

# COX & KINGS LIMITED

72<sup>ND</sup> ANNUAL REPORT 2011-12



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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mr. A. B. M. Good	Non-Executive Chairman
Mr. Peter Kerkar	Non-Executive Director
Ms. Urrshila Kerkar	Executive Director
Mr. Pesi Patel	Independent Director
Mr. M. Narayanan	Independent Director
Mr. S. C. Bhargava	Independent Director

### BOARD COMMITTEES

#### Audit Committee

Mr. M. Narayanan	Chairman
Mr. A. B. M. Good	Member
Mr. Pesi Patel	Member
Mr. S. C. Bhargava	Member

#### Remuneration Committee

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

#### Shareholders' / Investors Grievances Committee

Mr. Pesi Patel	Chairman
Mr. A. B. M. Good	Member
Mr. M. Narayanan	Member
Mr. S. C. Bhargava	Member

#### Finance Committee

Ms. Urrshila Kerkar	Chairperson
Mr. Peter Kerkar	Member
Mr. Arup Sen	Member
Mr. S. C. Bhargava	Member
Mr. Anil Khandelwal	Member

### AUDITORS

M/s. Chaturvedi & Shah  
Chartered Accountants

### CHIEF FINANCIAL OFFICER

Mr. Anil Khandelwal

### COMPANY SECRETARY

Ms. Rashmi Jain

### BANKERS

Axis Bank  
Allahabad Bank  
IDBI Bank  
Central Bank of India  
Societe Generale  
UCO Bank

### REGISTRAR & SHARE TRANSFER AGENTS

Karvy Computershare Private Limited  
Plot No. 17 to 24, Vithalrao Nagar, Madhapur,  
Hyderabad - 500 081, Andhra Pradesh, India  
Tel: + 91 40 23420815 Fax: +91 40 23420814  
Email: einward.ris@karvy.com  
Website: www.karvy.com

### REGISTERED OFFICE

1<sup>st</sup> Floor, Turner Morrison Building,  
16 Bank Street, Fort, Mumbai-400 001.  
Tel: +91 22 22709100 Fax: + 91 22 22709161  
Email: investors@coxandkings.com  
WEBSITE: www.coxandkings.com

## CHAIRMAN'S MESSAGE

The year ended March 31, 2012 was both an eventful and fruitful journey for our Company. In September 2011, we completed the acquisition of Holidaybreak Ltd, a specialist UK based travel Company with operations across Europe. Holidaybreak has several market leading brands across Education Travel, Leisure Business and Camping Holidays, with each business being run by a highly experienced and professional management team. Amidst difficult economic conditions in Europe, Holidaybreak has demonstrated resilience and stable cash flows, which indicates the quality of its various businesses. This is a transformational acquisition for Cox & Kings as we position ourselves to tap the huge potential of Education travel. The acquisition will also help grow our leisure business globally, through a wider product range and improved buying from our suppliers.

During the period under review, our business in India continued to demonstrate robust growth, on the back of our strong product offering and distribution network. We are pleased with our performance in other international markets.

We continue to see growth and consolidation in the leisure travel market in India. We are encouraged by the continuing shift in customer preference from the unorganised sector to organised tour operators. Combining this with new additions of first time travellers each year into the market, which is still quite nascent; we feel there is a tremendous opportunity to grow the India business for years to come.

Economic conditions are tough in several international markets that we operate in. Nevertheless, we have been able to grow our business despite these challenges. This reaffirms our confidence in our management team and justifies the investments we make into strengthening our brands globally.

I am confident that we will achieve significant benefits from these important developments which could not have been achieved without the hard work of our dedicated team and in closing I should like to express both my personal and the Board's sincere thanks to them all. I would also like to thank our Shareholders for their continued support for our journey of growth.

**A. B. M. Good**  
Chairman

## FINANCIAL HIGHLIGHTS OF CONSOLIDATED ACCOUNTS

(Rs. in Lacs)

Particulars	FY10	FY11	FY12
<b>Operating Profits</b>			
Net Sales	39,915	49,673	83,794
PBT Before Exceptional Items	18,651	19,310	9,992
Exceptional Items	-	-	3,118
PBT	18,651	19,310	6,874
PAT	13,385	12,908	4,160
<b>Financial Position</b>			
Gross Fixed Assets	15,416	23,260	261,882
Net Fixed Assets	9,262	15,066	203,847
Shareholder's Funds:			
Share Capital	6,292	6,826	6,826
Reserves & Surplus	74,719	113,959	112,411
Dividend (in %)	10%	10%	20%
Dividend	734	793	1586
EPS (in Rs.)*	26.13	9.76	3.05
Book Value (in Rs.)	128	177	87

The figures for FY 2012 are not comparable with previous years as Holidaybreak Limited become subsidiary of the Company from 27th Sept 2011 in FY 2012

\* Consequent to sub-division of shares, figures for previous years are not comparable.

Consequent to Revised Schedule VI becoming effective from April 1, 2011, figures from financial year 2010-11 onwards are on revised basis.

## DIRECTORS' REPORT

### Dear Shareholders,

Your Directors are pleased to present the 72<sup>nd</sup> Annual Report and the audited accounts for the financial year ended March 31, 2012.

### Financial Performance

(Rs. in Lacs)

Particulars	Standalone Results	
	2011-12	2010-11
Net Sales & Other income	32,760	25,292
Profit Before Taxation	10,889	11,013
Provision for Taxation	3,119	3,340
Profit After Tax	7,770	7,673
Proposed Dividend (inclusive of dividend tax)	1,586	794
Earnings Per Share (Rs.)	5.69	5.80

### Results of Operation:

The Ministry of Corporate Affairs (MCA) vide Notification no S.O. 447(E) dated 28<sup>th</sup> February, 2011 amended the existing Schedule VI to the Companies Act, 1956. The revised Schedule VI is applicable from financial year commencing from 1<sup>st</sup> April, 2011. The financial statements of your Company for the year ended 31<sup>st</sup> March, 2012 have been prepared in accordance with the revised Schedule VI and accordingly, the previous year's figures have been reclassified /regroup to conform to this year's classification.

### Standalone Financial:

For the year ended March 31, 2012, the standalone revenue from operations was Rs. 29,578 Lacs, which is a 26% y-o-y growth. Profit Before Tax was Rs. 10,889 Lacs, which is a decline of 1% from FY 2011. The PAT for the year was Rs. 7,770 Lacs, which is an increase of 1% over FY 2011.

### Consolidated Financial:

For the year ended March 31, 2012, the Consolidated revenue from operations was Rs. 83,794 Lacs, PBT before exceptional items was Rs. 9,992 Lacs and Profit for the year was Rs. 4,160 Lacs. Earnings per share for the year ending March 31, 2012 is Rs. 3.05.

Note: The y-o-y comparison of the Consolidated financials is not the true reflection of the performance as Holidaybreak Ltd became a Subsidiary of the Company from 27<sup>th</sup> September, 2011.

### Subsidiaries and Consolidated Financial Statements

The Ministry of Corporate Affairs (MCA) by General Circular No. 2/2011 dated 8<sup>th</sup> February, 2011, had granted an exemption to Companies from complying with Section 212 of the Companies Act, 1956, provided such Companies fulfill conditions mentioned in the said circular. Accordingly, the Board of Directors of your Company at its meeting held on 13<sup>th</sup> August, 2012 approved the Audited Consolidated Financial Statements for the financial year

2011-12 in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India, which include financial information of all its subsidiaries, and forms part of this report. The Consolidated Financial Statements of your Company for the financial year 2011-12, have been prepared in compliance with applicable Accounting Standards and where applicable Listing Agreement as prescribed by the Securities and Exchange Board of India.

The annual accounts and financial statements of the Subsidiary Companies of your Company and related detailed information shall be made available to Members on request and are open for inspection at the Registered Office of your Company. Your Company has complied with all the conditions as stated in the circular and accordingly has not attached the accounts of the financial year 2011-12. A statement of summarised financial of all Subsidiaries of your Company including capital, reserves, total assets, total liabilities, details of investment, turnover, etc., pursuant to the General Circular issued by the Ministry of Corporate Affairs, forms part of this report.

Details of major Subsidiaries of the Company are covered in Management's Discussion and Analysis Report forming part of the Annual Report.

### Dividend

The Directors are pleased to recommend a Dividend of 20% (Re. 1/- per equity share of Rs. 5/- each) to be appropriated from the profits of the financial year ended March 31, 2012 subject to the approval of the Shareholders at the ensuing Annual General Meeting. The Dividend will be paid in compliance with applicable regulations. The Dividend, if declared as above, would involve an outflow of Rs. 1,365 Lacs towards dividend and Rs. 221 Lacs towards dividend tax, resulting in a total outflow of Rs. 1,586 Lacs.

The dividend payout for the year under review has been formulated in accordance with the Company's policy to pay sustainable dividend linked to long term performance, keeping in view the Company's need for capital for its growth plans and the intent to finance such plans through internal accruals to the maximum.

### Transfer to General Reserve

Pursuant to Companies (Transfer of Profits to Reserves) Rules, 1975, the Company has transferred Rs. 583 Lacs to General Reserve.

### Credit Rating

The Company continue to have 'CARE A1+ (A One plus)' for its Commercial Paper (CP) for a maturity not exceeding one year. Instruments with this rating indicate high safety for timely servicing of debt obligations and carry very low credit risk.

CARE has placed the rating of 'CARE AA (Double A)' assigned to the long term instruments/ bank facilities of the Company on 'Credit Watch' in view of the Company's announcement on July 27<sup>th</sup> 2011 of its intention to acquire 100% equity stake in Holidaybreak Plc.

## DIRECTORS' REPORT (CONTD.)

### Capital Structure: Sub-Division of Equity Shares:

Pursuant to the approval of the Members dated June 7, 2011, the face value of the equity shares of the Company were sub-divided from Rs. 10/- each paid-up per equity share into two equity shares of Rs. 5/- each paid-up.

The equity capital structure of the Company pursuant to the subdivision of equity shares stands as under:

	Shares	Face Value (Rs.)	Total (Rs.)
Authorised Equity Capital	220,000,000	5/-	1,100,000,000
Issued, Subscribed & Paid up Equity Capital	136,527,890	5/-	682,639,450

Pursuant to the sub division of shares, National Securities Depository Limited (NSDL) vide its letter dated NSDL/II/SM/JNG/10593/2010 dated June 17, 2011 issued a new ISIN for securities of the Company – **INE008101026**

### Other Developments

#### Acquisition

During the year under review, your Company has successfully completed acquisition of Holidaybreak Limited; a UK based Travel Company, through its wholly owned subsidiary, Prometheus Holdings (UK) Ltd, a special purpose vehicle, incorporated for the said purpose.

The GBP 323.43 million acquisition was completed by way of a court-sanctioned scheme of arrangement under Part 26 of the UK Companies Act 2006 (the "Scheme"). The Scheme was declared effective by the High Court of Justice in England and Wales (the "Court") on September, 27 2011. Accordingly with effect from 27th September, 2011, Holidaybreak Limited become the wholly owned subsidiary of the Company. Under the terms of the acquisition, Holidaybreak Shareholders received 432.1 pence in cash per Holidaybreak share.

Holidaybreak is an education and activity travel group which provides educational and activity trips for school children as well as worldwide adventure holidays, short breaks in the UK and Europe, and mobile-home and camping holidays on sites throughout Europe. The group has four operating divisions: Education Adventure, Hotel Breaks, Camping, which have leading positions in the UK and other major European markets, and has more than 15 long-established and widely recognised brands.

#### Royale Indian Rail Tours Limited

The Royale Indian Rail Tours Limited is a 50:50 joint venture between Indian Railway Catering & Tourism Corporation and the Company. The Supreme Court has dismissed the Special Leave Petition filed by the Company and has directed both the parties to go for arbitration which commenced on 6<sup>th</sup> July 2012. Supreme Court has also stated that the observation made by the Courts shall not, in any way, influence the outcome of the arbitral proceedings, if resorted to the parties.

### Directors

The term of Ms. Urrshila Kerkar as the Whole Time Director of the Company for a period of 5 years will expire on 31<sup>st</sup> August, 2012. Your Directors at its meeting held on 13<sup>th</sup> August, 2012, re-appointed her for a further period of 5 years with effect from 1<sup>st</sup> September, 2012. In compliance with the provisions of Section 309 and 310 read with Schedule XIII of the Act, the re-appointment of Ms. Urrshila Kerkar as Whole Time Director for a further period of 5 years is placed before the Members in the ensuing Annual General Meeting for their approval.

In accordance with the provisions of the Companies Act 1956, and Articles of Association of the Company, Mr. A. B. M Good and Mr. Mahalinga Narayanan, retire by rotation at the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. The brief resume of the aforesaid Directors and other information have been detailed in the Corporate Governance Report forming part of this report.

### Directors' Responsibility Statement

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

- In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- the Directors have selected such accounting policies and applied consistently and judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at March 31, 2012 and of the profit of the Company for the year ended on that date;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, to the best of its knowledge and ability. There are however, inherent limitations, which should be recognized while relying on any system of internal control & records and ;
- the Directors have prepared the annual accounts of the Company on 'a going concern basis'.

### Auditors and Auditors' Report

M/s. Chaturvedi & Shah, Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for the re-appointment. The Company has received a certificate from the Auditors to the effect that their re-appointment, if made, would be in accordance with Section 224 (1B) of the Companies Act, 1956 and they are not disqualified for re-appointment within the meaning of Section 226 of the said Act. Your Directors recommend their re-appointment for the ensuing year.

### Fixed Deposits

Your Company has not accepted any fixed deposits within the meaning of Section 58 (A) of the Companies Act, 1956 during the year.

## DIRECTORS' REPORT (CONTD.)

### Group

Pursuant to intimation from the Promoters, the names of the Promoters and entities comprising "group" are disclosed in the Annual Report for the purpose of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

### Particulars of Employees

In terms of the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of the employees are set out in the annexure to the Directors' Report. Having regard to the provisions of Section 219 (1) (b) (iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the Members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

### Management's Discussion and Analysis Report

The Management's Discussion and Analysis on Company's performance – industry trends and other material changes with respect to the Company and its Subsidiaries pursuant to Clause 49 of the Listing Agreement is presented in a separate section forming part of the Annual Report.

### Corporate Social Responsibility

Detailed information on the initiative of the Company towards CSR activities form part of this report.

### Corporate Governance

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Report.

The requisite Certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49 is attached to this Report.

### Secretarial Audit Report

As a measure of good Corporate Governance, the Board of Directors of the Company appointed Mr. Virendra Bhatt, Practicing Company Secretary, to conduct Secretarial Audit of the Company.

The Secretarial Audit Report confirms that the Company has complied with all the applicable provisions of the Companies Act, 1956 and Listing Agreements with the Stock Exchanges. The Secretarial Audit Report for the financial year ended March 31, 2012 is provided in the Annual Report.

### Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The Company has no activity relating to conservation of energy or technology absorption. The Company continued to be a net foreign exchange earner during the year.

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

Foreign Exchange Earnings:

Rs. 9,763 Lacs (Previous Year- Rs. 9,358 Lacs)

Foreign Exchange Outgo:

Rs. 417 Lacs (Previous Year- Rs. 375 Lacs)

(Other than in the normal course of the business as Tour Operator and Foreign Exchange Restricted Authorised Dealer)

### Awards and Recognition:

- Best Luxury Operator' at the 2012 Globe Travel Awards.
- PATA Gold Award 2012 in the Marketing Media - Consumer Travel Brochure (BR) category for its entry, "Luxury Escapades".
- Ranked 'No. 2' Specialist Tour Operator on Conde Nast Traveller's Reader's Choice Awards 2011.
- 'Best Outbound Tour Operator of the Year' awarded by TAAI Travel Awards 2011.
- Ranked "No. 6" on the Travel + Leisure World's Best Awards 2011 list of Top 25 Tour Operators and Safari Outfitters.
- CNBC Awaaz Travel Award 2011 in the category of India going Global.
- "Specialist – Best All Inclusive Travel Operator" awarded by the British Travel Awards 2011.
- "Best Outbound Tour Operator" awarded by Hospitality India & Explore the World Annual International Awards 2011
- "Most Entrepreneurial Travel Company" awarded by TTTG Travel Awards in October 2011.
- "The Best Travel Company for Customer Satisfaction" awarded by Today's Traveller in August 2011.
- Runners up in the 'Specialist Tour Operator' category of the Telegraph Travel Awards 2011
- "Best Use of Direct Marketing" awarded by Travel Marketing Awards 2011

### Acknowledgements and Appreciation

Your Directors take this opportunity to thank all investors, customers, vendors, banks/financial institutions, regulatory and government authorities and Stock Exchanges for their consistent support and encouragement to the Company. The Directors also place on record their sincere appreciation to all employees of the Company for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the Industry.

### For and on behalf of the Board of Directors

**A. B. M. Good**  
Chairman

Place: Mumbai

Date: August 13, 2012



## GROUP

The names of the Promoters and entities comprising “group” as defined under the Monopolies and Restrictive Trade Practices (“MRTP”) Act, 1969 read with Section 3(1)(e)(i) of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 are disclosed below as at 31<sup>st</sup> March, 2012:

<b>Sr. No</b>	<b>Name</b>	<b>Shares held</b>
1	Mr. A. B. M. Good	6,039,832
2	Mr. Peter Kerkar	2,744,672
3	Ms. Urrshila Kerkar	4,559,600
4	Ms. Elizabeth Kerkar	1,274,400
5	Liz Investments Private Limited	13,763,328
6	Sneh Sadan Graphics Services Limited	33,353,368
7	Kubber Investments (Mauritius) Private Limited	18,346,560





**MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

We are an international travel and tours Company with operations in 26 countries around the globe. Our operations are spread across India, Europe, Australia, US, Dubai, Japan and Singapore, selling packaged holidays for leisure travel. With the acquisition of the European Company Holidaybreak in September 2011, we have increased our product bouquet in the leisure business, as well as entered into Education travel and Camping Holidays. Below is an overview of our complete product bouquet -

**Leisure Holiday Packages**

Leisure travel is our core business, through which we provide tour operator and destination management services. Our tour operator services principally involve our customers in India, Australia, Dubai, Japan, Netherlands, United Kingdom and United States travelling on leisure packages to local and overseas destinations. In India, our leisure business also includes MICE and Trade Fairs where we organise Incentives Programs, Conferences and Events for Corporates. Our destination management services include ground handling services, which cover all aspects of ground tour arrangements, primarily for customers travelling into Dubai, Europe, India and Singapore.

**Summary of our Leisure business**

<p><b>India</b></p>	<p>We sell holidays under “Cox &amp; Kings” brand and its various sub brands - “Duniya Dekho”, “Bharat Deko”, “Luxury Escapades”, “Anand Yatra”, “Gaurav Yatra”</p> 
<p><b>UK</b></p>	<p>We sell premium long haul cultural holidays under the “Cox &amp; Kings” brand and adventure holidays around the world under “Explore” and “Edge” brands. We also offer weekend breaks into UK and other European destinations under “Superbreak” brand and ground handling into Europe under “CKDMS” brand.</p> 
<p><b>Netherlands</b></p>	<p>We offer Hotels &amp; Bungalow bookings under the online brands of “Bookit” and adventure holidays around the world under the “Djoser” brand</p> 
<p><b>Australia</b></p>	<p>Our offering includes outbound holidays in the mid-market segment under the “Tempo” brand, premium holidays under the “Cox &amp; Kings” brand and specialist Scandinavian holiday operations under “BenTours” brand</p> 
<p><b>United States</b></p>	<p>We sell premium long haul holidays under the “Cox &amp; Kings” brand</p>

<p><b>Japan</b></p>	<p>We sell package holidays under white label to various retail travel agents</p>
<p><b>Dubai</b></p>	<p>We operate under the “Cox &amp; Kings” brand, handling both inbound and outbound traffic, catering to the mid-market segment.</p>

**Education Travel**

We provide tour packages to students of primary and secondary schools through market leading brands PGL and NST, respectively in the United Kingdom. PGL is a market leading brand in the U.K. providing residential outdoor trips to primary school students aged between 8-12 years, and operates 25 centres comprising 16 centres across the U.K., eight centres across France, and one centre in Spain with an aggregate capacity of 9,200 beds. We own 20 of these centres and lease/hire the remaining five centres. The size of our PGL centres ranges from 40 acres to 250 acres. These centres are equipped with various facilities including student accommodations, indoor classrooms, meeting rooms, conference halls, swimming pools, football pitches and activity areas. The activities at the centres are curriculum based and personality development activities, conducted by professional qualified staff at Government accredited centres. These trips are conducted during school terms typically from March to October. The normal duration of our residential outdoor trips is between three and five days. Scouts, guides and other youth groups use our PGL centers during the off-season months. The PGL brand currently reaches about 5,000 schools in U.K

NST is a leading student travel tour operator in U.K., with secondary school students aged between 11 and 16 years, travelling to destinations across the world. We design specialized itineraries for such students to encompass a broad range of curriculum related topics including drama, music, history, and foreign language.

