



Annual Report 2009

*We go further to make  
dreams come true*





**CORPORATE INFORMATION****BOARD OF DIRECTORS**

Heinrich-Ludger Heuberg (Non-Executive Chairman)  
 Hoshang Shavaksha Billimoria (Non-Executive Independent Director)  
 Anant Vishnu Rajwade (Non-Executive Independent Director)  
 Ramesh Savor (Additional & Non-Executive Independent Director)  
 Mahendra Kumar Sharma (Additional & Non-Executive Independent Director)  
 Krishnan Ramachandran (Additional & Non-Executive Independent Director)  
 Madhavan Menon (Managing Director)  
 Vinayak K. Purohit (Executive Director – Finance)  
 Rakshit Desai (Executive Director – Travel Services)

**COMPANY SECRETARY**

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

**AUDITORS:**

Lovelock & Lewes

**PRINCIPAL BANKERS:**

Deutsche Bank  
 HDFC Bank Limited  
 The Hongkong & Shanghai Banking Corporation Limited  
 ICICI Bank Limited  
 IDBI Bank Limited  
 Scotia Bank  
 State Bank of India  
 State Bank of Indore  
 State Bank of Mysore

**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: shareddept@in.thomascook.com  
 Website: www.thomascook.in

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## Directors' Report

### TO THE MEMBERS:

Your Directors have pleasure in presenting the Thirty-third Annual Report, together with the Balance Sheet and Profit and Loss Account for the year ended 31st December 2009.

	Year ended 31st December 2009	Rupees in Million Year ended 31st December 2008
Revenues	2247	2588
Profit before Taxation and exceptional items	341	536
Provision for Taxation	114	187
Provision for Deferred Taxation	4	(1)
Provision for Fringe Benefit Tax	1	16
Profit after Taxation and before Exceptional item	222	334
Exceptional item, net of taxation	-	32
Profit after Taxation	222	302
Transferred from Reserve U/sec. 80 HHD of the Income Tax Act, 1961	15	18
Transferred to General Reserve	22	34
Proposed Dividend *	80	93
EPS (Basic) after exceptional items	1.06	1.76
EPS (Diluted) after exceptional items	1.03	1.71

\* Includes preference share dividend

### Operations & Results

The global and local markets continued to witness an economic slowdown for most of 2009. Corporates and individuals alike, remained cautious to spend on travel due to the downturn. When the confidence level in the economy went up during the second half of the year, higher Foreign Institution Inflows made the Rupee stronger. Also lot of volatility was witnessed in Indian Rupee against the major currencies.

For the first time in seven years, the foreign tourist arrivals into India fell by 3% in 2009 distorting the six-year growth rally.

The first-half 2009 saw a steady decline in bookings in the travel & tourism industry, particularly due to the November 26, 2008 terror attack in Mumbai.

Consequently, the revenues reduced by Rs. 341 million to Rs. 2247 million. Costs were saved by Rs. 146 million. Profit before Taxation and exceptional items reduced by Rs. 195 million to Rs. 341 million.

Your Company recorded turnover of Rs. 2247 million and profits before tax and exceptional item of Rs. 341 million with profit after tax being Rs. 222 million for the year ended 31st December 2009. The basic earning per share of the Company is Rs. 1.06.

### Utilisation of Rights Issue Proceeds:

During the year ended 31st December 2009, the Company allotted 50,650,699 fully paid up equity shares of Re. 1/- each towards Rights Issue for cash at a price of Rs. 35.50 (including a share premium of Rs. 34.50) per equity share in the ratio of 35 fully paid up equity shares for every 100 fully paid up equity shares held by the existing shareholders on the record date 27th December 2008. Consequently, the issued and paid up equity share capital increased to 211,446,569 shares. The Right Issue Proceeds Utilisation is as below: -

Particulars	Rs. (in mn)	Rs. (in mn)
Inflow: Rights Issue proceeds		1,798.1
Outflow: Preference Share Capital redemption (including redemption premium dividend and dividend distribution tax)	(1,167.6)	
FCNR Loan repayment	(423.8)	
Repayment of commercial paper /short term borrowings	(183.7)	
Expenses pertaining to Rights Issue	(23.0)	(1,798.1)

Lower borrowings, coupled with reduced interest rates negotiations helped your Company in achieving a reduction in the Interest cost from Rs. 299 million in 2008 to Rs. 149 million in 2009 and consequently, the Company was able to make savings of Rs. 150 million.

