures, notified by Companies (Accounting Standards) Rules, 2006.
3. Based on our audit as aforesaid, and on consideration of reports of other auditors on the separate financial statements and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Consolidated Balance Sheet, of the State of Affairs of the Group as at 31st March, 2009;
 - (ii) in the case of the Consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date; and
 - (iii) in the case of the Consolidated Cash Flow Statement, of the Cash Flows of the Group for the year ended on that date.

For Chaturvedi & Shah
Chartered Accountants

Amit Chaturvedi
Partner
Membership No.: 103141

Place: Mumbai
Date: July 14, 2009