We also have a 74% ownership in Meininger Holding GmbH, which operates hotels for student tour groups (such as the tour groups conducted by NST) and young urban travellers under Meininger brand, spread across 16 city-centre properties (total of 6300 beds) in Germany (11 hotels), Austria (4 hotels) and London.

Our brands EST and Travelplus cater to students seeking higher education in the United Kingdom and German students seeking gap-year placements, respectively.



**Camping Holidays**

We provide camping holidays to customers in UK through two brands Eurocamp and Keycamp, which are market leaders in the region. Through these popular brands, we also cater to customers in other European countries including Netherlands, Germany and Ireland. We own approximately 8,300 accommodation facilities (including about 7,000 mobile homes). These facilities are spread across popular camping destinations like France, Italy, Holland, and other countries in Europe including Switzerland, Austria, Germany, Croatia and Portugal.

We provide a wide range of accommodation choices, ranging from basic one-room mobile homes to three-room luxury chalets stylish safari tents. Our camping sites are equipped with several amenities including swimming pools, restaurants, activity areas, and even golf courses at some sites. We usually enter into pitching agreements with the owners of the camping sites in order to lease a certain area of the camping site to emplace our mobile accommodation facilities.

We also operate *Ecamp* and *Eurocamp Independent* brands, which sell independent third party camping holidays to our clientele across Europe. *Own a Holiday Home* brand offers customers the opportunity to purchase affordable holiday homes in France and Spain.



**Others**

In addition to above three businesses, we also offer corporate travel services, foreign exchange services in the Indian market and outsourced visa processing services globally to various embassies.

We believe our corporate travel services and foreign exchange services reemphasize our presence in the Indian Travel & Tourism market and benefits our leisure business immensely, generating both MICE and retail business. Our visa processing services to various diplomatic missions include performing administrative, logistical and technical tasks related to the processing of visas and passports, thereby allowing diplomatic missions to focus exclusively on making determinations as to the applicant’s eligibility. Our current contracts include the Indian embassy in Hong Kong, Germany, Greece, Sweden and operations in India for the embassies of Thailand, Japan and Norway.

**Our Strategy**

Our growth strategy is three-fold – consolidate our product sourcing globally, expand our product offering and continue to maintain growth and leadership in the Indian market,

**Continue to consolidate product sourcing operations globally**

For the last few years, we have been able to leverage the size of our global operations to consolidate buying efforts. We have specifically seen gains in our buying efforts in Europe and Middle East. Our bargaining power with our vendors has generated significant cost savings by consolidating buying for air travel, hotel accommodations, car rentals and ground handling services. This has enabled us to offer competitive travel packages to our leisure customers and business clients, thereby increasing our customer base and revenues.

Following the acquisition of Holidaybreak, we intend to continue with this strategy. Our volumes in Europe have increased further with the addition of the *Superbreak* and *Bookit* brands. Our operations in India and other geographies are expected to benefit from this. Similarly, our adventure brands, *Explore* and *Djoser*,

*which take tours around the world*, can enjoy better rates due to our existing volumes in international destinations across the Group.

**Expand product offering**

We intend to leverage our global platform to enhance and cross sell our products across each of our market segments in the geographic regions where we operate. For instance, we introduced premium holiday packages in Australia under “*Cox & Kings*” brand where earlier we only used to sell through the mid-market brand “*Tempo Holidays*”. We see multiple opportunities to do that with the Holidaybreak brands.

We intend to market our *Meininger* properties to our current customer base in India and other geographies. Meininger offers good quality service amenities at attractive prices across 16 city-centre properties in Europe currently. It has multiple room configurations, thus giving an ability to cater to student groups, couples as well as families.

In addition, we see a potential to market our adventure tours in India and Australia and camping holidays in the Australian market. We also see a large opportunity in introducing educational tour products into markets such as India and Australia.

**Growth in India business**

We are well-placed today in the Indian market to capitalize on the opportunities presented by a market which is growing at a fast clip. We see holidays becoming a priority for several Indian families, with rising disposable incomes and consumer confidence. We have only scratched the surface of the full potential that this market offers over the next decade and more. Both international and domestic holidays will increase over this period. The organized travel segment will increasingly capture a larger share of this pie. All these factors give us confidence about our growth path in the coming years.

Our brand and service quality is moving from strength to strength. We have won several industry awards to acknowledge this, including “Best Outbound Tour Operator” awarded by Hospitality India & Explore the World Annual International Awards (2011), “The Best Travel Company for Customer Satisfaction” awarded by Today’s Traveller (2011), “Most Entrepreneurial Travel Company” awarded by TTTG Travel Awards (2011), “Most Admired Tour Operator” Award by SATTE (2010), “India’s Top Rated Tour Operator — Outbound” (2009) by the Economic Times, as well as “Best Domestic Tour Operator” and “Best Inbound Tour Operator” in 2009 by TAFI-abacus Awards for Business Leadership in Tour Operating. Our distribution network continues to grow, largely through our franchise shops, which enable us to tap the market better than the others. We also see our call centre setup being a key source of business in the coming years, as we see initial traction in the Indian market of customers booking certain holiday packages through this mode.

We are also seeing that travel tours are increasingly being used by corporates in India to incentivize their employees or their suppliers and distributors, and we intend to continue leveraging our market position and product offerings to capitalize on the opportunities presented by this rapidly growing segment of leisure travel. We

## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTD.)

continue to expand our ground handling activities in certain overseas locations, which cater to our outbound customers, thus enabling cost reduction and better-personalised services for outbound clients in India.

Apart from the above strategic focus, we see several operational synergies across the Group. For instance, some of the Holidaybreak businesses having strong brands in their operating markets would benefit tremendously, by leveraging on C&K Group's in-house technology prowess and the continuing development efforts taking place in our India office, to strengthen their current technology platforms.

### Key Accounting Policies

C&K's Consolidated Financial Statements have been prepared in accordance with the Accounting Standard-21 "Consolidated Financial Statement", Accounting Standard 23 - "Accounting for Investment in Associates in Consolidated Financial Statements" and Accounting Standard -27 "Financial reporting of Interest in Joint Ventures" issued by the ICAI/Companies (Accounting Standards) Rules, 2006.

The preparation of our Financial Statements in conformity with Indian GAAP requires our Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of such Financial Statements and the results of operations during the reporting period. By their nature, these judgments and estimates are subject to a degree of uncertainty. These judgments are based on our historical experience, terms of existing contracts, and our observance of trends in the industry, information provided by our clients and information available from other third party sources, as appropriate. There can be no assurance that our judgments will prove correct or that actual results reported in future periods will not differ from our expectations reflected in our accounting treatment of certain items. Any revision to accounting estimates is recognised prospectively in current and future periods.

While all aspects of financial statements should be read and understood in assessing C&K's current and expected financial condition and results of operations, C&K believes that the following key accounting policies warrant particular attention.

### Revenue

In line with generally accepted accounting practices, revenue comprises net commissions earned on travel management, service agency charges including margins in respect of tour and tour related services and commissions/margins earned on foreign exchange transactions in the normal course of C&K's business as an authorised dealer. The income arising from the buying and selling of foreign currencies has been included on the basis of margins achieved.

### Revenue Recognition

In accordance with the Company's accounting policy commissions and/or income arising from tours and related services is recorded after netting off all direct expenditures relating thereto.

### Expenditure

All general business expenditure is recorded in the year in which it is incurred. All direct tour related expenses including

advertisement expenses for specific tours are recorded in the year in which the tours are undertaken.

### Fixed Assets

Fixed Assets are stated at cost, less accumulated depreciation. Costs include all costs relating to acquisition and installation of fixed assets. Intangible assets represent Software, Video Shoots and Trademarks stated at cost less accumulated amortisation and impairment losses, if any.

### Investments

Long-term investments are valued at cost. Provision for diminution in value of investments is made if the diminution is of a nature other than temporary. Current investments are valued at the lower of cost and market value.

### Inventory

Inventory represents stock of foreign currencies, which we value at the lower of cost and realizable value as at the year end. In case of interest in Joint Venture inventory represents Linen, FB Stock and Shop Inventory.

### Foreign Currency Transactions

Transactions denominated in foreign currencies are recorded at spot rates / average rates. Monetary items denominated in foreign currencies at the year end are restated at year end rates. Non monetary foreign currency items are carried at cost.

- In respect of branches, which are integral foreign operations, all transactions are translated at rates prevailing on the date of transaction or that approximate the actual rate on the date of transaction. Branch monetary assets and liabilities are restated at the year end rates.
- Any income or expense on account of exchange difference either on settlement or on translation is recognised in the profit and loss account.

### Accounting for Taxes on Income

Provision for current tax is made based on the tax payable under the relevant statute. Deferred tax on timing differences between taxable income and accounting income is accounted for using the tax rates and the tax laws enacted or substantially enacted as on the balance sheet date. Deferred tax assets are recognised only to the extent that there is a reasonable certainty of its realisation.

### Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

### Income & Expenditure Overview

#### Income

*Commission and other operating income:* C&K's principal source of income is the fees it earns from selling travel services. The commission and other operating income consist mainly of net sales (gross sales less direct expenses like air tickets, hotels, ground

## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTD.)

services and distribution commissions) earned from providing tour and travel services.

*Other Income:* Other income includes foreign exchange gains from the revaluation of borrowings, interest earned from fully convertible debentures, interest earned from bank deposits and miscellaneous income.

### Expenditure

*Personnel expenses:* Personnel expenses are the largest component of C&K's expense. Payment to, and provision for, employees consists of salaries, allowances, bonuses, incentives paid to staff, retirement benefits like gratuity and leave encashment, contribution to staff provident funds and other staff welfare expenses on providing amenities to staff and their training.

*Other expenses:* Other expenses include rent, electricity expense, insurance, communication and courier expenses, printing and stationery, legal and professional fees, travelling and conveyance, advertisement, publicity and business promotion, computer expenses, security expenses, foreign exchange losses from the revaluation of borrowings, and other miscellaneous expenses.

*Interest and finance charges:* C&K incurs interest and finance charges on its indebtedness.

*Depreciation:* Depreciation includes depreciation on Tangible assets like computers and printers, electrical installations and fittings, office equipment, furniture and fixtures, leasehold improvements, vehicles, and Intangible assets like video films, patents and software.

### Financial Condition

#### Fixed Assets, Capital Work in Progress and Goodwill

(Rs. in Lacs)

Particulars		FY2012	FY2011
Gross Block	Tangible	245,863	15,666
	Intangible	3,644	2,739
	Total	249,507	18,405
Less : Depreciation/ Amortisation	Tangible	56,030	6,871
	Intangible	2,005	1,324
	Total	58,035	8,195
Net Block		191,472	10,210
Capital Work in Progress		12,375	4,860
Goodwill on Consolidation		266,289	21,750
<b>Total</b>		<b>470,136</b>	<b>36,820</b>

Our Consolidated Gross Block as at March 31, 2012 was INR 249,507 Lacs. This has increased substantially from INR 18,405 Lacs at March 31, 2011 due to the addition of Holidaybreak. The key items include land of INR 116,529 Lacs and furnitures & fixtures of INR 71,066 Lacs. The consolidated Net Block at March 31, 2012 was INR 191,472 Lacs.

Capital Work in Progress at the year end is INR 12,375 Lacs. Our Goodwill on Consolidation has increased from INR 21,750 Lacs to INR 266,289 owing to the Holidaybreak acquisition.

#### Non-Current Liabilities (Rs. in Lacs)

Particulars		FY2012	FY2011
Long Term - Secured	NCD	60,000	-
	Term Loan from Banks	257,127	44,961
	Others	-	18
Long Term - Unsecured	NCD	20,000	30,000
	Finance Lease Obligations	7,990	-
	<b>Total</b>	<b>345,117</b>	<b>74,979</b>

Our Long term borrowings as at March 31, 2012 was INR 345,117 Lacs, compared to INR 74,979 Lacs in the previous year. This comprises Term Loan from Banks of INR 257,127 Lacs and Non Convertible Debentures (NCD) of INR 80,000 Lacs. The increase in Term Loan from previous year is due to the loans taken to fund the Holidaybreak acquisition along with existing loans on the books of Holidaybreak Ltd. The NCD has been raised on the books of Cox & Kings Ltd.

#### Non-Current Investments

Our Non-Current Investments at 31<sup>st</sup> March 2012 is INR 27,610 Lacs, an increase of INR 26,105 Lacs from the previous year. The increase is due to the consolidation of Holidaybreak Limited, which in turn has an investment in Meininger Holding GmbH of INR 24,792 Lacs, representing a 50% stake at 31<sup>st</sup> March 2012.

#### Current Assets (Rs. in Lacs)

Particulars		FY2012	FY2011
Current Investments		2,807	19,617
Inventories		1,726	860
Trade Receivables		71,506	41,422
Cash and Cash Equivalents		105,327	96,127
Short-Term Loans & advances		82,119	34,692
Other Current Assets		165	165
<b>Total</b>		<b>263,650</b>	<b>192,883</b>

Our Total Current Assets increased to INR 263,650 Lacs at 31<sup>st</sup> March 2012, compared to INR 192,883 Lacs in the previous year, including an increase in Trade Receivables of INR 30,084 Lacs, increase in Short Term Loans & Advances by INR 47,427 Lacs, and decrease in Current Investments by INR 16,810 Lacs. This movement is largely on account of the consolidation of Holidaybreak Ltd. One needs to be careful while analysing our

## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTD.)

Current Assets and Trade Receivables position, and comparing it with Revenue from Operations. Because C&K's balance sheet line items are based on gross sales (unlike our income statement line items, which are based on net sales), our receivables tend to appear to be relatively high. As has been explained earlier, our Net Sales is calculated as gross sales less direct expenses like air tickets, hotels, ground services and distribution commissions.

<b>Current Liabilities</b>		<b>(Rs. in Lacs)</b>	
<b>Particulars</b>	<b>FY2012</b>	<b>FY2011</b>	
Short Term Borrowings	25,500	-	
Trade Payables	42,492	10,990	
Other Current Liabilities	217,162	25,277	
Short-term Provisions	5,156	3,352	
<b>Total</b>	<b>290,310</b>	<b>39,619</b>	

Our Total Current Liabilities increased to INR 290,310 Lacs at 31<sup>st</sup> March 2012, compared to INR 39,619 Lacs in the previous year. The Short Term Borrowings of INR 25,500 Lacs includes working capital loan from Banks of INR 10,000 Lacs and commercial paper of INR 15,500 Lacs. The Trade Payables have increased to INR 42,492 Lacs, largely on account of the Holidaybreak consolidation. Other Current Liabilities at 31<sup>st</sup> March 2012 was INR 217,162 Lacs, up from INR 25,277 Lacs in the previous year. This includes current maturities of long-term debt of INR 89,897 Lacs, current maturities of finance lease obligations of INR 5,668 Lacs, and other payables of INR 113,600 Lacs, primarily on account of advances received from customers against forward bookings.

### Results of Operations

Below is a discussion of the full year results for FY12 and performance against FY11. Please however note that Results for FY12 are not comparable with prior periods as FY12 was the first year we consolidated Holidaybreak (HBR) into our financials.

HBR is a highly seasonal business with all its profitability coming in the Apr-Sep period while the Oct-Mar period is a loss-making six months. In FY12, we consolidated HBR from 28<sup>th</sup> Sep 2011 and hence our financials reflect these losses.

<b>Income</b>		<b>(Rs. in Lacs)</b>	
<b>Particulars</b>	<b>FY2012</b>	<b>FY2011</b>	
Income from Operations	83,794	49,673	
Other Income	16,603	3,599	
<b>Total</b>	<b>100,397</b>	<b>53,272</b>	

Our Income from operations for the year was INR 83,794 Lacs, a substantial increase of 69% from last year, as we consolidated the results for Holidaybreak only from 28<sup>th</sup> Sep 2011. We are pleased with our performance in almost all our operations globally in FY12. Our India business grew by 26% to INR 29,578 Lacs this year. We saw healthy growth in other geographies including Australia,

US, UK and Dubai. However, our operations in Japan were impacted, in the aftermath of the natural disaster (Tsunami and earthquake) that struck in March 2011, which resulted in a fall in leisure travel spends by customers.

The Other Income increased to INR 16,603 Lacs, primarily due to a foreign exchange fluctuation gain of INR 13,046 Lacs.

<b>Expenditure</b>		<b>(Rs. in Lacs)</b>	
<b>Particulars</b>	<b>FY2012</b>	<b>FY2011</b>	
<b>Employee Benefit Expenses</b>			
Salaries and Wages	32,873	11,439	
Other items	5,643	1,518	
<b>Total</b>	<b>38,516</b>	<b>12,957</b>	
<b>Other Expenses</b>			
Advertisement, Publicity & Business Promotion	9,872	4,234	
Rent	3,321	1,935	
Professional Charges	2,585	1,492	
Travelling Expenses	2,412	2,059	
Other items	10,357	3,991	
<b>Total</b>	<b>28,547</b>	<b>13,711</b>	

Both Employee Expenses and Other Expenses saw an increase in FY2012, from consolidation of results for Holidaybreak for the period since acquisition. As explained earlier, the increase in expenses is much more than the increase in revenues, as Holidaybreak is a highly seasonal business, with bulk of its revenues and profitability coming in the six months to September, attributable to the seasonality in the Education and Camping business.

Employee Expenses increased by 197% to INR 38,516 Lacs. It includes salaries and wages of INR 32,873 Lacs and contributions to provident and other funds of INR 3,529 Lacs. Other Expenses for the year increased by 108% to INR 28,547 Lacs. The key items here is Advertisement, Publicity & Business Promotion expense of INR 9,872 Lacs, rent of INR 3,321 Lacs, Professional charges of INR 2,585 Lacs, Travelling expenses of INR 2,412 Lacs and Miscellaneous expenses of INR 4,515 Lacs.

### Profit before exceptional items and tax

Our Profit before exceptional items and tax declined to INR 9,992 Lacs for the period, from INR 19,310 Lacs in the previous year. This is due to the increase in Finance Costs and Depreciation and amortization expenses along with the seasonal loss at Holidaybreak, which increased the Expenditure by 151% to INR 67,063 Lacs (as explained above).

Our Finance costs increased to INR 18,429 Lacs for the year, as we incurred interest costs on the acquisition related loan and the interest on existing loans in Holidaybreak Limited. Depreciation and Amortization expenses increased to INR 4,913 Lacs.

**Profit after tax for the year**

Profit after tax for the year declined to INR 2,698 Lacs during the year, from INR 13,058 Lacs in the previous year. This decline is primarily due to the 48% decline in Profit before exceptional items and Tax to INR 9,992 Lacs (as explained above), an exceptional expense of INR 3,118 Lacs and tax expense of INR 4,176 Lacs during the year.

**Share of Income from Associate**

Our Income from Investment in Associates increased to INR 1,462 Lacs this year from a loss of INR 150 Lacs in the previous year. This is primarily due to our investment in Meininger Holding GmbH, which operates hotels for student tour groups and young urban travellers under the brand *Meininger*. Our ownership in the Company, held through Holidaybreak Ltd., was 50% till 31<sup>st</sup> March 2012. We have subsequently increased our stake in the Company to 74%

**Cash Flow (Rs. in Lacs)**

Particulars	FY2012	FY2011
Net Cash Flow from Operating Activities	(13,658)	9,506
Net Cash used in Investing Activities	(266,039)	(8,134)
Net Cash Flow from Financing Activities	248,364	57,323
Net Increase/(Decrease) in Cash & Cash equivalents	(13,658)	58,695

Net Cash from Operating activities of INR (37,035) Lacs comprises of Profit before tax of INR 6,874 Lacs and Operating Profit before working capital changes of INR 24,225 Lacs. However, owing largely due to consolidation of Holidaybreak, our loans and advances increased by INR (49,940) Lacs, resulting in a negative Net Cash Flow from Operating activities. Net Cash used in Investing activities for the year was INR (266,039) Lacs. This is on account of the acquisition of Holidaybreak of INR (277,074) Lacs. Other key items include purchase of Fixed Assets & Capital Work in Progress of INR (14,337) Lacs and sale of investments of INR 17,630 Lacs.

Net Cash from Financial activities for the year was INR 248,364 Lacs. This is due to the long term borrowings of INR 249,918 that was raised to fund the Holidaybreak acquisition. We also had to incur interest costs of INR (14,492) Lacs towards servicing of the loans on our books. Other key items include repayment of long term borrowing of INR (10,000) Lacs and proceeds from short term borrowings of INR 25,500 Lacs.