### Thomas Cook Presence:

As of December 2009 end, Thomas Cook (India) Limited, alongwith its subsidiaries, continues to be the largest integrated travel group in India with over 180 locations by way of its own branches, and additional presence by way of General Sales Agents (GSA's), Preferred Sales Agents (PSA's) and Franchisee Offices. We have 180 branches located in 72 cities, over 190 GSA's/ PSA's and around 32 Franchisee Offices across India to have a wider spread and network across the country.

We also have presence in 5 countries outside of India through our representative offices in USA (New York), Spain (Barcelona & Madrid), UK (London), Japan (Tokyo) and Germany (Frankfurt), apart from our subsidiaries in Mauritius and Branch offices in Sri Lanka.

### Share Capital Structure:

The share capital structure as of 17th March, 2010 is as follows:

	Rs.	Rs.
<b>Authorised Capital:</b>		
Equity:		
34,58,27,060 Equity Shares of Re. 1/- each	345,827,060	
Preference:		
(i) 11,47,60,000 Class 'A' 4.65% Cumulative Non-Convertible Redeemable Preference Shares of Rs. 10/- each	1,147,600,000	
(ii) 3,55,294 Class 'B' 0.001% Cumulative Convertible / Redeemable Preference Shares of Rs. 10/- each	3,552,940	
(iii) 3,02,000 Class 'C' 0.001% Cumulative Convertible / Redeemable Preference Shares of Rs. 10/- each	3,020,000	
(iv) 12,50,00,000 1% Cumulative Non-Convertible Redeemable Preference Shares of Rs. 10/- each	1,250,000,000	
		<u>2,750,000,000</u>
<b>Issued, Subscribed and Paid-up Capital:</b>		
Equity:		
211,546,569 Equity Shares of Re. 1/- each	211,546,569	
Preference:		
(i) 3,19,765 Class 'B' 0.001% Cumulative Convertible / Redeemable Preference Shares of Rs. 10/- each	3,197,650	
(ii) 2,71,800 Class 'C' 0.001% Cumulative Convertible / Redeemable Preference Shares of Rs. 10/- each	2,718,000	
		<u>217,462,219</u>

### Employees Stock Option Scheme (ESOP)

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 Recruitment & Remuneration Committee administers and monitors the scheme. 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.

Except for senior managerial personnel and one other person, none of the employees have received options exceeding 5% of the value of the options issued during the year ending December 2009. Likewise, 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.

The Recruitment & Remuneration Committee has, subject to the approval of the shareholders at the present general meeting, varied the ESOP Scheme 2007 to the effect that all future grantees shall be granted options at a discount of 10% of the Market Price instead of a 5% discount as provided for earlier. This is in line with changes in the market conditions and towards retaining Key Talent by having a more attractive ESOP Plan. This price shall apply only to fresh grants being made under the scheme.

#### Dividend

Your Directors recommend dividend on the Class 'B' & Class 'C' Preference shares as per their terms as also seek the ratification of the dividend paid to holders of 10,50,00,000 1% Cumulative Non-Convertible Redeemable Preference Shares on redemption. The Directors are also pleased to recommend a dividend of 37.5% on the equity share capital.

The proposed dividend on the equity capital and preference capital absorbs Rs. 80 million for dividend & Rs. 14 million for Dividend Tax.

#### General Reserve

Your Directors have resolved to transfer Rs. 22 million to General Reserve out of the profits of the Company. With the transfer, the total reserves stand at Rs. 2508 million as at 31st December 2009.

#### 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. the Annual Accounts have been prepared in conformity with the applicable Accounting Standards;
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 55.84% of the post ESOP Issue paid-up equity share capital of the Company. Thomas Cook UK Limited (TCUK) apart from holding 21.44% of the post ESOP Issue paid-up equity share capital of the Company, also holds 100% holding in TCIM Limited. Thus, TCUK indirectly holds 77.27% of the present paid-up equity share capital of the Company.