Our Cash flow from operating activities in India business continues to show healthy improvement, increasing from INR 5,400 Lacs in FY11 to INR 8,862 Lacs in FY12

**Contingent Liabilities**
**(Rs. in Lacs)**

Particulars	FY2012	FY2011
Guarantees	60,829	31,755
Tax Demands	13,931	891
Legal Claims	1,053	853

**Factors affecting our results of operations**

Our financial condition and results are affected by numerous factors including the following:

**Ability to grow our product portfolio and add new destinations**

Our results of operations are significantly dependent on our ability to grow our product portfolio and add new destinations to our leisure packages. We have entered into strategic partnerships with various travel partners to achieve this in the past. For example, we have partnered with various international tourism boards to market such international destinations to Indian travellers. In our education travel business, we reach out to a large number of schools in the United Kingdom for our *PGL* and *NST* products. In the *Meininger* division, student tour groups and young urban travellers across Europe comprise our key clientele. Our ability to continue engaging with this customer segment in future is a significant factor affecting our results of operations. In our camping business, customers book from our wide selection of accommodation homes pitched on camping sites across Europe. We identify these popular camping sites and take them on lease. Our ability to continue engaging with both our customer base and camp site owners is a significant factor affecting our revenues. These strategic partnerships have expanded our product offerings and added new destinations to our portfolio, all of which positively impacted our results of operations even during the recent global economic slowdown. We have also set up destination management operations in new markets to capture larger share of customers' spending and also to enhance the overall travel experience.

**Negotiation of favourable rates with travel suppliers through consolidated buying efforts**

An important component of our business success depends on our ability to maintain and expand relationships with travel suppliers and GDS partners. Our consolidated buying efforts for our global operations have enhanced our bargaining power with our vendors and have helped us in generating significant cost savings. Our ability to negotiate favourable rates with travel suppliers and GDS partners in the future will affect our profitability as well as our ability to grow our market share by offering cost competitive travel and tours products.

**Maintaining and enhancing our brand awareness**

We believe continued investment in our brand is critical to retaining and expanding our customer and supplier base. We have spent and expect to continue having to spend more to maintain the value of our brands due to a variety of factors. These include increased spending from our competitors, the increasing costs of supporting multiple brands, expansion into geographies and

## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTD.)

products where our brands are less well known, and inflation in media pricing. We have spent considerable financial and human resources to date on the establishment and maintenance of our brands, and we will continue to invest in, and devote resources to, advertising and marketing, as well as other brand building efforts to enhance consumer awareness of our brands. We believe that heightened brand awareness will enable us to expand our distribution network by significantly reducing entry barriers in new markets.

### **Seasonality**

Revenues and cash flows in the travel and tourism industry are affected by seasonality and depend on various factors such as school holidays, public holidays, favourable weather and political conditions in the destination for travel. For example, in India, while our revenues for inbound tourism are generally higher during the second half of each fiscal, our revenues for outbound tourism are higher in the first half of each fiscal year. Similarly, the education travel and camping business are highly seasonal in nature with education travel business concentrated mainly in the Apr-Sep period and camping business in the Jun-Aug period.

### **Ability to integrate our acquisitions globally**

We have made a few acquisitions in recent years. The challenges involved in integration include combining product and service offerings and entering into new markets in which we are not experienced, consolidating and maintaining relationships with customers and distributors, consolidating and rationalising corporate IT infrastructure, integrating employees and managing employee issues, coordinating and combining administrative and other operations, subsidiaries, and relationships with third parties in accordance with applicable laws and other obligations while maintaining adequate quality standards in our service, achieving savings from travel supply chain integration and managing other business, infrastructure and operational integration issues. We have successfully managed acquisitions in the past and strive to do the same with Holidaybreak.

### **Capitalising on increasing discretionary spending among Indian consumers**

India is one of the most important markets for our growth strategy. This is a result of our Company's strong historic presence and the large business opportunities that the Indian travel and tourism industry presents for the future. Travel expenditures are sensitive to personal and business discretionary spending levels and tend to decline or grow more slowly during economic downturns. Our business is affected by domestic and international economic conditions and the impact that such economic conditions have on consumer spending.

### **Ability to attract, retain and motivate our employees**

In our business, our human resources are the largest driver of our profitability. We invest substantially on development of our human resources and it forms highest single expense item, and is, therefore, a key factor affecting our results of operations. In order to be successful, we must attract, train, motivate and retain highly skilled personnel. Hiring and retaining qualified sales representatives are critical to our future results of operations, and competition for experienced employees in the tours and travel industry can be intense.

### **Declines or disruptions in the travel industry**

Our business and financial performance are affected by the health of the worldwide travel industry, including by changes in hotel occupancy rates or hotel average daily rates, changes in airline capacity or periodically rising airline ticket prices, all of which we have experienced at various times. Our business is also sensitive to safety concerns and has in the past been affected by incidents of actual or threatened terrorism, during periods of political instability or geopolitical conflict in which travellers become concerned about safety issues, also due to any natural disasters or health-related risks. For instance, our operations in Japan were impacted in FY12 in the aftermath of the natural calamity that struck Japan in 2011.



## REPORT ON CORPORATE GOVERNANCE

In accordance with Clause 49 of the Listing Agreement with Bombay Stock Exchange (BSE) and National Stock Exchange of India Limited (NSE), the report containing the details of practices followed by the Company on Corporate Governance are as under:

### A. Statement on Company's Philosophy on Code of Governance

Your Company believes that effective Corporate Governance is not just the framework enforced by the regulation but it is supported through the principles of transparency, unity, integrity, sprit and responsibility towards the stakeholders, shareholders, employees and customers. Good Corporate Governance requires competence and capability levels to meet the expectations in managing the business and its resources and helps to achieve goals and objectives of the organization.

Good Corporate Governance should provide proper incentives for the board and management to pursue objectives that are

in the interests of the Company and its Shareholders and should facilitate effective monitoring.

### B. Board of Directors

#### Board Composition

As on March 31, 2012, the Company has six Directors with a Non-Executive Chairman. Of the six Directors, two are Non-Executive Directors and three are Independent Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreements entered into with the Stock Exchanges.

As mandated by Clause 49, none of the Directors on the Board, are the Members of the more than ten Committees or Chairman of more than five Committee across all the public Companies in which they are Directors. Necessary disclosures regarding Committee positions in other public Companies as on March 31, 2012 have been made by the Directors.

Name of Director	Position	Directors in Public Companies*	Membership/ Chairmanship in Committee**
Mr. A. B. M. Good	Non-Executive Chairman	1	1
Mr. Peter Kerkar	Non-Executive Director	2	-
Ms. Urrshila Kerkar	Executive Director	2	-
Mr. Pesi Patel	Non- Executive & Independent Director	1	1
Mr. M. Narayanan	Non- Executive & Independent Director	5	5 (as Chairman)
Mr. S.C. Bhargava	Non- Executive & Independent Director	11	4

\* the directorship held by Directors as mentioned above, do not include alternate directorship, directorship in foreign Companies, Companies registered under section 25 of the Companies Act and private limited Companies.

\*\* In accordance with Clause 49, Membership /Chairmanship of only the Audit Committee and Shareholders/Investor's Grievance Committees in all public limited Companies has been considered.

No Director is related to any other Director on the Board in terms of definition of 'relative' given under the Companies Act 1956, except Mr. Peter Kerkar and Ms. Urrshila Kerkar who are related to each other as brother and sister.

#### Directors seeking appointment / re-appointment at the ensuing Annual General Meeting

##### Mr. A. B. M. Good

Mr. Good, 79 years, is the promoter of our Company. He is a Fellow member of the Institute of Directors and a Fellow member of Chartered Institute of Public Relations. After a short stint as management trainee with Distillers Group, a spell in journalism spent five years, first as a Public Relationship Officer and later in due course elevated to a Group marketing role with the then largest independent airline group in U.K. In this capacity, he was involved in setting up a tour operating subsidiary. After forming what later became the London Stock Exchange listed Good Relations Group Plc., he acted as a consultant to Laker and the parent Company of British Caledonian Airways for a few years reporting directly to the Chief Executive. In 1971, he was appointed on the Board of Cox & Kings Limited, U.K. and subsequently became the Chairman in 1975. He was also a Director of Grindlays Commercial Holdings Ltd during the period that Cox & Kings remained a wholly owned subsidiary of the bank wherein he was given a consultancy assignment to turn the Company into a long haul tour operator specializing in India.

He was first appointed on the Board of the Company on January 12, 1976. He was again appointed as the director on October 28, 1987 and since then he continues to be on the Board. He is currently the Chairman of our Company, its U.K. subsidiaries and Promoter Group Entity, Good Relations (India) Private Limited. Under his management and guidance we have imbibed quality standards and practices.

He is on Board of Good Relations (India) Pvt. Ltd and Tulip Star Hotels Limited.

He holds 60,39,832 shares of the Company as on March 31, 2012

## REPORT ON CORPORATE GOVERNANCE (CONTD.)

### Mr. Mahalinga Narayanan

Mr. M. Narayanan, 67 years, is a non-executive, independent director on the Board of the Company. He is a post graduate in commerce, graduate in Law, diploma in Business Management and certified Associated Membership of the Indian Institute of Bankers. He has rich experience of over four decades in Banking, Project Finance, Administration and related areas.

Narayanan started his career with Reserve Bank of India in 1964 and moved over to the Bank of Baroda in 1969 and till March, 1985. During this tenure he worked in all departments of commercial banking operation and was incharge of large branches of the Bank. In April, 1985 he joined Industrial Finance Corporation of India and had held Senior Management position. In October, 1997 he joined Tourism Finance Corporation of India Limited (TFCI) as Managing Director and rose to the position of Chairman and Managing Director which position he held till his retirement in September, 2006. He was conferred with "Udyog Rattan Award" in the year 2005 by the Institute of Economic Studies, New Delhi.

He is on Board of Pride Hotels Limited, Royale Indian Rail Tours Limited, Neesa Leisure Limited and Tulip Star Hotels Limited.

He holds nil shares of the Company as on March 31, 2012.

### Ms. Urrshila Kerkar

Ms. Urrshila Kerkar, 54 years, is the promoter of the Company. She is a graduate in art (B.A.) with distinction in Economics and Psychology from Bombay University and holds an associate degree from Pratt University, NY, USA in Graphic Design.

Prior to joining Cox and Kings in 1990, Ms. Kerkar was running her own enterprise, a graphic design and production house which won over 20 international awards for design. Ms. Kerkar initially worked with the Company in an advisory role on marketing and brochures design from 1985 and her role was extended when she joined the Company in 1999 and was made in-charge of Indian Operations.

She has been at the forefront of Company's growth playing a vital role in the development of the out bound Leisure and Domestic Leisure business and is the driving force behind the Company's IT vision. As an acknowledgement of her valuable contribution to the Company, Ms. Kerkar was invited to be on the Board as an Executive Director in the year 2004 and since then she continues to be on the Board. She has been directly involved and responsible for the day-to-day management of the Company in India and for all the marketing and design initiatives for the Group. She has been last re-appointed as a whole time director on Board in the Annual General Meeting of Company held on September 19, 2007 for a period of five years with effect from September 1, 2007.

She is on Board of Ezeego One Travel & Tours Ltd, Liz Investments Private Limited and Royale Indian Rail Tours Limited.

She holds 45,59,600 shares of the Company in her name as on March 31, 2012.

### Board Meetings, Board Committee Meetings and Procedures

The Board of Directors looks after the affairs of the Company, and are in a position of trust. The Board of Directors' key purpose is to ensure the Company's prosperity by collectively directing the Company's affairs, whilst meeting the long term interests of its shareholders and stakeholders. In addition to business and financial issues, Board of Directors also deals with challenges and issues relating to Corporate Governance, corporate social responsibility and corporate ethics. The Board also provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the Shareholders are being served. The Board of Directors is assisted by the Senior Management Personnel in overseeing the functional matters of the Company. The Internal Guidelines for Board/Board Committee meetings facilitate the decision making process at the meetings of the Board/Committees in an informed and efficient manner.

### Scheduling and selection of Agenda Items for 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.

All material information is incorporated in the Agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary item(s) on the Agenda are permitted.

The Company Secretary records the minutes of the proceedings of each Board and Committee meeting. Draft minutes are circulated to all the members of the Board/Committee for their comments. The minutes are entered in the Minutes Book within 30 days from conclusion of each meeting.

The important decisions taken at the Board/Committee meetings are communicated to the departments/divisions concerned promptly. Action taken report on the decision/minutes of the previous meeting(s) is placed at the immediately succeeding meeting of the Board/Committee for noting by the Board/Committee.

The Company Secretary while preparing the Agenda, Notes on the Agenda, Minutes, etc. of the meeting(s), is responsible for and is required to ensure adherence to all the applicable laws and regulations including the Companies Act, 1956 read with the rules issued there under and the Secretarial Standards recommended by the Institute of Company Secretaries of India.

## REPORT ON CORPORATE GOVERNANCE (CONTD.)

The Board of Directors of your Company has prescribed a Code of Conduct for all members of the Board and the Senior Management of your Company. The Code of Conduct is available on your Company's website [www.coxandkings.com](http://www.coxandkings.com)

All the members of the Board and the Senior Management personnel of your Company have affirmed their compliance with the Code of Conduct for the year ended March 31, 2012. A declaration signed by the Executive Director and Chief Financial Officer (CFO) to this effect is attached to the Annual Report.

### Board Meetings

Eight Board Meetings were held during the year. The Board of Directors of your Company met on April 27 2011, May 30 2011, July 20 2011, August 12 2011, September 29 2011, November 14 2011, January 13, 2012 and February 14 2012. The last Annual General Meeting of the Company was held on September 29, 2011.

Director	No. of Board Meetings Held	No. of Board Meetings Attended	Whether Last AGM Attended (Yes/No)
Mr. A. B. M. Good	8	5	Yes
Mr. Peter Kerkar	8	5	Yes
Ms. Urrshila Kerkar	8	5	Yes
Mr. Pesi Patel	8	6	Yes
Mr. M. Narayanan	8	6	Yes
Mr. S.C. Bhargava	8	7	Yes

Note: Video /teleconferencing facilities are also used to facilitate Directors travelling abroad or at other locations to participate in the meetings.

### Board Committees

In compliance with both the mandatory and non-mandatory requirements under the Listing Agreement, and the applicable laws, the Board of Directors of your Company has constituted the following Committees:

- Audit Committee
- Shareholders' /Investors' Grievance Committee
- Remuneration /Compensation Committee

#### (i) Audit Committee

The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreement and Section 292A of the Companies Act 1956. The Audit Committee has been granted powers as prescribed under clause 49 II (C) of the Listing Agreement. Generally, all the items listed in Clause 49 II (D) are covered in the terms of reference and inter-alia includes:

- Overseeing of the Company's financial reporting process and the disclosure of its financial information

to ensure that the financial statements are correct, sufficient and credible.

- Recommending to the Board, the appointment, reappointment and if required, the replacement or removal of Statutory Auditors and fixation of audit fees.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Reviewing with the management, the annual financial statements before submission to the Board for approval, with special emphasis on accounting policies and practices, compliance and other legal requirements concerning financial statements.
- Review the adequacy of internal audit function, significant internal audit findings and follow-ups thereon
- Review of Management Discussion and Analysis
- Review Material Individual Transactions with related parties not in normal course of business or which are nor on a arms length basis
- Review financial statements and investment of unlisted subsidiaries Companies.
- Review of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc).

The Audit Committee invites such of the executives, as it considers appropriate (more particularly the head of the finance functions), representatives of the Statutory Auditors and Internal Auditors to be present at its meeting. The Company Secretary acts as the Secretary to the Audit Committee.

A summary statement of transactions with related parties was placed periodically before the Audit Committee during the year. Suitable disclosures have been made in the financial statements.

The composition of the Audit Committee and the details of meeting attended by its members are give below:

Sr. No.	Name	Category	No. of Meetings Held	No. of Meetings Attended
1	Mr. M. Narayanan (Chairman)	Independent, Non Executive	4	4
2	Mr. Pesi Patel	Independent, Non Executive	4	4
3	Mr. S. C Bhargava	Independent, Non Executive	4	3
4	Mr. A. B. M. Good	Non Independent, Non Executive	4	4

The Audit Committee of the Company met 4 times during the year 2011-12: May 30, 2011, August 12, 2011, November 14, 2011 and February 14, 2012.

## REPORT ON CORPORATE GOVERNANCE (CONTD.)

### (ii) Shareholders/ Investors' Grievance Committee

The objective of the Shareholders'/ Investors' Grievance Committee of the Company is to attend and redress Shareholders'/ Investors' grievances relating to transfer of shares, Non-receipt of declared dividends, Non-receipt of Annual Reports, all such complaints directly concerning the Shareholders'/ Investors as stakeholders of the Company. The Committee oversees the performance of the Registrar and Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services. The Committee also monitors implementation and compliance of the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992. The Board has delegated the power of approving transfer of securities to the Committee.

The status report on the number of Shareholder complaints/request received and replied by the Company during the year under review and break up is as under:

Sr. No.	Type of Complaints	No. of Complaints
1	Status of Application lodged in Public issue	1
2.	Non- receipt of Electronic credit	2
3.	Non- receipt of Dividend warrant	8
4.	Receipt of Indemnity Bond for issue of duplicate refund orders	2
5.	Receipt of dividend warrant for revalidation	10
6	Others	22
	<b>Total</b>	<b>45</b>

There were no outstanding complaints as on 31<sup>st</sup> March 2012. The composition of the Shareholders and Investors Grievance Committee and the details of meeting attended by its members are give below:

Sr. No.	Name of Director	Executive/ Non Executive	No. of Meeting held	No. of meeting attended
1	Mr. Pesi Patel ( Chairman)	Independent, Non Executive	1	1
2	Mr. M. Narayanan	Independent, Non Executive	1	1
3	Mr. S. C Bhargava	Independent, Non Executive	1	1
4	Mr. A. B. M. Good	Non Independent, Non Executive	1	1

The Shareholders'/ Investors' Grievance Committee met 1 time during the year 2011-12 on 14<sup>th</sup> February 2012.

### (iii) Remuneration /Compensation Committee

The Company has Remuneration/ Compensation Committee of Directors. The broad terms of reference of the Remuneration/ Compensation Committee are as under:

- To approve the annual remuneration plan of the Company.
- To approve the remuneration and commission/ incentive payable to the Executive Director for each financial year.
- To approve the remuneration and annual performance bonus payable to the Chief Financial Officer of the Company for each financial year.
- Such other matters as the Board may from time to time request the Remuneration/ Compensation Committee to examine and recommend/ approve.

#### Remuneration Policy

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component). Annual increments are decided by the Remuneration Committee within the salary scale approved by the members and are effective April 1, each year.

#### Remuneration to Non-Executive Directors

Non-Executive Directors of the Company play a crucial role in the independent functioning of the Board. They bring in an external perspective to decision-making, and provide leadership and strategic guidance while maintaining objective judgments. They also oversee corporate governance framework of the Company.

**Sitting fee:** Non-Executive Directors are paid sitting fee of Rs. 20,000/- for attending each meeting of the Board and Rs. 10,000/- per Audit Committee Meeting.

**Commission:** Two Independent Directors are paid commission amounting to Rs. 7,00,000/- on an annual basis and the total commission payable to such Directors does not exceed 1% of the net profits of the Company.

**Sitting Fees and Commission paid to Directors during the year 2011-12 are as detailed below:**

(Amounts in Rs.)

Name	Sitting Fee (Board Meeting)	Sitting Fee ( Audit Committee)	Commission	Total
Mr. Pesi Patel	120,000	40,000	-	160,000
Mr. M. Narayanan	120,000	40,000	700,000	860,000
Mr. S. C. Bhargava	140,000	30,000	700,000	870,000
Mr. A. B. M. Good	100,000	40,000	-	140,000
Mr. Peter Kerkar	100,000	-	-	100,000

None of the Directors are entitled to any benefit upon termination of their association with our Company.

## REPORT ON CORPORATE GOVERNANCE (CONTD.)

### Remuneration to Executive Director

Remuneration Committee at its Meeting held on 12th August, 2011 and Members at the Seventy First Annual General Meeting held on 29th September, 2011 approved revision in the remuneration paid to Ms. Urrshila Kerkar, Whole-time Director of the Company with effect from 01st April, 2011.

The details of remuneration paid to the Executive Director during the year ended March 31, 2012:

Particulars	Amount
Salary (HRA, bonus, business meeting expenses)	Rs. 14,250,000
Perquisites (Car, holidays)	Rs. 1,072,000
Retiral Benefits( Provident funds, gratuity)	Rs. 907,615
<b>Total</b>	<b>Rs. 16,229,615</b>

The Company has no stock plans for the Directors. During the year under review, none of the Directors were paid any performance-linked incentive.

Further, there are no pecuniary relations or transactions between the Independent Directors and Company, except for the sitting fees and commission drawn by Non-Executive and Independent Directors for attending meeting of the Board and its Committee(s) thereof.

The details of number of shares held by the Non Executive Directors in the Company are as under:

Name of Director	Category	No. of shares held
Mr. A. B. M. Good	Non Executive Chairman	60,39,832
Mr. Peter Kerkar	Non Executive Director	27,44,672
Mr. Pesi Patel	Independent Director	1,68,904

Apart from the above, none of the Non-Executive (including Independent) Directors hold any shares (as own or on behalf of other person on beneficial basis) in the Company.

The composition of the Remuneration/ Compensation Committee and the details of the meetings attended by its members are given below:

Sr. No.	Name of Director	Executive/ Non Executive	Meetings Held	Meetings Attended
1	Mr. Pesi Patel (Chairman)	Independent, Non Executive	1	1
2	Mr. M. Narayanan	Independent, Non Executive	1	1
3	Mr. S. C. Bhargava	Independent, Non Executive	1	1
4	Mr. A. B. M. Good	Non Executive	1	1
5.	Mr. Peter Kerkar	Non Executive	1	1

One Meeting of the Remuneration/ Compensation Committee was held during the year on August 12, 2011.

### Code of Business Conduct & Ethics for Directors / Management Personnel:

The Code of Conduct for the Directors and Management Personnel as adopted by the Board of Directors of the Company is a comprehensive Code applicable to all the Directors and Management Personnel. A copy of the Code has been put on the Company's website. The Code has been circulated to all the Directors and Management Personnel and compliance of the same is affirmed by them annually.

### Subsidiary Monitoring Framework

All Subsidiaries of the Company are managed with their Boards having the rights and obligations to manage such Companies in the best interest of their stakeholders. The Company monitors performance of Subsidiary Companies, inter alia, by the following means:

- Financial statements, in particular the investments made by the unlisted Subsidiary Companies, are reviewed quarterly by the Audit Committee of the Company.
- All minutes of Board meetings of the unlisted Subsidiary Companies are placed before the Company's Board regularly.
- A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary Companies is placed before the Company's Board. The Company does not have any material unlisted Indian subsidiary and hence, is not required to nominate an Independent Director of the Company on the Board of such Subsidiary Company.

### General Shareholders Information:

#### General Body Meeting

72<sup>nd</sup> Annual General Meeting

Day/Date : 28<sup>th</sup> September, 2012

Time : 10.30 am

Venue : Y. B. Chavan Auditorium,  
Gen. J. Bhosale Marg, Opp. Mantralaya,  
Nariman Point, Mumbai - 400 021

## REPORT ON CORPORATE GOVERNANCE (CONTD.)

### Annual General Meetings and other General Body meeting of the last 3 years

The details of general meeting held during the last 3 years and the special resolutions passed thereat are given below:

Year	Date	Venue & Time	Summary of Resolution Passed
2010-2011	AGM held on September 29, 2011	Y. B. Chavan Auditorium, Gen. J. Bhosale Marg, Opp. Mantralaya, Nariman Point, Mumbai - 400 021 at 10.30 a.m.	Special Business: Revision in remuneration of Whole Time Director
2009-2010	AGM held on September 18, 2010	Indian Merchant Chambers, IMC Bldg., IMC Marg, Churchgate, Mumbai - 400 020 at 11.00 am	Special Resolution: Payment of Commission to Non- Executive Directors
2008-2009	AGM held on 10 <sup>th</sup> August, 2009	1 <sup>st</sup> Floor, Turner Morrison Building, 16, Bank Street, Fort, Mumbai - 400 001 at 10.00 a.m.	Special Resolution: Further issue of shares pursuant to section 81 (1A) of the Companies Act, 1956

### Details of Resolutions passed through Postal Ballot

Pursuant to section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001, during the financial year 2011-12, the Company had conducted a postal ballot process vide notice dated April 27, 2011, for obtaining approval of shareholders on the following special resolutions, the results of which were declared on June 07, 2011. The Postal Ballot forms received were kept in boxes sealed by the Scrutinizers. The declared results of the Postal Ballot were announced through newspaper. The details of special resolutions passed and voting pattern are noted below:

Particulars of the Resolutions Passed:

Reso- lution No.	Resolutions Passed	Whether Ordinary/ Special	Votes cast in Favour	Votes cast in Against	No. of Invalid Votes
1.	Sub- division of Equity shares	Ordinary	502,241,930	10,210	22,420
2.	Amendment of Memorandum of Association of the Company	Ordinary	502,241,230	10,210	23,120
3.	Amendment of Articles of Association of the Company	Special	502,241,430	10,010	23,120
4.	Amendment in the Object Clause of Memorandum of Association	Special	502,240,830	10,610	23,120
5.	Raising of Resources through Issue of securities	Special	460,684,590	41,566,850	23,120
6.	Authority to the Board Under Section 293(1)(d) of the Companies Act, 1956 to borrow in excess of the present limit:	Ordinary	468,558,860	33,692,580	23,120
7.	Authority to the Board Under Section 293(1)(a) of the Companies Act, 1956 for creation of charge/ mortgages	Ordinary	468,562,320	33,688,930	23,310
8.	Amendment of Articles of Association of the Company	Special	502,241,240	10,200	23,120

The procedure adopted for the Postal Ballot was as follows:

1. A Postal Ballot Notice was sent to all the Shareholders along with Postal Ballot Form and the Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 seeking their assent / dissent to the proposed Resolutions.
2. The Board of Directors appointed Ms. Savita Jyoti, Company Secretary in Practice, as the Scrutinizer for conducting the Postal Ballot exercise.
3. Upon the receipt of the duly filled in Postal Ballot Forms and completion of the scrutiny thereof, the Scrutinizer submitted his report to the Chairman.
4. The results of Postal Ballot was announced on 07<sup>th</sup> June, 2011. The above Resolutions were declared by the Chairman as passed by the requisite majority.

## REPORT ON CORPORATE GOVERNANCE (CONTD.)

### Dates of Book closure

The Register of Members and Share Transfer Books will remain closed from 20<sup>th</sup> September, 2012 to 28<sup>th</sup> September 2012 (both days inclusive) to determine the entitlement of shareholders to receive the final Dividend as may be declared for the year ended March 31, 2012.

### Dividend Payment Date

The Board of Directors has recommended 20% (Twenty per cent) dividend for the financial year 2011-12. The dividend, if approved by shareholders at the ensuing Annual General Meeting shall be paid to those members whose names appears on the Company's register of members as at closing hours on 19<sup>th</sup> September, 2012. Credit /dispatch of dividend warrants will happen on or before 10<sup>th</sup> October 2012.

### Financial Calendar (tentative):

The tentative calendar for declaration of results for the financial year 2012-2013 is as under:

For Quarter ending- June 30, 2012	Before August 14, 2012
For Quarter ending- September 30, 2012	Before November 14, 2012
For Quarter ending- December 31, 2012	Before February 14, 2013
For Quarter ending- March 31, 2013	Before May 30, 2013

### Listing on Stock Exchanges:

As on 31<sup>st</sup> March 2012, the securities of the Company are listed on the following exchanges:

	Scrip Code	ISIN
Bombay Stock Exchange	533144	INE008101018
National Stock Exchange	COX&KINGS	INE008101018
Luxembourg Stock Exchange	CoxKings GDR ne	US2238991051

Listing fee for the year 2012-13 has been paid to all the Stock Exchanges (both domestic and international) where the Company's securities are listed.

### Equity Shares and Global Depository Receipts (GDR)

#### Registrar and Transfer Agents

#### Karvy Computershare Private Limited,

Plot no: 17-24, Vittal Rao Nagar, Madhapur,

Hyderabad: 500 081. Andhra Pradesh, India

Tel: 91 40 23420815 Fax: 91 40 23420814

Email id: einward.ris@karvy.com

Contact person: Mr. S. V. Raju

#### Overseas Depository (GDR)

Citibank N.A.

Depository Receipt Services

388 Greenwich St.

New York NY 10013

#### Domestic Custodian (GDR)

Citibank N.A. (Mumbai)

81 Dr. Annie Besant Rd.

Worli, Mumbai, India 400 018

India

## REPORT ON CORPORATE GOVERNANCE (CONTD.)

### For Debt Securities:

#### Debenture Trustees:

##### Axis Trustee Services Limited

Axis House, 2nd Floor,  
Bombay Dyeing Mills Compound,  
Pandurang Budhkar Marg,  
Worli, Mumbai- 400 025

##### AllBank Finance Ltd

Allahabad Bank Bldg, 2<sup>nd</sup> Floor,  
37, Mumbai Samachar Marg,  
Fort, Mumbai- 400 023

### Means of Communication with Shareholders/Analysts

Your Company has established procedures to disseminate, in a planned manner, relevant information to shareholders, analysts, employees and the society at large. Quarterly, half-yearly and annual financial results are published in leading dailies. Audit Committee of the Company reviews the earnings press releases, annual and quarterly reports of the Company, before they are presented to the Board of Directors for their approval for release.

**News Releases, Presentations, etc.:** All the news releases and presentations made at investor conferences and to analysts are posted on the Company's website at [www.coxandkings.com](http://www.coxandkings.com).

**Quarterly results:** Quarterly results are published in widely circulated national newspapers. The results are also displayed on the Company's website [www.coxandkings.com](http://www.coxandkings.com)

**Website:** The Company's website [www.coxandkings.com](http://www.coxandkings.com) contains a separate dedicated section "investor relations" where shareholders information is available. The Annual Report of the Company, earnings press releases and quarterly reports of the Company etc. are also available on the website in a user-friendly and downloadable form.

**Annual Report:** Annual Report containing, inter alia, Audited Annual Accounts, consolidated financial statements together with Directors' Report, Auditors' Report and other important information are circulated to members and others entitled thereto. The Management Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website [www.coxandkings.com](http://www.coxandkings.com).

As a continuing endeavor toward the "Go Green" initiative, the Company has sent annual report and intimation of dividend declared to those shareholders whose e-mail addresses were made available to the Depositors or the Registrar and Transfer Agent. Shareholders are requested to support the Green Initiative by registering /updating their email addresses for receiving the electronic communication.

**Designated exclusive email-id:** The Company has designated the following email-ids exclusively for investor servicing:

- for queries on Annual Report: [investors@coxandkings.com](mailto:investors@coxandkings.com)
- for institutional investors / analysts queries: [communication.corp@coxandkings.com](mailto:communication.corp@coxandkings.com)

### Unclaimed Dividend

Section 205A of the Companies Act, 1956, mandates the Company to transfer dividend that has been unclaimed for a period of 7 years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). Accordingly, the dividend for the years mentioned below, if unclaimed within a period of 7 years will be transferred to IEPF.

Financial Year	Type of Dividend	Dividend per share	Date of Declaration	Due date for transfer
2010-11	Final	Rs. 0.5 per share (on the face value of Rs. 5/- per share)	29 <sup>th</sup> September, 2011	28 <sup>th</sup> September, 2018
2009-10	Final	Re. 1/- per share (on the face value of Rs. 10/- per share)	18 <sup>th</sup> September, 2010	17 <sup>th</sup> September, 2017

### Equity Shares Suspense Account

As per Clause 5A of the Listing Agreement, the Company reports the following details in respect of equity shares lying in the suspense account as on March 31, 2012:



## REPORT ON CORPORATE GOVERNANCE (CONTD.)

Particulars	No. of Share Holders	No. of Equity Shares
Aggregate Number of Shareholders and the outstanding shares in the suspense account lying as on April 1, 2011	16	1880
Number of Shareholders who approached the Company for transfer of shares from suspense account during the year	1	200
Number of Shareholders to whom shares were transferred from the suspense account during the year	1	200
Aggregate Number of Shareholders and the outstanding shares in the suspense account lying as on March 31, 2012	15	1680

### Dematerialization of Shares:

99.7% of the Company's paid up capital has been dematerialized up to March 31, 2012. Trading of equity shares of the Company is permitted only in dematerialised form.

Sr. No	Category	No. of Holders	Total Shares	% To Equity
1	PHYSICAL	5	410,894	0.30%
2	N S D L	17,345	133,934,266	98.10%
3	C D S L	7159	2,182,730	1.60%
	<b>Total</b>	<b>24,509</b>	<b>136,527,890</b>	<b>100.00%</b>

### Other Information

#### Related Party Disclosure

Details of related party transactions entered into by the Company are included in the Notes to Accounts. There are no materially significant related party transactions of the Company, which have potential conflict with the interests of the Company at large.

The Company's major related party transactions are generally with its subsidiaries and associates. The related party transactions are entered into based on the considerations of various business exigencies such as synergy in operations, sectoral specialization and the Company's long term strategy. All the related party transactions are negotiated on arms length basis and are intended to further the interest of the Company.

#### Details of Capital market non-compliance, if any

There has been no non-compliance by the Company of any legal requirements; nor has there been any penalty, stricture imposed on the Company by any Stock Exchange, SEBI or any statutory authority on any matter related to the capital markets during the year under review.

#### Auditors' Certificate on Corporate Governance

The Company has obtained the certificate from its statutory auditors regarding compliance with the provisions relating to Corporate Governance laid down in Clause 49 of the listing agreement. This report is annexed to the Directors' Report and will be sent to the stock exchanges along with the annual report to be filed by the Company.

#### Risk Management Policy

The Company has a comprehensive risk management policy and the same is periodically reviewed by the Audit Committee & Board of Directors of the Company. Pursuant to RBI Master Circular No.10/2012-13 dated July 2, 2012 the Company had obtained a certificate from the Statutory Auditors certifying that the Company has compliant with KYC/ AML/ CFT guidelines issued by the RBI from time to time.

#### Non Mandatory Requirement

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement in respect of Corporate Governance. The Company does not have a Whistle Blower Policy, which is a non-mandatory requirement under Clause 49 of the Listing Agreement.

Though there is no formal Whistle Blower Policy, the Company takes cognizance of complaints made and suggestions given by the employees and others. Even anonymous complaints are looked into and whenever necessary, suitable corrective steps are taken. No employee of the Company has been denied access to the Audit Committee of the Board of Directors of the Company. Company also has duly constituted a Remuneration Committee.

## REPORT ON CORPORATE GOVERNANCE (CONTD.)

### Outstanding GDRs

The Global Depository Receipts (GDRs) issued in August, 2010 are listed on the Luxembourg Stock Exchange since then. Outstanding GDRs as on March 31, 2012 represent 23,54,251 equity shares constituting 1.72% of the paid-up Equity Share Capital of the Company. Each GDR represents 1 underlying equity shares in the Company. GDR is not a specific time-bound instrument and can be surrendered any time and converted into the underlying equity shares in the Company. The shares so released in favor of the investors upon surrender of GDRs can either be held by the investors concerned in their name or sold off in the Indian secondary markets for cash. To the extent of the shares so sold in Indian markets, GDRs can be reissued under the available headroom.

### Stock Market Price Data from 01<sup>st</sup> April 2011 - 31<sup>st</sup> March 2012

Month	BSE		NSE	
	High Price	Low Price	High Price	Low Price
April 11*	227.85	196.8	229.7	200.7
May 11*	213.5	183.5	213.7	184.5
June 11*	217.5	180.1	217.5	179.55
July 11	221.5	183.55	221.3	183.15
August 11	248.5	184.35	248.5	183.55
September 11	234.75	192.1	234.45	192.00
October 11	221.9	200.25	222	202.1
November 11	231.8	178.05	231.8	177.1
December 11	201.9	152.65	202.35	152.6
January 12	207.1	154.05	207.3	154.3
February 12	201.5	168.5	201	169.75
March 12	195.95	155.5	195.9	155.6

\* share price has been adjusted pursuant to the split of face value from Rs. 10/- each to Rs. 5/- each in the month of June 2011.

### Shareholding Pattern as on March 31, 2012

Shareholders	No. of Shares	%
Promoter and Promoter Group Holding	80,081,760	58.66%
Foreign Institutional Investor	23,769,646	17.41%
Mutual Funds	10,706,772	7.84%
Bodies Corporate	5,429,231	3.98%
Resident Individuals	10,962,029	8.03%
Foreign Corporate Bodies	857,296	0.63%
Others	4,721,156	3.45%
<b>Total</b>	<b>136,527,890</b>	<b>100.00%</b>

### Distribution Schedule as on March 31, 2012

Category (Amount)	No. of Cases	% of Cases	Total Shares	Amount	% of Amount
1- 5000	23550	96.09%	3,413,627	17,068,135	2.50%
5001- 10000	361	1.47%	545,470	2,727,350	0.40%
10001- 20000	190	0.78%	553,615	2,768,075	0.41%
20001- 30000	97	0.40%	487,701	2,438,505	0.36%
30001- 40000	38	0.16%	266,936	1,334,680	0.20%
40001- 50000	30	0.12%	274,992	1,374,960	0.20%
50001- 100000	76	0.31%	1,069,440	5,347,200	0.78%
100001 & Above	167	0.68%	129,916,109	649,580,545	95.16%
<b>Total</b>	<b>24509</b>	<b>100%</b>	<b>136,527,890</b>	<b>682,639,450</b>	<b>100%</b>



## REPORT ON CORPORATE GOVERNANCE (CONTD.)

### DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

I, Urrshila Kerkar, Whole Time Director of Cox & Kings Limited, hereby declares that all the Members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company, applicable to them as laid down by the Board of Directors in terms of Clause 49(1)(D) (ii) of the Listing Agreement entered into with the Stock Exchanges, for the year ended March 31, 2012.

**For Cox & Kings Limited**

**Urrshila Kerkar**  
**Whole Time Director**

Mumbai, 13<sup>th</sup> August, 2012

### CERTIFICATE OF WHOLE TIME DIRECTOR/(CFO)

**This is to certify that:**

- (a) We have reviewed financial statements and the cash flow statement for the year 2011-12 and that to be the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements 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 and, 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 and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
  - i. Significant changes in internal control over financial reporting during the year;
  - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For Cox & Kings Ltd**

**Urrshila Kerkar**  
**Whole Time Director**

**Anil Khandelwal**  
**Chief Financial Officer**

Mumbai, 13<sup>th</sup> August, 2012

## AUDITORS' CERTIFICATE

To,  
**The Members of  
COX & KINGS LIMITED**

We have examined the compliance of conditions of Corporate Governance by COX & KINGS LIMITED ("the Company"), for the year ended on 31<sup>st</sup> March 2012, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said Clause. 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 explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the abovementioned 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 Chaturvedi & Shah  
(Firm Registration No. 101720W)  
Chartered Accountants**

**Amit Chaturvedi  
(Partner)  
Membership No: 103141**

Place: Mumbai

Date: 13<sup>th</sup> August, 2012

## SECRETARIAL AUDIT CERTIFICATE

**To,  
The Board of Directors,  
COX & KINGS LIMITED**

Secretarial Compliance Report for the year ended 31<sup>st</sup> March, 2012

I have examined the registers, records, books and papers of COX & KINGS LIMITED as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial year ended on 31<sup>st</sup> March, 2012 (Financial Year). In our opinion and to the best of our information and according to the examinations carried out by me and explanations furnished to me by the Company, We are in opinion that in respect of the aforesaid financial year.

1. The Company is a listed public Company.
2. All the requisite registers and other records required under the Act and the Rules made there under have been filed with the Registrar and other authorities as per the requirements.
3. All the requisite returns and documents required under the Act and the Rules made there under have been filed with the Registrar and other authorities as per the requirements.
4. All the requirements relating to the meetings of directors and shareholders as well as relating to the minutes of the proceedings there-at has been complied with.
5. All the appointments of directors of the Company have been made in accordance with the requirements.
6. Due disclosures under the requirements have been made by the Company. It has also complied with the requirements in pursuance of the disclosures made by its directors.
7. The requirements relating to declaration and payment of dividend and to the transfer of unpaid dividend have been complied with.
8. The money borrowed by the Company from financial institutions and banks have been in accordance with the requirements.
9. Loans and investments have been made by the Company in accordance with the requirements.
10. The Company has filed all its documents with the stock exchanges as per the Listing Agreement.