#### Group

Pursuant to intimation from the promoters, the name of the Promoters and entities comprising the 'group' are disclosed hereinbelow for the purpose of Regulation 3(1)(e)(i) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and they include the following:

#### Group

Airtours the Holidaymakers Limited

Thomas Cook Group UK Limited (erstwhile Blue Sea Investments Limited)

Blue Sea Overseas Investments Limited

MyTravel Group plc

MyTravel UK Limited

Sandbrook Overseas Investments Limited

Sandbrook UK Investments Limited

TCIM Ltd.

Thomas Cook Continental Holdings Limited

Thomas Cook Group plc

Thomas Cook Investments (1) Limited

Thomas Cook Investments (2) Limited

Thomas Cook Overseas Limited

Thomas Cook Scheduled Tour Operations Limited

Thomas Cook Tour Operations Limited

Thomas Cook UK Limited

**Thomas Cook (India) Limited***Operations in India [including Travel Corporation (India) Limited]*

Consolidation of businesses across the Company and its subsidiaries continued through 2009.

During the year, new initiatives were taken like the launch of a complete Print Holidays campaign under the new name 'Holidaywallas'; the venturing into a new segment - the luxury segment with our new luxury brand 'Indulgence'; launch and/or continuation of products like 'Honeymoon Holidays', 'Holyland tours', 'Rock on series'; launch of new luxury train itinerary, 'The Indian Maharaja - Deccan Odyssey' through our subsidiary Travel Corporation (India) Limited. The Company also started a new marketing campaign for Leisure Travel with focus on new products and change in media mix. A corporate booking tool - the Corporate Travel Module (CTM) was launched and the Company also undertook a back end integration / consolidation exercise through the Service Excellence Centre.

The E-Businesses also launched a gamut of new products & services in 2009 catering to various segments of the customers based on their requirements and travel trends for air and rail ticketing, hotel bookings and branded international holidays; customisable self-booking tool for Corporates, modules for the Visa & Passport Services Team.

*Operations in Mauritius*

The Mauritian subsidiaries have changed their accounting year to a period of nine months ending 30th September, 2009. During 2009, Thomas Cook Mauritius Operations Company Limited, the foreign exchange arm of the Mauritius Holding entity has seen the implementation of a new front-end business application for its Foreign Exchange business which is under stabilisation. With the increased network of 20 branches, the operations company has exceeded its budgets and last year's numbers.

New business has been signed with parties in the market for increasing the variety of products offered from the branches and the company is further enjoying increased visibility.

*Operations in Sri Lanka Branch*

The Sri Lanka branch of your Company offers foreign exchange services from the arrival and departure lounge of the Bandaranaike International Airport, Colombo, Sri Lanka and has a staff strength of twenty personnel.

The focus of your Company is to expand its operations beyond the airport by opening branches in various cities as and when the approvals are received from the regulatory authorities. Your Company is also seeking to enhance its scope of license to enable it to play a more constructive role in the financial system of the country.

Post the end of insurgency in Sri Lanka, the inflow of tourists has started to increase. Now with a stable Government in place after the recent elections, the outlook seems positive for the country's economy and your Company would look to capitalize on it.

*Accolades and Awards:*

Thomas Cook (India) Limited has been the recipient of the following highly prestigious awards in 2009:

- CNBC AWAAZ - Best FOREX Company in India

- CNBC AWAAZ - Best Tour Operator for the second time in a row

**Directors**

In accordance with Article 131 of the Articles of Association of the Company, Mr. H. S. Billimoria, Mr. A. V. Rajwade and Mr. Rakshit Desai retire by rotation and being eligible, offer themselves for re-appointment to the Board.

Mr. Ramesh Savoor, Mr. Mahendra Kumar Sharma and Mr. Krishnan Ramachandran were appointed as Additional Directors with effect from 29th May 2009. As Additional Directors, Mr. Savoor, Mr. Sharma and Mr. Ramachandran hold office upto the date of the ensuing Annual General Meeting of the Company.

Mr. Vinayak K. Purohit was re-appointed as the Executive Director - Finance of the Company for a period of three years w.e.f. 14th May, 2010.