Place: Mumbai  
Date: 13<sup>th</sup> August, 2012

**Virendra Bhatt**  
**Company Secretary**  
**ACS – 1157 /CP**

## CORPORATE SOCIAL RESPONSIBILITY (“CSR”) REPORT

Cox & Kings remains committed to making a positive impact on the society by investing financial and human capital in the issues that matter to society at large. In particular, we’ve focused our efforts on:

- Improving health and education in communities, so that future generations have opportunities for professional and personal growth
- Providing a safe workplace while promoting professional development
- Maintaining high standards of business conduct

Keeping with the commitment towards contribution to the society, your Company and its employees continue to support and have partnered with the NGOs to make a positive impact to the society at large. Our Employees are the backbone of these initiatives and volunteer their time and contribute their skills, to implement them.

Our Community initiative focuses on key areas of Children & Women Welfare, Environment & Society at large.

### CHILDREN

C&K works closely with Make-a-wish foundation of India (MAKWF), an NGO that is dedicated towards granting wishes of children with life threatening medical conditions. C&K has made a commitment to sponsor wishes of children suffering from life threatening diseases every month. C&K is the Official Travel partner of MAWF, and sponsors the “Travel Wishes” of the children within India. C&K arranges for the travel & boarding of the “Wish Child” and the family members travelling with them. On World Wish Day, 29th April 2011, C&K commemorated the day by granting wishes across six cities in India, namely Mumbai, Delhi, Pune, Panjim, Jaipur and Bangalore. Employees across all C&K Centres participated by being an ANGEL, and granting the wishes and made it a celebration worth cherishing.

C&K sponsored pair of sports shoes for underprivileged children who participated in the 3rd South Mumbai Junior Championship 2011, organized by “Saran Presents”.

C&K works closely with Cankids-Kidscan, a unit of the Indian Cancer Society, which is a family support group for children with suffering from cancer and their families. C&K organized events at several of its branch location to celebrate International Childhood Cancer day for children aged between 5 & 10 years along with their parents, guardians and siblings. Events included film screenings, cultural programmes, and drawing competitions and distribution of snacks, goodie bags.

C&K supports Magic Bus Foundation, which works with children living in some of the most marginalised circumstances in the world. The Foundation develops local community mentors who take children and youth living in poverty on the journey from childhood to livelihood by using sports and activity based learning.

C&K supports the Ankur-Asmita Project of Committed Communities Development Trust (CCDT), a voluntary trust that works extensively with families infected/affected by or at risk of

HIV/AIDS. CCDT has focused its energies in addressing the needs of vulnerable children living in the red light areas. ASHRAY and ANKUR ASMITA, are temporary Crisis Intervention Centers (CIC) set up by CCDT in 1995 and 2000 for orphaned and vulnerable children and accordingly, respond to the special needs of these children.

PGL bursary, which has been established by our EDUCATION Division, subsidises the cost of participation by pupils whose parents cannot afford the full price of a PGL trip.

Our leisure travel Division Djoser continues to support Unicef by doubling any €3 voluntary donation made by customers at the time of booking.

### WOMEN

C&K works closely with Om Creations Trust, an NGO that works with developmentally challenged women in the age group of 20 to 53 years. The organization is run on the conviction that with professional training and support, women born with Down’s syndrome and other mental disabilities can imbibe professional skill sets and become productive contributors. Cox & Kings participated in the ‘Standard Chartered Mumbai Marathon 2012’ raising funds for “Om Creations Trust”. C&K also organised awareness days at C&K Centers inviting Om Creations to exhibit & sell their handiworks namely gifting bags, trays, soaps, chocolates, travelling kits, handicrafts etc.

### ENVIRONMENT

C&K follows an environmental policy in order to minimise the risks arising from the social and environmental impact of their activities.

- We have dedicated eco teams or staff forums that promote environmental awareness initiatives to help reduce energy consumption in the office.
- Specific initiatives include reducing energy usage, reducing general office waste, improving recycling capabilities and reducing paper usage. The eco teams consult with staff through staff forums, intranets, posters and emails.
- Our leisure Travel Division, and our Camping Division are members of the **Association of Independent Tour Operators (AITO)**. In recognition of their responsible tourism efforts, they have received AITO’s five star responsible tourism classification, the highest rating achievable.
- In 2011, our Education Division, PGL was awarded the **Carbon Saver Gold Standard** after its progress in measuring, managing and reducing carbon emissions across the UK business, excluding new properties added to the portfolio. PGL has implemented a range of projects to reduce energy consumption including the installation of solar thermal panels, boilers and insulation at selected outdoor education centres.
- For several years, in conjunction with **Climate Care**, our Leisure Travel Division, Explore offsets carbon emissions for all Explore staff flights. In addition, all Explore’s customer

## CORPORATE SOCIAL RESPONSIBILITY ('CSR') REPORT (CONTD.)

bookings include a compulsory carbon offset on all passenger flights by including in the tour cost a sum to be paid to projects to reduce global CO2 emissions. Projects supported include carbon capture through forestry schemes in Uganda and renewable energy projects in China.

- Our Camping Division offers a similar carbon offset scheme to Explore through **Cool Earth**, to support rainforest projects in Peru, Brazil and Ecuador, and through **Climate Care**. Our Camping Division is one of the only travel organisations to achieve accreditation with the Forest Stewardship Council (FSC). FSC is an independent non-governmental, not-for-profit organisation established to promote the responsible management of the world's forests. The division prints all its brochures and printed material on FSC paper from sustainable forests.
- Our Camping Division works with its mobile-home suppliers to ensure that the accommodation is built from more than 96% recyclable or reusable materials and that the energy consumption remains low and energy efficient.
- Travel Operators for Tigers (TOFT) works together with suppliers in India's wildlife reserves to ensure that the environmental and business practice of all proactively supports conservation and motivates the local community to protect the tigers. They have drawn up a code of conduct, which aims to put pressure on ground handlers, lodges and camps to act responsibly with regard to tiger conservation. C&K is a part of this initiative.
- C&K supports the work done by Cool Earth Action Ltd towards protecting rainforests.

### SOCIETY AT LARGE

**C&K has a long-standing relationship with Cancer Patients & Association (CPAA), which works for the welfare of cancer patients in India.** CPAA undertakes activities that include early detection, insurance, rehabilitation and awareness and also organize events in order to raise funds for cancer treatment, awareness & education about cancer & entertainment & relaxation for the patients. C&K adopts a few cancer patients yearly for their treatment expenses.

**C&K supports the initiatives by Adore Charities in their efforts towards** assisting the underprivileged by, encouraging the arts, education, environmental awareness or any other worthy cause. C&K sponsored the Adore Mela that brought together over 20 NGOs (mostly rural) at an exhibition-cum-sale held in October 2011 in Mumbai.

CanSupport is an NGO that works in collaboration with the Institute Rotary Cancer Hospital at AIIMS. The organization has brought palliative care to the doorstep of thousands of people struggling with advanced cancer in Delhi and the NCR. C&K sponsored a cultural programme with the aim of raising funds for CanSupport projects in India.

C&K supports promotion of Asian Music in the UK by sponsoring Asian Music Circuit's concerts & programmes.

October 2011 was a special time for C&K when its employees opened their hearts and purse strings to donate clothes, shoes, toys, mats, bedsheets, study material, utensils, toiletries, books etc. to various NGOs working in the underprivileged children's and women. A Medical (homeopathic) camp was also organised in association with Harmada Police in "Bhura kachi basti" & a Blood donation camp in association with **Samarpan Sanstha** (NGO).

# Financial Statements & Notes



## AUDITORS' REPORT

To,  
The Members of  
**COX & KINGS LIMITED**

We have audited the attached Balance Sheet of **COX & KINGS LIMITED** as at March 31, 2012, Statement of Profit and Loss and also the Cash Flow Statement for the year ended on that date. 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.

1. 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order .
3. Further to our comments in the Annexure referred to 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, Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

- d) In our opinion, the Balance Sheet, Statement of Profit and Loss and the Cash Flow statement dealt with by this report comply with the mandatory Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- e) On the basis of written representations received from the Directors as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and present 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 March 31, 2012;
  - (ii) in the case of Statement of Profit and Loss, 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 Chaturvedi & Shah**  
**Firm Registration No. 101720W**  
**Chartered Accountants**

**Amit Chaturvedi**  
**Partner**  
**Membership No.:103141**

Place: Mumbai  
Date: August 13, 2012

## ANNEXURE REFERRED TO IN PARAGRAPH 2 OF OUR REPORT OF EVEN DATE

Re: Cox & Kings Limited (“the Company”)

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c) In our opinion, the Company has not disposed off substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of its inventories:
  - a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) The Company has maintained proper records of inventory. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. In respect of loans, secured or unsecured, granted or taken by the Company to/from Companies, firms or parties covered in the register maintained under section 301 of the Companies Act, 1956: -
  - a) The Company has granted unsecured loan to eight wholly owned subsidiaries and two other parties covered in the register maintained under section 301 of the Companies Act, 1956. In respect of the said loan, the maximum amount outstanding at any time during the year is Rs. 128,134 Lacs and the year end balance is Rs. 120,521 Lacs.
  - b) According to the information and explanations given to us, the rate of interest (where stipulated) and other terms and conditions of such loans are prima facie not prejudicial to the interest of the Company.
  - c) In respect of loan to one party, the principal amount has not become due. In respect of loan to other parties, the principal amounts are repayable on demand and there is no repayment schedule. The interest is payable on demand.
  - d) In respect of the said loans and interest thereon, the same are repayable on demand or as the case may be, have not become due, therefore the question of overdue amount does not arise.
- e) The Company has not taken any loan, secured or unsecured from Companies, firms and other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Therefore, the requirement of Clauses (iii) (f) and (iii) (g) of paragraph 4 of the said Order are not applicable.
4. 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 inventory and fixed assets and also for the sale of services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
5. In respect of contracts or arrangements referred to in section 301 of the Companies Act, 1956.
  - a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act 1956 have been so entered.
  - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in Register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs. 500,000 in respect of each party during the year have been made at prices which appear reasonable as per information available with the Company except certain transactions which are off specialized or unique nature for which no comparable quotes are available.
6. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. To the best of our knowledge and according to the information and explanation provided to us, the Central Government has not prescribed the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 for the services rendered by the Company.
9. In respect of statutory dues:
  - a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and any other statutory dues, have been generally regularly deposited with the appropriate authorities except for few cases. According to the information and explanations given to us, no undisputed amounts payable in respect of the

## ANNEXURE REFERRED TO IN PARAGRAPH 2 OF OUR REPORT OF EVEN DATE (Contd.)

aforesaid dues were outstanding as at 31st March, 2012 for a period of more than six months.

- b) The disputed statutory dues aggregating to Rs. 13,661 Lacs that have not been deposited on account of disputed matters pending before appropriate authorities are as under : -

Name of the Statute	Nature of Dues	Financial Year	Rs. in Lacs	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax/ Penalties	2004-05	48	Income Tax Appellate Tribunal
		2006-07	212	Commissioner Income Tax (Appeal)
		2007-08	330	Commissioner Income Tax (Appeal)
		2008-09	164	Commissioner Income Tax (Appeal)
Finance Act, 1994	Service Tax	2005-10	9,541	Central Excise & Service Tax
		2010-11	3,366	Appellate Tribunal
	<b>TOTAL</b>		<b>13,661</b>	

10. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
12. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted on the basis of security by way of pledge of shares, debentures and other securities
13. In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order 2003, (as amended) are not applicable to the Company.
14. The Company has maintained proper records of transactions and contracts in respect of dealing and trading in other

investments and timely entries have been made therein. All the investments have been held by the Company in its own name.

15. According to the information and explanations given to us, the Company has given the guarantees for loans taken by its wholly owned subsidiaries from bank and/or financial institutions. In our opinion and according to information and explanations given to us, the terms and conditions thereof, are not prejudicial to the interest of the Company.
16. The Company has raised new term loans during the year. The term loans outstanding at the beginning of the year and those raised during the year have been applied for the purposes for which they were raised.
17. According to the information and explanation given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on short -term basis that have been used for long term investment.
18. The Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under section 301 of the Companies Act, 1956.
19. The Company has created securities/charges in respect of secured debentures issued.
20. We have verified end use of the money raised by public issues as disclosed in the notes to the financial statements.
21. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

**For Chaturvedi & Shah**  
**Firm Registration No. 101720W**  
**Chartered Accountants**

**Amit Chaturvedi**  
**Partner**  
**Membership No.: 103141**

Place: Mumbai  
Date: August 13, 2012

**BALANCE SHEET AS AT 31ST MARCH, 2012****(Rupees in Lacs)**

<b>Particulars</b>	<b>Note No.</b>	<b>As at 31st March, 2012</b>	<b>As at 31st March, 2011</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	6,826	6,826
Reserves and Surplus	2	103,310	98,895
			105,721
<b>Non-Current Liabilities</b>			
Long-term borrowings	3	90,326	39,034
Deferred tax liability	4	154	-
Long term provisions	5	90	28
		90,570	39,062
<b>Current Liabilities</b>			
Short-term borrowings	6	25,500	-
Trade payables	7	7,120	6,654
Other current liabilities	8	12,535	6,730
Short-term provisions	9	1,698	1,505
		46,853	14,889
<b>Total</b>		<b>247,559</b>	<b>159,672</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Tangible assets	10	5,857	2,014
Intangible assets	11	1,085	1,154
Capital work-in-progress		1,112	496
Intangible assets under development		4,778	1,590
		12,832	5,254
Non-current investments	12	9,712	8,684
Deferred tax Assets	4	-	39
Long term loans and advances	13	101,478	3,534
		111,190	12,257
<b>Current assets</b>			
Current investments	14	2,807	19,618
Inventories	15	507	720
Trade receivables	16	37,415	25,525
Cash and Cash Equivalents	17	32,190	50,568
Short-term loans and advances	18	50,618	45,730
		123,537	142,161
<b>Total</b>		<b>247,559</b>	<b>159,672</b>

See accompanying significant accounting policies and notes to the financial statements - 1 to 37

**As per our report of even date**

**For Chaturvedi & Shah**  
**Chartered Accountants**  
**Firm Registration No. 101720W**

**Amit Chaturvedi**  
**Partner**  
**Membership No. 103141**

Place: Mumbai  
Date: August 13, 2012

**For and on behalf of the Board**

**A. B. M. Good**  
**Director**

**Peter Kerkar**  
**Director**

**Rashmi Jain**  
**Company Secretary**

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

(Rupees in Lacs)			
Particulars	Note No.	For the year ended 31st March, 2012	For the year ended 31st March, 2011
<b>INCOME</b>			
Revenue from operations	19	29,578	23,565
Other Income	20	3,182	1,727
<b>Total Revenue</b>		<b>32,760</b>	<b>25,292</b>
<b>EXPENDITURE</b>			
Employee benefit expenses	21	7,159	5,179
Finance costs	23	5,701	1,907
Depreciation and amortization expense	10 & 11	985	711
Other expenses	24	8,026	6,482
<b>Total Expenses</b>		<b>21,871</b>	<b>14,280</b>
<b>Profit before tax</b>		<b>10,889</b>	<b>11,013</b>
<b>Tax Expenses:</b>			
Current tax		2,903	3,198
Deferred tax		193	153
Current tax expenses relating to prior years		23	(11)
		<b>3,119</b>	<b>3,340</b>
<b>Profit for the year</b>		<b>7,770</b>	<b>7,673</b>
Earnings per equity share (Face Value per share Rs. 5 each):	29		
Basic (In Rs.)		5.69	5.80
Diluted (In Rs.)		5.69	5.80
See accompanying significant accounting policies and notes to the financial statements - I to 37			

**As per our report of even date**

**For Chaturvedi & Shah  
Chartered Accountants  
Firm Registration No. 101720W**

**Amit Chaturvedi  
Partner  
Membership No. 103141**

Place: Mumbai  
Date: August 13, 2012

**For and on behalf of the Board**

**A. B. M. Good  
Director**

**Peter Kerkar  
Director**

**Rashmi Jain  
Company Secretary**

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

(Rupees in Lacs)

Particulars	For the year ended 31st March, 2012	For the year ended 31st March, 2011
<b>Cash Flow from Operating Activities</b>		
Profit before Tax	10,889	11,013
<b>Adjustment for:</b>		
Depreciation	985	711
Profit on sale of Investment (Current year Rs.0.08 Lacs)	(0)	(3)
Dividend on Investment	(536)	(832)
Interest Income	(1,449)	(944)
Interest Expense	5,701	1,907
Reversal of loss in value of Current Investment (Current year Rs.0.45 Lacs)	0	1
Profit on Sale of Fixed Assets (Net)	(1)	(2)
<b>Operating profit before working capital changes</b>	<u>15,591</u>	<u>11,851</u>
Adjustment for:		
(Increase)/Decrease in Inventories	213	(162)
(Increase)/Decrease in Trade Receivable	(11,890)	(4,623)
(Increase)/Decrease in Loans and Advances	3,131	(474)
Increase/(Decrease) in Current Liabilities	5,415	1,730
<b>Cash Generated from Operations</b>	<u>12,459</u>	<u>8,322</u>
Income Taxes Paid	(3,596)	(2,922)
<b>Net cash flow from operating activities</b>	<u>8,862</u>	<u>5,400</u>
<b>Cash Flow from Investing Activities</b>	A	
Purchase of Fixed Assets & Capital Work In Progress	(8,601)	(4,887)
Sale of Fixed Assets	37	34
Interest Received	1,449	931
Dividend Received	536	832
Advances to Subsidiaries (Net)	(105,962)	(15,202)
Purchase of Investment	(1,029)	(176,706)
Sale of Investments	16,812	174,789
<b>Net cash used in investing activities</b>	<u>(96,759)</u>	<u>(20,209)</u>
<b>Cash Flow from Financing Activities</b>	B	
Proceeds of Long Term Borrowing	62,026	30,000
Repayment of Long Term Borrowing	(10,000)	(11,558)
Proceeds of Short Term Borrowing (Net)	25,500	-
Proceed from Issue of Equity Shares	-	30,400
Expenses for IPO / GDR / NCD	(1,766)	(1,388)
Dividend Paid	(796)	(799)
Interest Paid	(5,455)	(1,349)
<b>Net cash flow from financing activities</b>	<u>69,509</u>	<u>45,306</u>
<b>Net Increase/(decrease) in cash and Cash equivalents (A+B+C)</b>	<u>(18,387)</u>	<u>30,497</u>
<b>Cash and Cash equivalents</b>		
at the beginning of the period	50,521	20,024
at the end of the period	32,134	50,521
<b>Net Increase/(decrease) in cash and Cash equivalents</b>	<u>(18,387)</u>	<u>30,497</u>
Cash and cash equivalents are as per notes 17 to the financial statements (adjusted for the Book Overdraft)		
See accompanying significant accounting policies and notes to the financial statements - I to 37		

As per our report of even date

**For Chaturvedi & Shah**  
Chartered Accountants  
Firm Registration No. 101720W

**Amit Chaturvedi**  
Partner  
Membership No. 103141

Place: Mumbai  
Date: August 13, 2012

For and on behalf of the Board

**A. B. M. Good**  
Director

**Peter Kerkar**  
Director

**Rashmi Jain**  
Company Secretary

## SIGNIFICANT ACCOUNTING POLICIES

### a. Method of Accounting

The financial statements are prepared as per historical cost convention on accrual basis and comply with the provisions of the Companies Act, 1956, the generally accepted accounting principles in India and the applicable accounting standards.

### b. Use of Estimates:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of the assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

### c. Income from operations

In line with generally accepted accounting practices, turnover comprises of net commissions earned on travel management, service agency charges including margins in respect of tour and tour related services, commissions/margins earned on foreign exchange transactions in the normal course of the business as Authorised Dealer and Franchisees signup fees. The income arising from the buying and selling of foreign currencies has been included on the basis of margins achieved.

### d. Revenue Recognition

In accordance with the Company's accounting policy followed consistently, commissions/income arising from tours and related services is accounted after netting off all direct expenditures relating thereto. Income from buying and selling of foreign currencies is accounted on net basis as stated in (c) above. All revenues are accounted when there is reasonable certainty of its ultimate collection.

### e. Expenditure

All general business expenditure is accounted in the year in which it is incurred. All direct tour related expenses including advertisement expenses for specific tour are accounted in the year in which the tours are undertaken.

### f. Fixed Assets

Fixed Assets are stated at cost, less accumulated depreciation. Costs include all costs relating to acquisition and installation of fixed assets. Intangible assets represent software, video shoots and trademarks stated at cost less accumulated amortisation and impairment losses, if any.

### g. Depreciation

Depreciation on fixed assets is provided on the written down value method at the rates prescribed under Schedule XIV to the Companies Act, 1956. Intangible assets are amortised over a period of five to ten years, being the expected period of use. The leasehold land is depreciated over the lease period. Leasehold improvements are depreciated over the lease period or at the rates prescribed for Furniture in Schedule XIV to the Companies Act, 1956, whichever is higher.

### h. Impairment of assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been change in the estimate of recoverable amount.

### i. Leases

Lease arrangement, where the risks and rewards incidental to ownership of an asset substantially vests with the lessor, are recognized as operating leases. Lease payments under operating lease are recognized as an expense in the Statement of Profit and Loss.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (CONTD.)

## j. Investments

Long-term investments are valued at cost. Provision for diminution in value of investments is made, if the diminution is of a nature other than temporary. Current investments are valued at the lower of cost and market value.

## k. Inventory

Inventory represents stock of foreign currencies, which have been valued at lower of cost and realisable value as at the year-end.

## l. Employee Retirement Benefits

- a. Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.
- b. Post employment and other long term employee benefits are recognised as an expense in the Statement of Profit and Loss account for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Profit and Loss.

## m. Foreign Currency Transactions

- a. Transactions denominated in foreign currencies are recorded at spot rates / average rates.
- b. Monetary items denominated in foreign currencies at the year end are restated at year end rates.
- c. Non monetary foreign currency items are carried at cost.
- d. In respect of forward contracts, the premium paid, gains/losses on settlement and losses on restatement are recognized in Statement of Profit and Loss.
- e. In respect integral foreign operations, all transactions are translated at rates prevailing on the date of transaction or that approximates the actual rate on the date of transaction. Monetary assets and liabilities are restated at the year end rates.
- f. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

## n. Borrowing Cost

Borrowing costs that are specifically attributable to the acquisition or construction of qualifying asset are capitalised as part of the cost of such asset till such time as the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires/takes a substantial period of time to get ready for its intended use. All other borrowing costs, i.e. not specifically attributable to the qualifying asset are charged to revenue in the period in which those are incurred.

## o. Accounting for taxes on Income

Provision for current tax is made, based on the tax payable under the relevant statute.

Deferred tax on timing differences between taxable income and accounting income is accounted for, using the tax rates and the tax laws enacted or substantially enacted as on the balance sheet date. Deferred tax assets are recognized only to the extent that there is a reasonable certainty of its realisation.

## p. Provision, Contingent Liabilities and Contingent Assets :

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.



<b>I - Share Capital</b>		<b>(Rupees in Lacs)</b>	
<b>Particulars</b>	<b>As at 31st March 2012</b>	<b>As at 31st March 2011</b>	
<b>Authorised:</b>			
220,000,000 equity shares of Rs. 5/- each (Previous year 110,000,000 equity shares of Rs. 10/- each)	11,000	11,000	
	<b>11,000</b>	<b>11,000</b>	
<b>Issued, Subscribed and Paid up:</b>			
136,527,890 equity shares of Rs. 5/- each fully paid up (Previous year 68,263,945 equity shares of Rs. 10/- each fully paid up).	6,826	6,826	
<b>Total</b>	<b>6,826</b>	<b>6,826</b>	

- 1.1 38,887,890 equity shares of face value Rs.5/- each (Previous Year 19,443,945 equity shares of face value Rs.10/- each) out of issued, subscribed & paid up share capital were allotted as bonus shares in the past five years by capitalisation of reserves.
- 1.2 2,399,630 equity shares of face value Rs.5/- each (Previous Year 1,199,815 equity shares of face value Rs.10/- each) out of issued, subscribed & paid up share capital were allotted as bonus shares in the past five years pursuant to the contract without payment being received in cash.
- 1.3 Number of Equity Shares held by each shareholder holding more than 5% shares in the Company are as follows:

<b>Particulars</b>	<b>Number of shares of Face Value Rs.5/- each as at 31st March, 2012</b>	<b>Share Holding in %</b>	<b>Number of shares of Face Value Rs.10/- each as at 31st March, 2011</b>	<b>Share Holding in %</b>
Sneh Sadan Graphic Services Limited	33,353,368	24.42%	16,676,684	24.42%
Kubber Investments (Mauritius) Pvt Ltd	18,346,560	13.44%	9,173,280	13.44%
Liz Investments Pvt Ltd	13,763,328	10.08%	6,881,664	10.08%
Smallcap World Fund Inc	10,592,000	7.76%	4,063,950	5.95%

**1.4 Reconciliation of the no. of shares outstanding at the beginning and at the end of the year:**

<b>Particulars</b>	<b>For the year ended on 31st March 2012 No of shares</b>	<b>For the year ended on 31st March 2011 No of shares</b>
No. of Equity Shares outstanding at the beginning of the year	68,263,945	62,922,942
Add: Additional Equity Shares issued during the year		
- on GDR Issue	-	5,341,003
Add: Subdivision (Refer Note 1.5)	68,263,945	-
Less: Equity Shares forfeited/Bought back during the year	-	-
No. of Equity Shares outstanding at the end of the year	<b>136,527,890</b>	<b>68,263,945</b>

1.5 The equity shares of the Company of Face value of Rs. 10/- each were sub-divided into equity shares of Rs.5/- with effect from June 22, 2011

1.6 Terms/rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs. 5/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (CONTD.)

**2 - Reserves and Surplus****(Rupees in Lacs)**

Particulars	As at	
	31st March 2012	31st March 2011
<b>Capital Reserves</b>		
As per last Balance Sheet	18	18
<b>Securities Premium Account:</b>		
As per last Balance Sheet	76,155	47,677
Add: Issue of shares	-	29,865
Less : IPO / GDRs / NCDs issue expenses	1,766	1,388
	74,389	76,155
<b>Debenture Redemption Reserve</b>		
As per last Balance Sheet	1,518	-
Additions on debenture issued during the year	3,188	1,518
	4,707	1,518
<b>Foreign Exchange Earning Reserve:</b>		
As per last Balance Sheet	56	56
Less: Transfer to General Reserves	(56)	-
	-	56
<b>General Reserve:</b>		
As per last Balance Sheet	-	-
Add: Transfer from Statement of Profit and Loss	583	-
Add: Transfer from Foreign Exchange Earning Reserve	56	-
	639	-
<b>Surplus i.e. Balance in Statement of Profit and Loss</b>		
As per last Balance Sheet	21,148	15,852
Add: Profit for the year	7,770	7,673
Less: Appropriations	-	-
Debenture Redemption Reserve	3,188	1,518
Transfer to General Reserve	583	-
Dividend payment for Previous Year	-	53
Tax on Dividend payment for Previous Year	3	12
Proposed Dividend*	1,365	683
Tax on Proposed Dividend	221	111
	23,558	21,148
<b>Total</b>	<b>103,310</b>	<b>98,895</b>

\* Dividend amount per equity share proposed to be distributed to Shareholders Re. 1/- (P. Y. Re. 0.5/- per share).

**3 - Long Term Borrowings****(Rupees in Lacs)**

	As at 31st March 2012		As at 31st March 2011	
	Current	Non Current	Current	Non Current
<b>Secured</b>				
Non Convertible Debentures	-	60,000	-	-
Term Loans from Banks	3,689	10,326	2,900	9,016
Vehicle Loans from Banks	12	-	44	12
Vehicle Loans from Others	6	-	30	6
<b>Unsecured</b>				
Non Convertible Debentures	-	20,000	-	30,000
<b>Total</b>	<b>3,707</b>	<b>90,326</b>	<b>2,974</b>	<b>39,034</b>

**3.1 Long Term Borrowings:**

- (a) Secured Non Convertible debentures to the extent Rs.50,000 Lacs (Previous Year Nil) are secured by First Pari Passu charge on Fixed and Current Assets of the Company.
- (b) Secured Non Convertible debentures to the extent Rs.10,000 Lacs (Previous Year Nil ) are secured by First Pari Passu charge on Current Assets of the Company.
- (c) Secured Term Loan from Bank to the extent Rs.4,735 Lacs (Previous Year Rs.6,662 Lacs) is secured against Credit Card Receivables, second charge on the current assets of the Company, present and future, and Personal Guarantee of two Directors.
- (d) Secured Term Loan from Bank to the extent Rs.950 Lacs (Previous Year Rs.1,250 Lacs) is secured by pledge of shares held by Company in JV Company and Personal Guarantee of two directors.
- (e) Secured Term Loan from Bank to the extent Rs.5,000 Lacs (Previous Year Nil) is secured by Subservient charge on Present and Future Fixed assets and Second pari passu charge on Current Assets of the Company.
- (f) Secured Term Loan from Bank to the extent Rs.3,331 Lacs (Previous Year Rs. 4,004 Lacs) is secured by first ranking charge on all Current Assets, both present and future, excluding credit card receivables.
- (g) Vehicle Loans are secured against the respective vehicles purchased.

**3.2 Maturity Profile and rate of interest of Non-convertible debentures are set out below: (Rupees in Lacs)**

	Rate on Interest	2013-14	2014-15	2015-16	2016-17
<b>Secured Debentures</b>					
2,500 Non Convertible Debentures	11.25%	-	7,500	7,500	10,000
1,200 Non Convertible Debentures	11.70%	-	4,000	4,000	4,000
1,300 Non Convertible Debentures	11.30%	-	-	-	13,000
1,000 Non Convertible Debentures	11.25%	-	10,000	-	-
<b>Unsecured Debentures</b>					
2,000 Non Convertible Debentures	10.60%	-	10,000	10,000	-
<b>Total</b>		<b>-</b>	<b>31,500</b>	<b>21,500</b>	<b>27,000</b>

**3.3 Maturity Profile of other loans is set out below: (Rupees in Lacs)**

	2013-14	2014-15	2015-16	2016-17
<b>Secured Loans:</b>				
Term Loan from Banks	5,661	2,994	1,671	-
<b>Total</b>	<b>5,661</b>	<b>2,994</b>	<b>1,671</b>	<b>-</b>

**4 - Deferred Tax Liability (Net): (Rupees in Lacs)**

	As at 31st March, 2012	As at 31st March, 2011
<b>Deferred Tax Liability</b>		
Related to Fixed Assets	209	-
<b>Deferred Tax Assets</b>		
Related to Fixed Assets	-	28
Disallowance under Income Tax Act, 1961	55	11
<b>Total</b>	<b>154</b>	<b>(39)</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (CONTD.)

**5 - Long- Term Provisions****(Rupees in Lacs)**

	As at 31st March, 2012	As at 31st March, 2011
Provision for Employee Benefits (Refer Note No. 22)	90	28
<b>Total</b>	<b>90</b>	<b>28</b>

**6 - Short Term Borrowings****(Rupees in Lacs)**

	As at 31st March, 2012	As at 31st March, 2011
<b>Secured Loan</b>		
<b>From Banks</b>		
- Working Capital Loan	10,000	-
<b>Unsecured Loan</b>		
- Other Short Term Loan	15,500	-
<b>Total</b>	<b>25,500</b>	<b>-</b>

6.1 Working Capital Loan is secured by first pari passu charge on Fixed and Current Assets of the Company.

6.2 Other Short Term Loans from banks include commercial paper of Rs.15,500 Lacs (Previous Year Rs.Nil).

**7 - Trade Payables****(Rupees in Lacs)**

	As at 31st March, 2012	As at 31st March, 2011
Trade payables	7,120	6,654
<b>Total</b>	<b>7,120</b>	<b>6,654</b>

**7.1 Micro and Small Entities**

The particulars required to be disclosed under the Micro, Small and Medium Enterprises Act, 2006 (MSMED Act) in respect of principal amount remaining unpaid to any supplier as at the end of the year, amount due to the suppliers beyond the appointed day during the year, amount of interest if any, accrued and remaining unpaid as at the end of the year etc. could not be disclosed for want of information whether sundry creditors include dues payable to any such undertakings. The Company has initiated the exercise of identifying the status of the suppliers as required under MSMED Act where supplier confirmations are awaited.

**8 - Other Current Liabilities****(Rupees in Lacs)**

	As at 31st March, 2012	As at 31st March, 2011
Current maturities of long-term debt (Refer Note No. 3)	3,707	2,974
Interest accrued but not due on borrowings	1,032	785
Unpaid dividends* [Current year Rs.0.81 Lacs, (Previous year Rs.0.36 Lacs)]	0	0
Unpaid Share Application money* [Current year Rs.0.17 Lacs, (Previous year Rs.0.17 Lacs)]	0	0
Book overdraft	57	47
Other payables (including statutory dues payable and advance from customers)	7,739	2,924
<b>Total</b>	<b>12,535</b>	<b>6,730</b>

\*No amount is due to Investor Education and Protection Fund.

**9 - Short-Term Provisions****(Rupees in Lacs)**

	As at 31st March, 2012	As at 31st March, 2011
<b>Provision-Others:</b>		
Provision for Employee Benefits (Refer Note No. 22)	80	7
Proposed Dividend	1,365	683
Tax on proposed dividend	221	111
Provision for Tax (Net of Advance Tax)	32	704
<b>Total</b>	<b>1,698</b>	<b>1,505</b>

Description of Assets	Cost				Depreciation			Net Block	
	As at 01.04.2011	Additions during the year	Disposals/adjustment during the year	As at 31.03.2012	As at 01.04.2011	For the year	On disposals/adjustment	As at 31.03.2012	As at 31.03.2011
<b>Owned Assets</b>									
Land	46	-	-	46	6	0*	-	7	40
Building	21	-	-	21	10	1	-	11	11
Computers	1,222	871	232	1,861	822	298	247	872	989
Furniture & Fixtures	614	2,871	296	3,189	364	76	275	165	3,024
Electrical Equipments	332	323	54**	601	153	29	10	172	429
Office Equipments	357	454	(16)**	827	191	42	24	210	617
Motor Car	496	18	77	437	248	65	52	262	175
Lease Hold Improvement	1,169	54	-	1,223	448	202	-	649	574
<b>Total Amount</b>	<b>4,258</b>	<b>4,591</b>	<b>643</b>	<b>8,205</b>	<b>2,243</b>	<b>713</b>	<b>608</b>	<b>2,348</b>	<b>5,857</b>
Previous Year	3,458	1,363	564	4,257	2,253	522	532	2,243	2,014
Add: Capital Work In Progress	-	-	-	-	-	-	-	-	1,112
Tangible	-	-	-	-	-	-	-	-	2,054
<b>Total Amount</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,054</b>

\* [Current year Depreciation Rs.0.44 Lacs]

\*\* [Reclassification of certain assets of Rs. 16 Lacs from Office Equipment to Electrical Equipment]

10.1 Capital Work in Progress and addition includes rent capitalised Rs.739 Lacs (Previous year Rs.377 Lacs)

Description of Assets	Cost				Depreciation			Net Block	
	As at 01.04.2011	Additions during the year	Deletions during the year	As at 31.03.2012	As at 01.04.2011	For the year	Deletions	As at 31.03.2012	As at 31.03.2011
<b>Owned Assets (Other than internally generated)</b>									
Computer Software	1,241	58	11	1,289	425	197	11	611	678
Trade Mark	10	6	-	16	0*	2	-	3	13
Video	333	141	-	474	6	74	-	80	394
<b>Total Amount</b>	<b>1,584</b>	<b>205</b>	<b>11</b>	<b>1,779</b>	<b>431</b>	<b>273</b>	<b>11</b>	<b>694</b>	<b>1,085</b>
Previous Year	971	613	-	1,584	241	190	-	431	1,154
Add: Intangible under development	-	-	-	-	-	-	-	-	4,778
<b>Total Amount</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,778</b>

\* [Current year Depreciation Rs.0.17 Lacs]

11.1 Intangible under development and addition include Employee Benefit Expenses Capitalised. Rs.779 Lacs (Previous year Rs.218 Lacs)

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (CONTD.)

## 12 - Non Current Investments

(Rupees in Lacs)

	As at 31st March 2012	As at 31st March 2011
<b>Non Current Investments (Unquoted, Non Trade)</b>		
<b>Investments in Equity Instruments of Subsidiaries:</b>		
<b>Clearmine Limited</b>	1,634	1,634
1,500 (Previous year 1,500) Equity shares of Sterling pound 1/- each fully paid-up		
<b>Cox And Kings Singapore Private Limited</b>	549	549
1,600,000 (Previous year 1,600,000) Equity shares of SGD 1/- each fully paid-up		
<b>Cox &amp; Kings Tours LLC</b>	37	37
300 (Previous year 300) Equity shares of AED 1,000/- each fully paid-up		
<b>Cox &amp; Kings (UK) Ltd</b>	3,903	3,903
1,427,875 (Previous year 1,427,875) Equity shares of Sterling pound 1/- each fully paid-up		
<b>Cox &amp; Kings Japan Ltd</b>	1,146	202
3,647 (Previous year 247) Equity shares of Yen 50,000 each fully paid-up		
<b>Cox &amp; Kings Australia Ltd</b>	855	855
1,000 (Previous year 1,000) Equity shares of AUD 1 each fully paid-up		
<b>Quoppro Global Services Private Limited</b>	1	1
10,000 shares (Previous year 10,000) at Rs.10/- each fully paid-up		
<b>Quoppro Global Limited</b>	22	22
30,001 (Previous year 30,001) Equity Shares of Sterling pound 1/- each fully paid-up		
<b>Cox &amp; Kings Asia Pacific Travel Limited</b>	1	1
10,000 (Previous year 10,000) Equity Shares of HK\$ 1/- each fully paid-up		
<b>Cox and Kings Global Services Private Limited</b>	5	5
50,000 (Previous year 50,000) Equity Shares of Rs.10/-each fully paid-up		
<b>Prometheon Holdings Private Limited</b>	0*	0*
1,000 (Previous year 1,000) Equity Shares of USD 1/-each fully paid-up * [Current year Rs.0.45 Lacs (Previous year Rs.0.45 Lacs)]		
<b>Cox and Kings Global Service (Singapore) Pte. Limited</b>	38	-
100,000 (Previous year NIL) Equity Shares of SGD 1/-each fully paid-up		
<b>Prometheon Holdings (UK) Limited **</b>	7	-
10,000 (Previous year NIL) Equity Shares of GBP 1/-each fully paid-up		
<b>Cox and Kings Destination Management Services Limited</b>	40	-
100,000 (Previous year NIL) Equity Shares of SGD 1/-each fully paid-up		
<b>Investments in Equity Instruments of Others:</b>		
<b>Radius the Global Travel Company</b>		
30 Shares (Previous year 30) of Class B Common Voting shares , fully paid-up	53	53
10 Shares (Previous year 10) of Class A Common Non-Voting Shares, fully paid-up	6	6
<b>Ezeego One Travel and Tours Limited</b>	1,000	1,000
9,000 (Previous year 9,000) Equity Share of Rs.10/- Each fully paid-up		
<b>Royale India Rail Tours Limited **</b>	250	250
2,500,000 (Previous year 2,500,000) Equity Share of Rs.10/- each fully paid-up		
<b>Business India Publications Limited</b>	25	25
45,000 (Previous year 45,000) equity shares of Rs 10/- each fully paid-up		
<b>Greater Bombay Co-Op Bank Limited</b>	0*	0*
NIL shares (Previous year 40) at Rs. 25 each fully paid-up * [Current year Rs.0.01 Lacs (Previous year Rs.0.01 Lacs)]		
<b>Non Current Investments (Quoted, Non Trade)</b>		
<b>Investments in Equity Instruments of Associates:</b>		
<b>Tulip Star Hotels Limited</b>	140	140
1,402,500 (Previous year 1,402,500) Equity Shares of Rs.10/- each fully paid-up		
<b>Total</b>	<b>9,712</b>	<b>8,684</b>
Aggregate Amount of quoted investments	140	140
Market Value of quoted investments	2,300	1,525
Aggregate Amount of unquoted investments	9,572	8,543
** Pledge against the loan taken from Banks.		