The Service Agreements of Mr. Madhavan Menon, Managing Director and Mr. Rakshit Desai, Executive Director - Travel Services were varied during the period.

The above appointments, re-appointments and variations form part of the Notice of the Thirty-third 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 Notice/ Corporate Governance Report forming part of this Annual Report.

During the period, Mr. Udayan Bose, Mr. Manny Fontenla-Novoa, Dr. Juergen Bueser, Mr. Roland Zeh, Dr. Angus Porter and Mr. Dilip De resigned from the Company. The Board placed on record its sincere appreciation for the contribution made by the Directors during their tenure as Directors of the Company.

**Auditors**

M/s. Lovelock & Lewes, Chartered Accountants, 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, are recommended for re-appointment as Branch Auditors of the Sri Lanka Branch of the Company.



## Auditors' Report

Regarding Sub-Clause (i) of Clause (h) of the Auditors' Report, an application to the Central Government in respect of the appointment and remuneration of Mr. Rakshit Desai, Executive Director – Travel Services, is already made and for which approval is pending.

Regarding Sub-Clause (ii) of Clause (h) of the Auditors' Report, relevant applications to the Central Government in respect of payment of managerial remuneration to Mr. Madhavan Menon and Mr. Vinayak K. Purohit have already been made and for which approvals are pending.

The Management has noted the comments on Corporate Travel Module (CTM) implementation and it is committed to resolving the issues at the earliest.

## Subsidiary Companies

The Audited Statement of Accounts along with the Directors' Report of Travel Corporation (India) Limited, Thomas Cook Insurance Services (India) Limited, Thomas Cook Tours Limited, Indian Horizon Travel & Tours Limited and the Consolidated accounts of Thomas Cook (Mauritius) Holding Company Limited for the year ended 31st December, 2009 are separately attached as required under the provisions of Section 212 of the Companies Act, 1956. The Mauritian subsidiaries have changed their accounting year to a period of nine months ending 30th September, 2009. Accordingly, the Consolidated Accounts of Thomas Cook (Mauritius) Holding Company Limited for the nine months ended 30th September, 2009 are separately attached.

## 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.

However, due to the voluntary measures adopted to conserve energy through an energy audit and consequently implementing its recommendation, your Company was able to make a savings in its energy / electricity consumption of 106950 units at the Head Office and 31487 units at its Chembur office.

During the year, the foreign exchange earnings amounted to Rs. 580 million, whereas, the Company has incurred Rs. 65 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.

## 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. Bombay Stock Exchange 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 2009-2010.

## 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.

## 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, 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 SEBI 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, 2009, 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 the Auditors of the Company regarding such compliance of conditions of Corporate Governance is attached to this report. The Company is yet to consider the adoption of "Corporate Governance – Voluntary Guidelines, 2009" recommended by the Ministry of Corporate Affairs and released at the India Corporate Week during 14th to 21st December, 2009.

Pursuant to the requirements of Schedule XIII Part II Section II Clause (C) Proviso (iv) point IV sub-point (2), the following details are being disclosed:

- i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the Directors for the year ended 31st December 2009:

**Executive Directors**

Name of Director	Salary (Rs.)	Benefits (Rs.)	Bonus/ Commission (Rs.)	Sitting Fees (Rs.)	Pension * (Rs.)	Total (Rs.)	Stock Options
Mr. Madhavan Menon	5,726,688	9,036,031	—	—	859,008	15,621,727	—
Mr. Vinayak K. Purohit	3,533,808	9,420,214	—	—	530,076	13,484,098	—
Mr. Rakshit Desai	8,129,004	15,439,155	—	—	—	23,568,159	—
<b>Sub – Total (a)</b>	<b>17,389,500</b>	<b>33,895,400</b>	<b>—</b>	<b>—</b>	<b>1,389,084</b>	<b>52,673,984</b>	<b>—</b>