<b>13 - Long Term Loans And Advances</b>		<b>(Rupees in Lacs)</b>	
	<b>As at 31st March 2012</b>	<b>As at 31st March 2011</b>	
(Unsecured and considered good)			
Loans and Advances to related parties (Refer Note No. 26)	99,648	-	
Capital Advances	193	1,558	
Deposits (Including Security & EMD Deposits)	1,637	1,976	
<b>Total</b>	<b>101,478</b>	<b>3,534</b>	
<b>14 - Current Investments</b>		<b>(Rupees in Lacs)</b>	
	<b>As at 31st March 2012</b>	<b>As at 31st March 2011</b>	
<b>Current Investments (Unquoted, Non Trade)</b>			
<b>Investments in Debentures:</b>			
<b>V Hotels Limited</b>	1,800	1,800	
1,800,000 (Previous year 1,800,000) 24% Convertible Debentures of Rs 100/- each fully paid-up			
<b>Ezeego One Travel and Tours Limited</b>	1,000	1,000	
100,000 (Previous year 100,000) 12% Fully Convertible Debentures of Rs. 1,000/- each fully paid-up			
<b>Investments in Commercial Papers:</b>			
<b>JM Financial Products Limited</b>	-	996	
(Includes interest accrued of Rs. 12 Lacs)			
<b>Investments in Units of Mutual Funds:</b>			
<b>Kotak Indo World Infrastructure Fund - Growth Plan</b>	7	7	
100,000 Units (Previous Year 100,000 units of Rs. 10 each fully paid up)			
<b>Axis Liquid Fund-Institutional Growth</b>	-	1,061	
Nil units (Previous Year 97,693) of Rs. 1,000 each fully paid up			
<b>1565 ICICI Prudential Liquid Super Institutional Plan-Growth</b>	-	314	
Nil units (Previous Year 216,633) of Rs. 100 each fully paid up			
<b>B503G Birla Sun Life Cash Plus - Institutional Premium -Growth</b>	-	1,000	
Nil units (Previous Year Nil) of Rs. 10 each fully paid up)			
<b>DSP BlackRock Liquidity Fund- Institutional Plan - Growth</b>	-	3,802	
Nil units (Previous Year 270,931) of Rs. 1,000 each fully paid up			
<b>DWS Insta Cash Plus Fund-Super Institutional Plan -Growth</b>	-	500	
Nil units (Previous Year 392,874) of Rs. 100 each fully paid up			
<b>Franklin Templeton India Treasury Management Account Super Institutional Plan -Growth</b>	-	1,002	
Nil units (Previous Year 68,769) of Rs. 1,000 each fully paid up			
<b>IDFC Cash Fund-Super Institutional Plan C Growth</b>	-	1,500	
Nil units (Previous Year 12,579,988) of Rs. 10 each fully paid up			
<b>JPLGR-JPMORGAN India Liquid Fund-Super Institutional Growth Plan</b>	-	1,500	
Nil units (Previous Year 11,811,861) of Rs. 10 each fully paid up			
<b>Kotak Floater Short Term-Growth</b>	-	1,000	
Nil units (Previous Year 6,238,496) of Rs. 10 each fully paid up			
<b>L031 SBI -Magnum Insta Cash Fund -Cash Option</b>	-	700	
Nil units (Previous Year 3,216,261) of Rs. 10 each fully paid up			
<b>Canara Robeco Liquid Super Institutional Growth Fund</b>	-	500	
Nil units (Previous Year 4,196,462) of Rs. 10 each fully paid up)			
<b>Reliance Monthly Interval Fund -Series I -Institutional Dividend Plan</b>	-	207	
Nil units (Previous Year 2,070,560) of Rs.10 each fully paid up			
<b>Reliance Liquid Fund -Treasury Plan- Institutional Option -Growth Option Growth Plan</b>	-	928	
Nil units (Previous Year 3,885,204) of Rs. 10 each fully paid up			
<b>Religare Liquid Fund-Super Institutional Growth</b>	-	1,001	
Nil units (Previous Year 74,341 ) of Rs. 1,000 each fully paid up)			
<b>Taurus Liquid Fund - Institutional Growth</b>	-	300	
Nil units (Previous Year 27,881) of Rs.1,000 each fully paid up			
<b>S232 Sundaram Money Fund Super Institutional Growth</b>	-	500	
Nil units (Previous Year 2,420,768) of Rs.10 each fully paid up			
<b>Total</b>	<b>2,807</b>	<b>19,618</b>	
Aggregate Amount of unquoted investments	2,807	19,618	

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (CONTD.)

**15 - Inventories**

(at cost or net realisable value whichever is lower)

(Rupees in Lacs)

	As at 31st March 2012	As at 31st March 2011
Foreign Currency (Taken, valued and certified by the management)	507	720
<b>Total</b>	<b>507</b>	<b>720</b>

**16 - Trade Receivables**

(Unsecured and considered good)

(Rupees in Lacs)

	As at 31st March 2012	As at 31st March 2011
Over Six Months	242	146
Others	37,173	25,379
<b>Total</b>	<b>37,415</b>	<b>25,525</b>

**17 - Cash And Cash Equivalents**

(Rupees in Lacs)

	As at 31st March 2012	As at 31st March 2011
<b>Balances with banks</b>		
In Current Accounts	23,613	16,200
In Unpaid Dividend Accounts	1	-
Cash on hand	202	381
<b>Other Bank Balance</b>		
Margin Money Deposit	320	1,020
Fixed Deposits (Given as security for bank guarantee)	8,054	32,967
<b>Total</b>	<b>32,190</b>	<b>50,568</b>

**18 - Short Term Loans And Advances**

(Unsecured and considered good)

(Rupees in Lacs)

	As at 31st March 2012	As at 31st March 2011
Loans and Advances to related parties (Refer Note No.26)	34,261	27,947
Loans and Advances to others	4,823	5,971
Others (including Advances against supplies and services, Staff Advances, etc)	11,534	11,812
<b>Total</b>	<b>50,618</b>	<b>45,730</b>

**19 - Revenue From Operations**

(Rupees in Lacs)

	As at 31st March 2012	As at 31st March 2011
<b>Income from operation</b>		
Travel and Tours Commission	28,167	22,307
Income from Forex Division	1,374	1,045
Other Operating Income	37	213
<b>Total</b>	<b>29,578</b>	<b>23,565</b>



**20 - Other Income**

(Rupees in Lacs)

	For the year ended 31st March, 2012	For the year ended 31st March, 2011
<u>Interest</u>		
From Current Investment	1,159	867
From Others	291	77
<u>Dividend</u>		
From Current Investment	536	832
<u>Net Gain on Sale of Investments</u>		
From Current Investment [Current Year Rs.0.08 Lacs]	0	3
Adjustment to the carrying amount of investment [Current Year Rs.0.45 Lacs]	(0)	(1)
<u>Other Non operating Income</u>		
Foreign Exchange Fluctuation Gain (Net)	1,170	(73)
Profit on Sale of Fixed Assets	1	11
Others	25	11
<b>Total</b>	<b>3,182</b>	<b>1,727</b>

**21 - Employee Benefit Expenses**

(Rupees in Lacs)

	For the year ended 31st March, 2012	For the year ended 31st March, 2011
Salaries and wages	6,453	4,506
Contribution to provident and other funds	316	276
Payment / Provision for Gratuity	37	78
Staff welfare expenses	353	319
<b>Total</b>	<b>7,159</b>	<b>5,179</b>

**22 - Disclosure as per Accounting Standard 15 (Revised) "Employee Benefits" notified by The Companies (Accounting Standard) Rules, 2006 are as under:**

**Defined Contribution Plan**

Contribution to Defined Contribution Plan, recognized as expense for the year are as under :

(Rupees in Lacs)

	2011-12	2010-11
Employer's Contribution to Provident Fund	152	128

**Defined Benefit Plan**

The Company operate post retirement benefit plan as follows:

(a) **Funded**

Gratuity

(b) **Un Funded**

Leave Encashment

Table showing changes in present value of obligation as on 31<sup>st</sup> March, 2012.

(Rupees in Lacs)

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2011-12	2010-11	2011-12	2010-11
Present Value of obligation as at the beginning of year	321	247	148	238
Interest Cost	26	17	12	19
Current Service Cost	59	38	462	20
Benefits Paid	(25)	(24)	(7)	-
Actuarial (gain)/loss on obligations	(38)	44	(329)	(130)
<b>Present value of obligation as at the end of year</b>	<b>343</b>	<b>321</b>	<b>286</b>	<b>148</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (CONTD.)

Table showing changes in the fair value of plan assets as on 31<sup>st</sup> March, 2012.

(Rupees in Lacs)

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2011-12	2010-11	2011-12	2010-11
Fair value of plan asset at beginning of year	344	-	112	-
Expected return on plan asset	32	24	10	1
Contribution	17	344	-	111
Benefits Paid	(25)	(24)	(7)	-
Actuarial gain/(loss) on plan asset	-	-	(0)	-
<b>Fair value of plan assets at the end of year</b>	<b>367</b>	<b>344</b>	<b>115</b>	<b>112</b>

The amounts to be recognised in the Balance Sheet and statement of Profit and Loss.

(Rupees in Lacs)

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2011-12	2010-11	2011-12	2010-11
Present value of obligation as at the end of year	343	321	286	148
Fair value of plan assets as at the end of the year	367	344	115	112
Funded status asset/(liability)	25	22	(170)	35
Net asset/(liability) recognised in balance sheet	(25)	(22)	170	35

Expenses recognised in statement of Profit and Loss

(Rupees in Lacs)

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2011-12	2010-11	2011-12	2010-11
Current Service Cost	59	38	462	19
Interest Cost	26	17	12	19
Expected return on plan asset	(32)	(24)	(10)	(1)
Net Actuarial (gain)/loss recognised in the year	(38)	44	(329)	(130)
<b>Expenses recognised in statement of profit and loss</b>	<b>14</b>	<b>75</b>	<b>135</b>	<b>(92)</b>

Actuarial Assumption

(Rupees in Lacs)

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2011-12	2010-11	2011-12	2010-11
Assumption Discount Rate	8.00%	8.00%	8.65%	8.00%
Salary Escalation	4.00%	5.00%	10.00%	5.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

<b>23 - Finance Costs</b>		<b>(Rupees in Lacs)</b>	
		<b>For the year ended 31st March, 2012</b>	<b>For the year ended 31st March, 2011</b>
Interest expense		4,982	1,630
Other borrowing costs		719	277
	<b>Total</b>	<b>5,701</b>	<b>1,907</b>

<b>23.1- Expenditure In Foreign Currency</b>		<b>(Rupees in Lacs)</b>	
		<b>For the year ended 31st March, 2012</b>	<b>For the year ended 31st March, 2011</b>
Travelling, Hotel & Lodging		55	24
Professional Fees		25	31
Salary		90	62
Subscription		46	70
Advertisement		40	58
Interest on Term Loan		116	109
Other matters		45	20
	<b>Total</b>	<b>417</b>	<b>375</b>

<b>24 - Other Expenses</b>		<b>(Rupees in Lacs)</b>	
		<b>For the year ended 31st March, 2012</b>	<b>For the year ended 31st March, 2011</b>
Rent		1,545	1,275
Rates & Taxes (excluding taxes on income)		3	23
Electricity Charges		234	200
Insurance		241	-
Payment to Auditors			
Audit Fees	34		25
Certificaton Fees	1		2
		35	27
Communication and Courier Expenses		1,009	866
Professional Charges		863	507
Travelling Expenses		821	616
Advertisement, Publicity & Business Promotion		2,399	2,084
Bad debts		13	50
Donation		38	17
Directors Sitting Fees & Commissions		21	19
Miscellaneous expenses		804	798
	<b>Total</b>	<b>8,026</b>	<b>6,482</b>

**25 - Segment Reporting:**

The Company is mainly engaged in Tours and Travel activity. All activities of the Company revolve around this main business. As such, there are no separate reportable segments as per the Accounting Standard 17 (Segment Reporting) notified by Companies (Accounting Standard) Rules, 2006.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (CONTD.)

**26 - As per the Accounting Standard 18, the disclosure of transactions with the related parties as defined in the accounting standards, are given below**

(a) List of the related parties where control exists and related parties with whom transactions have taken place and relationship.

**Sr. No. Name of the Related Party****A Subsidiary Companies:**

1	Clearmine Limited UK	
2	Cox & Kings Destination Management Services Ltd	
3	Cox & Kings Tours LLC, Dubai	
4	Cox and Kings Singapore Private Limited	
5	Quoprro Global Limited	
6	Cox and Kings Asia Pacific Travel Ltd	
7	Quoprro Global Services Pvt Ltd	
8	Cox & Kings Global Services Pvt Ltd	
9	Cox & Kings Japan Ltd	
10	Cox and Kings Destinations Management Services Pvt Ltd	(with effect from 9th November 2011)
11	Prometheon Enterprise Limited	(with effective from 24th November 2011)
12	Cox & Kings (UK) Ltd,	
13	Cox & Kings Travel Limited	
14	East India Travel Company Inc,	
15	Cox & Kings (Shipping) Ltd.	
16	Cox & Kings Special Interest Holidays Ltd.	
17	Cox & Kings Tours Ltd.	
18	Cox & Kings Enterprises Ltd.	
19	Cox & Kings Holdings Ltd.	
20	ETN Services Ltd.	
21	Cox & Kings Finance Ltd.	
22	Cox & Kings Finance (Mauritius) Ltd.	
23	Cox & Kings (Agents) Limited	
24	C&K Investments Limited	
25	Grand Tours Ltd.	
26	Cox & Kings (Australia) Pty Ltd	
27	Tempo Holidays Pty Ltd.	
28	Tempo Holidays NZ Limited	
29	Cox and Kings Nordic PTY Limited	
30	Prometheon Holdings Pvt Ltd	
31	Prometheon Holdings Limited	
32	Cox and Kings Global Services (Singapore) Pte Ltd.	(with effect from 7th July 2011)
33	Cox & Kings Global Services Management ( Singapore) Pte Ltd	(with effect from 8th July 2011)
34	Cox & Kings GmBH	
35	Quoprro Global Hellas, Greece	
36	Cox & Kings Global Services LLC Dubai	(with effect from 21st March 2012)
37	Quoprro Global Services Pte. Ltd	
38	Quoprro Global Services Pvt Ltd	
39	Prometheon Holdings (UK) Ltd	(with effect from 30th June 2011)
40	Prometheon Limited	(with effect from 27th September, 2011)
41	Holidaybreak Limited	
42	NST Limited	
43	NST Transport Services Limited	
44	SASu Le Chateau d'Ebbilinghem	
45	SARL Chateau d'Ebbilinghem	
46	PGL Air Travel Limited	
47	PGL Voyages Limited	
48	PGL Travel Limited	
49	PGL Adventure Limited	
50	Freedom of France Limited	

(with effect from 27th September, 2011)

26 - As per the Accounting Standard 18, the disclosure of transactions with the related parties as defined in the accounting standards, are given below (Contd.)

**Sr. No. Name of the Related Party**

**A Subsidiary Companies:**

51	Noreya SL
52	PGL Adventure SAS
53	Travelplus Group GmbH
54	Simpar Sasu
55	Chateau de Lamorlaye SCI
56	SCI Domaine de Segries
57	Hertford Travel Group Limited
58	European Study Tours Limited
59	NST Holdings Limited
60	NST Travel Group Limited
61	PGL Group Limited
62	EST Transport Purchasing Limited
63	Explore Worldwide Limited
64	Explore Aviation Limited
65	Explore Worldwide Adventures Limited
66	Regal Diving and Tours Limited
67	Djoser BV
68	Djoser-Divantoura BVBA
69	Superbreak Mini-Holidays Limited
70	Business Reservations Centre Holland BV
71	Bookit BV
72	BV Weekendjeweg.nl
73	Business Reservations Centre Holland Holding BV
74	Superbreak Mini Holidays Group Limited
75	Greenbank Holidays Limited
76	Easycamp BV
77	ECAMP GmbH
78	Eurocamp Travel AG
79	Ecamp AG
80	Eurosites BV
81	Parkovi Sunca d.o.o
82	Camping in Comfort BV
83	Keyline Continental Limited
84	Keycamp Holidays BV
85	Keycamp Holidays Ireland Limited
86	Eurosites AS
87	Eurocamp Travel BV
88	Camping Division Limited
89	Sites Services SARL
90	Greenbank Packages Limited
91	Greenbank Services Limited
92	Own A Holiday Home Limited
93	Holidaybreak Trustee Limited
94	Holidaybreak Holding Company Limited
95	Holidays Limited
96	Holidaybreak Education Limited
97	Meiningen Travel Holdings GmbH
98	Adventure Travel Experience Inc
99	Depot Starvillas SARL
100	Eurocamp Independent Limited
101	Eurocamp Ltd.
102	Eurocamp Travel GMBH
103	GHL Transport Ltd.
104	Holidaybreak QUEST Trustee Ltd.
105	Hotelnet Ltd.
106	SAS Travelworks Strance
107	Select Sites Ltd.
108	Starvillas Ltd.
109	Travelplus Group GMBH
110	Travelworks UK Limited
111	Weekendje Weg BV

(with effect from 27th September, 2011)

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (CONTD.)

26 - As per the Accounting Standard 18, the disclosure of transactions with the related parties as defined in the accounting standards, are given below (Contd.)

**Sr. Name of the Related Party No.**

**B Associate / Group Company:**

112 Tulip Star Hotels Ltd.

113 Radius Global Travel Ltd.

**C Key Managerial Personnel:**

114 Mr. A.B.M Good – Chairman

115 Mr. Peter Kerkar – Director

116 Ms. Urrshila Kerkar – Director

**D Others:**

**(i) Joint Venture:**

117 Royale Indian Rail Tours Limited

**(ii) Enterprises over which Key Management Personnel and their relatives exercise significant influence:**

118 Far Pavilions Tours and Travels Pvt. Ltd.

119 Ezeego One Travel and Tours Limited

**(iii) Relatives of Key Managerial Personnel:**

120 Mrs Elizabeth Kerkar

**b) Transaction during the year with related parties:**

(Rupees In Lacs)						
Sr. No.	Nature of Transaction	Subsidiaries	Associates	Key Managerial Personnel	Others	Total
	<b>(Excluding reimbursements)</b>					
1	Purchase/Subscription of Investments	1,029	-	-	-	1,029
		526	-	-	-	526
2	Loans and advances given/(returned/taken)	105,056	227	-	663	105,946
		15,202	(74)	-	92	15,220
3	Purchase	5,042	-	-	4,956	9,998
		2,607	-	-	2,811	5,418
4	Sales	4,454	-	-	39,096	43,550
		3,909	-	-	22,628	26,537
5	Payment to Key Managerial Person	-	-	181	-	181
		-	-	96	-	96
6	Interest Received	388	245	-	925	1,558
		280	305	-	760	1,346
	<b>Balance as at 31st March, 2012</b>					
7	Investments	8,238	199	-	2,250	10,688
		7,209	140	-	2,250	9,599
8	Trade Receivable	1,344	-	-	6,212	7,556
		241	-	-	3,388	3,629
9	Advances from customers	(1,858)	-	-	-	(1,858)
		(146)	-	-	-	(146)
10	Loan & Advances	125,531	2,182	-	6,196	133,909
		20,476	1,955	-	8,141	30,572
11	Trade payable	219	-	-	947	1,166
		175	-	-	2	177
12	Advances to vendors	(982)	-	-	-	(982)
		(2)	-	-	-	(2)
13	Guarantee	230,441	-	-	-	230,441
		25,877	-	-	-	25,877

**Note :** The Figures in Italics are in respect of Previous year

**Disclosure in respect of significant related party transaction during the year.**

- 1 Purchase/subscription of Investments includes Rs. 944 Lacs made in Cox & Kings Japan Ltd. (Previous year Rs. NIL), Rs.NIL made in Quoprrro Global Service Private Limited (Previous year Rs. 520 Lacs).
- 2 Loan given during the year includes Rs. 99,648 Lacs (Previous year Rs. NIL) to Prometheon Holding Ltd. UK, Rs. 84 Lacs (Previous year Rs. 929 Lacs) to Royale Indian Rail Tours Ltd. and Rs.Nil (Previous year Rs.14,030 Lacs) to Cox and Kings Asia Pacific Travel Ltd.  
  
Loan returned during the year includes Rs. 10,350 Lacs (Previous year Rs.Nil) by Cox and Kings Asia Pacific Travel Ltd. and Rs.Nil (Previous year Rs. 9,050 Lacs) by Ezeego One Tours & Travels Ltd.
- 3 Purchases include Cox & Kings Destination Management Services Ltd. Rs. 2,927 Lacs (Previous year Rs. 1,273 Lacs), Royal Indian Rail Tours Ltd, for Rs.1,772 Lacs (Previous year Rs.1,205 Lacs), Cox & Kings Tours (L.L.C.) Rs. 1,422 Lacs (Previous year Rs. 1,333 Lacs) and Ezeego One Travels and Tours Ltd. Rs.3,184 Lacs (Previous year Rs. 1,606 Lacs).
- 4 Sales include Ezeego One Travels and Tours Ltd. Rs. 38,577 Lacs (Previous year Rs. 21,873 Lacs) and Cox & Kings Travel Ltd. Rs. 2,200 Lacs (Previous year Rs.2,017 Lacs)
- 5 Payment to Key Management Person paid includes Rs.181 Lacs paid to Ms. Urrshila Kerkar (Previous year Rs. 96 Lacs).
- 6 Interest received includes Quoprrro Global Service Private Limited for Rs.382 Lacs (Previous year Rs. 211 Lacs), Tulip Star Hotels Ltd. Rs. 245 Lacs (Previous year Rs. 305 Lacs), Royale Indian Rail Tours Ltd. Rs. 241 Lacs (Previous year Rs.81 Lacs), Far Pavilion Tours & Travels Ltd. Rs. 98 Lacs (Previous year Rs. 66 Lacs) and Ezeego One Tours & Travels Ltd. Rs.586 Lacs (Previous year Rs.481 Lacs)
- 7 Bank Guarantees includes Prometheon Holdings Ltd. UK Rs. 201,445 Lacs (Previous year NIL), Cox and Kings (Australia) Pty Ltd. Rs. 16,278 Lacs (Previous year Rs. 14,527 Lacs) and Cox and Kings Travel Ltd. Rs. 12,718 Lacs (Previous year Rs. 11,349 Lacs.)