\* Pension includes Superannuation

**Non-Executive Directors**

Name of Director	Salary (Rs.)	Benefits (Rs.)	Bonus/ Commission (Rs.)	Sitting Fees (Rs.)	Pension (Rs.)	Total (Rs.)	Stock Options
Mr. Udayan Bose	—	—	209,473	120,000	—	329,473	—
Mr. H. S. Billimoria	—	—	516,603	430,000	—	946,603	—
Mr. A. V. Rajwade	—	—	516,603	410,000	—	926,603	—
Mr. Dilip De	—	—	516,603	180,000	—	696,603	—
Mr. Ramesh Savor	—	—	307,131	120,000	—	427,131	—
Mr. M. K. Sharma	—	—	307,131	280,000	—	587,131	—
Mr. Krishnan Ramachandran	—	—	307,131	60,000	—	367,131	—
<b>Sub – Total (b)</b>	<b>—</b>	<b>—</b>	<b>2,680,675</b>	<b>1,600,000</b>	<b>—</b>	<b>4,280,675</b>	<b>—</b>
<b>Total (Rs.) (a+b)</b>	<b>—</b>	<b>—</b>	<b>55,354,659</b>	<b>1,600,000</b>	<b>—</b>	<b>56,954,659</b>	<b>—</b>

- With effect from May, 2005, Commission to the Executive Directors was paid on the Return on Equity (ROE) formula.
- None of the Directors held any shares in the Company as on 31st December 2009 other than Mr. Madhavan Menon, who held 2000 equity shares as on that date.
- ii) Details of fixed component and performance linked incentives along with the performance criteria:

Name of Director	Salary Fixed (Rs.)	Salary Performance Linked Incentives (Rs.)
Mr. Madhavan Menon	15,621,727	—
Mr. Vinayak K. Purohit	13,484,098	—
Mr. Rakshit Desai	23,568,159	—
<b>Total</b>	<b>52,673,984</b>	<b>—</b>

**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

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



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 has paid sitting fees at the rate of Rs. 10,000/- per meeting to the Non-Executive Independent Directors for attending the meetings of the Board, Audit Committee, Share Transfer & Shareholders' / Investors' Grievance Committee and Recruitment & Remuneration Committee constituted by the Board. With effect from 29th April 2009, sitting fees for attending Board and Audit Committee Meetings has been increased to Rs. 20,000/- per meeting.

iii) Details of Service Contracts, Notice Period, etc. of all the Directors for the financial year ended 31st December 2009

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

iv) 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 Scheme 2007 as on 31st December 2009

Name of the Director	2007		2008		2009	
	Options issued	Discount %	Options issued	Discount %	Options issued	Discount %
Mr. Madhavan Menon	205000	5%	250500	5%	—	NA
Mr. Vinayak K. Purohit	162500	5%	185000	5%	—	NA
Mr. Rakshit Desai	—	NA	—	NA	—	NA

**Period of accrual:** 1/3rd of the options granted, vest every year, over 3 years

**Exercise Period:** All the options are exercisable over a period of 10 years from the respective grant dates

**Acknowledgments**

Your Directors thank all the Shareholders, Customers, Vendors for their continued support throughout the year. We also thank Ministry of Tourism, Reserve Bank of India and other Banks, 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: 17th March, 2010

## 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 the Directors' Report for the year ended 31st December 2009.

Sr. No.	Name	Age	Designation	Remuneration	Nature of Duties	Qualification	Total Experience	Date of joining	Last Employment
1	Mr. Asaithambi S. \$	58	Peon	1,919,671	Responsible for documentation (passport & visa) of corporate travel function in Chennai	S.S.C.	36	1-Mar-73	Started his career with Thomas Cook (India) Limited
2	Mr. Athaide Robert \$	59	Accountant	2,093,541	Responsible for operating Cash counter in Head Office.	S.S.C.	38	2-May-73	Freight Carriers
3	Mr. Chadha Sunil \$	47	General Manager - Foreign Exchange	4,084,348	Responsible for Business Development of Foreign Exchange in North India & Rajasthan	B.Com.	21	1-Feb-94	LKP Forex Limited
4	Mr. Dalal Alpesh \$	35	Head - Corporate Finance	572,273	Responsible for Corporate Finance	B.Com., A.C.A.	10	8-May-06	Wockhardt Limited
5	Ms. Dangi Dhanvanti	39	Associate Vice President - Treasury & Branch Controller	2,815,743	Responsible for management of Treasury functions and funds flow in India	B.Com., A.C.A.	14	14-Jan-08	Crest Animation Studios Limited
6	Mr. Dawe Sohrab	44	Vice President - Information Technology	4,290,354	Responsible for developing and managing the Information Technology systems and network for the Company and its subsidiaries in India and overseas	MHRDM, B.Com., Software Application	23	9-Apr-07	Lavasa Corporation Limited
7	Mr. Desai Rakshit	34	Executive Director - Travel Services	23,568,159	Overall responsibility for the growth and operations of the Travel Businesses - Corporate Travel, Leisure - Outbound, Inbound and Domestic. Also Director on the Board of the Company	MBA - International Business, M.Sc. - Economics, PWE	11	25-Nov-08	Thomas Cook Group plc (UK)
8	Mr. Devgon Ashish	39	Associate Vice President - Foreign Exchange	3,452,723	Responsible for the Management & Growth of Foreign Exchange business in North India	B.E., M.B.A.	17	18-Oct-99	Punwire Mobile Communications Limited
9	Ms. Dosabhai Maharukh	49	Associate Vice President - Human Resources	2,776,846	Responsible for Personnel, Compensation & Benefits, Performance Management functions of the Human Resources Department. Also responsible for Industrial Relations and employee welfare related matters	M.Sc., M.A.M.	26	1-Jan-91	Mazda Industries Limited
10	Ms. Florence Deepma Michael \$	53	Assistant Manager - Corporate Travel	1,446,895	Responsible for management of corporate customers of Corporate Travel business in Bangalore	B.Com.	30	15-Apr-85	Bharat Travels
11	Mr. Garg Anil \$	47	Senior Manager - Accounts	993,157	Responsible for Administration function in North India	B.Com.	26	1-Apr-01	LKP Forex Limited
12	Mr. George A \$	58	Senior Accounts Manager - Northern Region	3,841,591	Responsible for Finance & Accounts Function in North India	B.Com., Dip. in Mgmt., P.G. Dip. in Fin. Mgmt	36	26-Dec-73	Started his career with Thomas Cook (India) Limited
13	Mr. Gupta Kailash	36	General Manager - Accounts	2,530,533	Responsible for the Finance and Accounts Function of the Company in India, as also of its subsidiaries in India	B.Com., A.C.A.	14	12-Sep-07	Peninsula Asset Management Company Limited
14	Ms. Gupta Mallika \$	36	Senior Manager - Foreign Exchange	1,619,394	Responsible for Business Development of Foreign Exchange in Gurgaon	B.A.	15	1-Feb-98	LKP Forex Limited
15	Ms. Gupta Nalini \$	56	President & Head - Marketing	13,227,350	Responsible for the Marketing and Corporate Communication Functions of the Company	MMM, B.Com., Dip. in Mass Commu., Dip. in French	33	1-May-07	South African Airways
16	Mr. John Cephas \$	35	General Manager - Dealings	2,367,230	In charge of front office Dealing Desk for half year. For the remaining part of the year, responsible for growth & management of Foreign Exchange business in Tamil Nadu	B.Sc., PGDCP, AATAP	13	22-Aug-96	Started his career with Thomas Cook (India) Limited
17	Mr. Kale Rajeev D.	40	Senior Vice President & Head - M.I.C.E.	4,235,833	Responsible for growth and operations of the M.I.C.E. (Meetings, Incentives, Conferences & Exhibitions) Division of the Leisure Travel (Outbound) business of the Company	B.Com.	17	1-May-07	Cox & Kings India Private Limited
18	Mr. Kapoor Rajeev \$	43	Manager - Corporate Travel	1,322,271	Responsible for Corporate Travel branch at Panchkuin Road, New Delhi	B.Com.	22	1-Feb-89	Guard Electronics Limited
19	Mr. Kenkare Rambhau R.	44	President & Head - Legal and Company Secretary	7,850,856	Responsible for compliance of 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.	20	1-Dec-98	Blue Dart Express Limited
20	Mr. Khalieq Abdul \$	42	General Manager - MICE, (South & East India)	2,541,777	Responsible for MICE Function of Leisure Travel (Outbound) in South & East India	B.Com., MBA	20	13-Dec-07	Kuoni Travel (India) Private Limited