**27 - In compliance with AS – 27 ‘Financial Reporting of Interests in Joint Ventures’, the required information is as under:**

- a) Jointly controlled entities

Particulars	Country of Incorporation	Percentage of ownership interest	
		as on 31.03.2012	as on 31.03.2011
Royale Indian Rail Tours Limited	India	50%	50%

- b) The Company’s share of assets, liabilities, income, expenditure, contingent liabilities and capital commitments compiled on the basis of unaudited financial statements received from joint ventures is as follows:

Particulars	(Rupees in Lacs)	
	As at 31.03.2012*	As at 31.03.2011
(i) Assets		2,260
– Long Term Assets		233
– Current Assets		2,027
(ii) Liabilities		3,128
– Loans (Secured & Unsecured)		1,313
– Current Liabilities and Provisions		1,813
– Deferred Tax		3
(iii) Income		1,364
(iv) Expenses		2,108
(v) Miscellaneous Expenditure to extent not written off		165

\* For the reasons stated in note 37 (b), the Company has not received the financials of the Joint Venture for financial year 2011-12. Hence, the figures of the Company’s share in the assets and liabilities of the joint venture as at 31st March, 2012 and the income and expenses for the year ended on that date as required by Accounting Standard AS 27 – Financial Reporting of Interests in Joint Venture have not been stated.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (CONTD.)

**28 - Leases**

The Company has operating lease in respect of office premises. Future lease rentals payable in respect of the above which are non cancellable is as follows :

(Rupees in Lacs)

Particulars	As at 31 <sup>st</sup> March, 2012	As at 31 <sup>st</sup> March, 2011
Not later than one year	2,083	2,275
Later than one year but not later than five years	4,993	7,564
Later than five years	NIL	NIL

**29 - Earnings Per Share (EPS)**

Particulars	As at 31 <sup>st</sup> March, 2012	As at 31 <sup>st</sup> March, 2011
Net Profit after Tax as per Statement of Profit & Loss attributable to Equity Shareholders (Rs. in Lacs)	7,770	7,673
Weighted average number of Equity Shares (Basic) (No. in Lacs)	1,365	1322*
Weighted average number of Equity Shares (Diluted) (No. in Lacs)	1,365	1322*
Basic Earning Per Share (EPS) (In Rs.)	5.69	5.80
Diluted Earning Per Share (EPS) (In Rs.)	5.69	5.80
Face Value Per Equity Shares (In Rs.)	5/-	5/-

\*After giving effect of subdivision of shares from face value of Rs.10/- to Rs.5/-

**30 - Disclosure required by clause 32 of the listing agreement:****A. Loans/Advances in the nature of Loans given to Subsidiaries, Associates & Joint Venture****(a) Loans & Advances**

(Rupees in Lacs)

Sr. No.	Name of the Company	Type	As at 31 <sup>st</sup> March, 2012	As at 31 <sup>st</sup> March, 2011	Maximum Balance during the year
1	Prometheon Holdings (UK) Ltd	Subsidiary	99,648	-	99,648
2	Cox & Kings (Australia) Pty Ltd	Subsidiary	8,339	1,982	8,339
3	Quoprro Global Services Pvt. Ltd.	Subsidiary	4,356	2,677	4,356
4	Cox & Kings Travel Limited	Subsidiary	3,926	739	3,926
5	Cox and Kings Singapore Private Limited	Subsidiary	3,831	215	10,437
6	Cox and Kings Asia Pacific Travel Ltd	Subsidiary	3,680	14,030	14,030
7	Cox & Kings Global Services Management (Singapore) Pte Ltd	Subsidiary	658	-	658
8	Quoprro Global Limited	Subsidiary	470	237	470
9	Clearmine Ltd	Subsidiary	399	40	399
10	Cox & Kings Japan Ltd	Subsidiary	398	555	1,220
11	Cox & Kings Tours LLC, Dubai	Subsidiary	262	-	262
12	Prometheon Holdings Pvt Ltd	Subsidiary	2	2	2
13	Tulip Star Hotels Ltd.	Associate	2,182	1,955	2,182
14	Royale Indian Rail Tours Limited	Joint venture	3,950	3,867	1,510
	<b>Total</b>		<b>132,101</b>	<b>26,299</b>	

**Note :**

- i. Loans & Advances to subsidiaries other than Prometheon Holdings (UK) Ltd. shown above are of short term nature and are repayable on demand and thus there is no repayment schedule as such.
- ii. Advances in the nature of trade advances are not considered here for reporting under this clause.
- iii. Loans to employee as per Company policy are not considered.



**B. Investment by the loanee in the shares of the Company or subsidiary Company:**

- a. None of the loanees and / or subsidiary Companies of loanees have, per se, made investments in shares of the Company.  
 b. Investment by Cox and Kings Travel Ltd. UK in equity shares of subsidiaries

Sr. No.	Name of the Company	No of Shares
1	Cox & Kings (Japan) Ltd.	200
2	East India Travel Company Inc	600

- c. Investment by Clearmine Limited UK in equity shares of subsidiaries:

Sr. No.	Name of the Company	No of Shares
1	Cox & Kings Destination Management Services Limited	2

- d. Investment by Cox & Kings (Australia) Pty. Ltd. in equity shares of subsidiaries

Sr. No.	Name of the Company	No of Shares
1	Tempo Holidays Pty Ltd.	117,000
2	Cox and Kings Nordic PTY Limited, Australia	27,000

- e. Investment by Cox & Kings Global Services Management (Singapore) Pte Ltd ( with effect from 8<sup>th</sup> July 2011) in equity shares of subsidiaries

Sr. No.	Name of the Company	No of Shares
1	Quoprro Global Services Pte Ltd.	200,000
2	Quoprro Global Services Pvt. Ltd, Hongkong	1
3	Cox & Kings GmBH	1
4	Quoprro Global Hellas, Greece	600
5	Cox & Kings Global Services LLC Dubai ( with effect from 21st March 2012)	147

- f. Investment by Prometheon Holdings Pvt. Ltd. Mauritius in equity shares of subsidiaries:

Sr. No.	Name of the Company	No of Shares
1	Prometheon Holdings Ltd. UK	1

- g. Investment by Prometheon Holdings (UK) Ltd. (with effect from 30th June 2011) in equity shares of subsidiaries

Sr. No.	Name of the Company	No of Shares
1	Prometheon Limited (with effect from 27th September, 2011)	1
2	Holidaybreak Limited (with effect from 27th September, 2011)	71,727,791

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (CONTD.)

**31 - Remittances In Foreign Currency on Account of Dividend**

The Company has paid dividend in respect of shares held by Non-Residents on repatriation basis. This inter-alia includes portfolio investment and direct investment, where the amount is also credited to Non-Resident External Account (NRE A/c). The exact amount of dividend remitted in foreign currency cannot be ascertained. The total amount remit table in this respect is given herein below:

Particulars	As at	As at
	31st March, 2012	31st March, 2011
(a) Year to which dividend relates	2010-11	2009-10
(b) Number of non-resident shareholders to whom remittance was made	433	299
(c) Number of equity shares held by them	58,952,229	33,990,047
(d) Amount remitted to Bankers in India of the Non-resident shareholders (in Rs.)	58,952,229	33,990,047

**32 - Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs.189 Lacs (Previous year Rs Nil).

**33. Financial Derivative Instruments:**

A. Derivative contracts entered into by the Company for hedging currency risk and outstanding as on 31st March, 2012.

Nominal amount of forward contracts entered into by the Company and outstanding as on 31st March 2012 amounting to Rs.205 Lacs (Previous year Rs. 121 Lacs)

(in Lacs)

Particulars	Amount in foreign Currency		Equivalent amount in Rs.	
	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2012	As at 31st March, 2011
AUD	-	0*	-	11
EUR	3	1	167	47
USD	1	1	38	63
<b>Total</b>	<b>4</b>	<b>2</b>	<b>205</b>	<b>121</b>

\* Current year AUD Nil (Previous year AUD 0.24 Lacs)

B. Foreign Currency Exposure that are not hedged by derivative instruments as on 31st March 2012 amounting to Rs. 4,780 Lacs (Previous year Rs.13,452 Lacs)

(in Lacs)

Particulars	Amount in foreign Currency		Equivalent Amount in Rs.	
	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2012	As at 31st March, 2011
Trade Receivables	0*	42	26	1,929
Banks (Net of Trade Payables)	4	146	883	7,317
Borrowing	65	100	3,331	4,004
Unsettled Travellers' Cheque	10	4	540	202
<b>Total</b>	<b>80</b>	<b>292</b>	<b>4,780</b>	<b>13,452</b>

\* Current year USD 0.50 Lacs (Previous Year USD 42 Lacs)

**34 - Earnings In Foreign Exchange**

(Rupees in Lacs)

Particulars	For the year ended 31st March, 2012	For the year ended 31st March, 2011
Travel, Tour and other receipts (As certified by Bankers)	9,763	9,358
<b>Total</b>	<b>9,763</b>	<b>9,358</b>

**35 - Contingent Liabilities:**

(Rupees in Lacs)

Particulars	As at 31st March, 2012	As at 31st March, 2011
<b>Guarantees:</b>		
Corporate Guarantee given on behalf of following wholly owned subsidiaries:	230,441	25,877
Guarantees given by Bank	27,625	31,589
<b>Tax demands</b>		
Disputed income Tax Demand	754	770
Advance income Tax paid against demand	269	121
Disputed Service Tax demand	12,907	-
<b>Legal Claims</b>		
Claim against the Company not acknowledged as debts	1,053	853
<b>Total</b>	<b>273,049</b>	<b>59,210</b>

**36 - Utilisation of Proceeds from IPO**

The amount raised through initial public issue during financial year 2009-10 has been fully utilised as on 31st March 2012 as per details given below

(Rupees in Lacs)

Sr. No.	Particulars	Projected	Actual
1	Repayment of Loans	12,960	12,844
2	Acquisitions & Other Strategic Initiatives	15,000	21,129
3	Investment in Overseas Subsidiaries	6,250	5,924
4	Investment in Corporate Office & Upgrading our existing Operations	6,000	714
5	General Corporate Purposes	4,557	4,557
6	Meeting Fresh Issue related Expenses	6,218	5,817
	<b>Total</b>	<b>50,985</b>	<b>50,985</b>

**37 - Other Notes**

- (a) The Revised Schedule VI has become effective from 1 April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.
- (b) The Royale India Rail Tours Ltd.(RIRTL) is a 50:50 joint venture between Indian Railway Catering and Tourism Corporation (IRCTC) and Cox and Kings Ltd. The Supreme Court has dismissed the Special Leave Petition filed by the Company and directed both the parties to go for arbitration which commenced on 6th July 2012. It also made it clear that the observations made by the Courts shall not, in any way, influence the outcome of the arbitral proceedings, if resorted to by the parties.
- (c) In the opinion of the Board of Directors, other current assets have a value on realisation in the ordinary course of the Company's business, which is at least to the amount at which they are stated in the balance sheet.
- (d) The Ministry of Corporate Affairs, Government of India, Vide General Circular No. 2 and 3 dated 8<sup>th</sup> February 2011 and 21<sup>st</sup> February 2011 respectively has granted a general exemption from compliance with section 212 of the Companies Act 1956, subject to fulfilment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statements.

**As per our report of even date**

**For Chaturvedi & Shah**  
**Chartered Accountants**  
**Firm Registration No. 101720W**

**Amit Chaturvedi**  
**Partner**  
**Membership No. 103141**

Place: Mumbai  
 Date: August 13, 2012

**For and on behalf of the Board**

**A. B. M. Good**                      **Peter Kerkar**  
**Director**                                **Director**

**Rashmi Jain**  
**Company Secretary**

**STATEMENT REGARDING SUBSIDIARY COMPANY PURSUANT TO SECTION 212 OF THE COMPANIES ACT 1956**

Name of Subsidiary Company	Financial year to which accounts relate	Holding Company's Interest at close of the financial year of the Subsidiary Company			Net aggregate amount of profit/ (losses) of the subsidiary so far as they concern the members of the Company :		Net aggregate amount of profit/ (losses) of the previous years of the subsidiary, since it became subsidiary of the company, so far as they concern the members of the Company :	
		Share Holding		Extent of holding % age	dealt with the accounts of the Company for ended 31st March 2012	not dealt with the accounts of the Company for ended 31st March 2012	dealt with the accounts of the Company for the year ended 31st March 2011	not dealt with the accounts of the Company for the year ended 31st March 2011
		Number of Shares	Face Value					
Clearmine Limited	31-Mar-12	1500	GBP I	100%	Nil	24.82	Nil	-
Cox & Kings Destination Management Services Ltd	31-Mar-12	2	GBP I	100%	Nil	914.82	Nil	844.61
C&K Investments Limited	31-Mar-12	1	GBP I	100%	Nil	-	Nil	-
Cox & Kings (Agents) Limited	31-Mar-12	1	GBP I	100%	Nil	-	Nil	-
Cox & Kings (Shipping) Ltd.	31-Mar-12	2000	GBP I	100%	Nil	-	Nil	-
Cox & Kings (UK) Ltd	31-Mar-12	1427875	GBP I	100%	Nil	71.07	Nil	-
Cox & Kings Enterprises Ltd.	31-Mar-12	100	GBP I	100%	Nil	-	Nil	-
Cox & Kings Finance Ltd.	31-Mar-12	1	GBP I	100%	Nil	-	Nil	-
Cox & Kings Holdings Ltd.	31-Mar-12	2	GBP I	100%	Nil	-	Nil	-
Cox & Kings Special Interest Holidays Ltd.	31-Mar-12	2000	GBP I	100%	Nil	-	Nil	-
Cox & Kings Tours Ltd.	31-Mar-12	2	GBP I	100%	Nil	-	Nil	-
ETN Services Ltd.	31-Mar-12	2	GBP I	100%	Nil	-	Nil	-
Grand Tours Ltd.	31-Mar-12	510	GBP I	100%	Nil	-	Nil	-
Cox & Kings Travel Limited	31-Mar-12	639000	GBP I	100%	Nil	2,590.13	Nil	2,366.45
East India Travel Company Inc,	31-Mar-12	600	USD I	100%	Nil	590.00	Nil	664.95
Cox & Kings Japan Ltd	31-Mar-12	247	JPY 50000	100%	Nil	(1,850.31)	Nil	1,174.76
Cox & Kings Tours LLC, Dubai	31-Mar-12	300	AED 1000	100%	Nil	1,948.85	Nil	1,463.54
Cox & Kings Finance (Mauritius) Ltd.	31-Mar-12	12000	USD I	100%	Nil	(5.99)	Nil	(4.66)
Cox and Kings Asia Pacific Travel Ltd	31-Mar-12	10000	HKD I	100%	Nil	(293.78)	Nil	(10.69)
Cox and Kings Singapore Private Limited	31-Mar-12	1267026	USD I	100%	Nil	(1,093.91)	Nil	(2,224.36)
Cox and Kings Destinations Management Services Pvt Ltd	31-Mar-12	100000	SGD I	100%	Nil	(4.01)	Nil	-
Cox & Kings Global Services Management (Singapore) Pte Ltd	31-Mar-12	100000	USD I	100%	Nil	(3.96)	Nil	-
Cox & Kings GmbH	31-Mar-12	25000	EUR I	100%	Nil	16.26	Nil	23.32
Cox & Kings Global Services LLC Dubai	31-Mar-12	300	AED 1000	100%	Nil	298.02	Nil	-
Cox and Kings Global Services (Singapore) Pte Ltd.	31-Mar-12	83084	USD I	100%	Nil	(6.98)	Nil	-
Cox & Kings Global Services Pvt Ltd	31-Mar-12	50000	RS. 10	100%	Nil	(11.69)	Nil	(6.11)
Quoprrro Global Hellas, Greece	31-Mar-12	600	EUR 30	100%	Nil	(3.57)	Nil	(1.08)
Quoprrro Global Limited	31-Mar-12	30001	GBP I	100%	Nil	(274.99)	Nil	(24.14)
Quoprrro Global Services Pte. Ltd	31-Mar-12	200000	SGD I	100%	Nil	(52.05)	Nil	(67.88)
Quoprrro Global Services Pvt Ltd	31-Mar-12	10000	RS. 10	100%	Nil	1.20	Nil	-
Quoprrro Global Services Pvt Ltd. HK	31-Mar-12	1000000	HKD I	100%	Nil	2.62	Nil	12.24
Cox & Kings (Australia) Pty Ltd.	31-Mar-12	1000	AUD I	100%	Nil	(649.99)	Nil	99.88
Tempo Holidays Pty Ltd.	31-Mar-12	117000	AUD I	100%	Nil	1,993.61	Nil	1,558.90
Tempo Holidays NZ Ltd.	31-Mar-12	1000	NZD I	100%	Nil	(44.18)	Nil	(51.57)

## STATEMENT REGARDING SUBSIDIARY COMPANY PURSUANT TO SECTION 212 OF THE COMPANIES ACT 1956

Name of Subsidiary Company	Financial year to which accounts relate	Holding Company's Interest at close of the financial year of the Subsidiary Company			Net aggregate amount of profit/ (losses) of the subsidiary so far as they concern the members of the Company :		Net aggregate amount of profit/ (losses) of the previous years of the subsidiary, since it became subsidiary of the company, so far as they concern the members of the Company :	
		Share Holding		Extent of holding % age	dealt with the accounts of the Company Company for ended 31st March 2012	not dealt with the accounts of the Company Company for ended 31st March 2012	dealt with the accounts of the Company for the year ended 31st March 2011	not dealt with the accounts of the Company for the year ended 31st March 2011
		Number of Shares	Face Value					
Cox and Kings Nordic PTY Limited	31-Mar-12	27000	AUD I	100%	Nil	-	Nil	262.81
Prometheon Enterprise Limited	31-Mar-12	1	GBP I	100%	Nil	-	Nil	-
Prometheon Holdings Limited	31-Mar-12	1	GBP I	100%	Nil	(0.36)	Nil	(0.84)
Prometheon Holdings Pvt Ltd	31-Mar-12	1000	USD I	100%	Nil	(2.71)	Nil	(1.82)
Prometheon Holdings (UK) Ltd	31-Mar-12	10000	GBP I	100%	Nil	5,537.90	Nil	-
Prometheon Limited	31-Mar-12	1	GBP I	100%	Nil	-	Nil	-
Adventure Experience Inc	31-Mar-12	1000	USD 0.01	100%	Nil	0.17	Nil	-
BCR Holland BV	31-Mar-12	18200	EUR I	100%	Nil	(331.48)	Nil	-
Bookit BV	31-Mar-12	18000	EUR I	100%	Nil	(0.16)	Nil	-
BRC Holland Holding BV	31-Mar-12	18200	EUR I	100%	Nil	(36.13)	Nil	-
Camping Division Ltd	31-Mar-12	125	GBP I	100%	Nil	(887.67)	Nil	-
Camping In Comfort BV	31-Mar-12	35	EUR 453.78	100%	Nil	(427.25)	Nil	-
Chalets de France	31-Mar-12	50000	GBP I	100%	Nil	-	Nil	-
Chateau de Lamorlaye SCI	31-Mar-12	160	EUR 100	100%	Nil	-	Nil	-
Depot Starvillas SARL	31-Mar-12	750	EUR 10	100%	Nil	106.69	Nil	-
Djoser BV	31-Mar-12	57	EUR 0	100%	Nil	(725.74)	Nil	-
Djoser-Divantoura BVBA	31-Mar-12	2250	EUR 0	100%	Nil	(83.98)	Nil	-
Domaine de Segries SCI	31-Mar-12	1910	EUR 100	100%	Nil	(37.30)	Nil	-
Ecamp AG	31-Mar-12	100	CHF 1000	100%	Nil	(141.09)	Nil	-
ECAMP BV	31-Mar-12	18000	EUR I	100%	Nil	(188.84)	Nil	-
ECAMP Gmbh	31-Mar-12	26000	EUR I	100%	Nil	(37.39)	Nil	-
Edge Adventures Ltd	31-Mar-12	4728616	GBP I	100%	Nil	-	Nil	-
EST Transport Purchasing Ltd	31-Mar-12	2000	GBP I	100%	Nil	25.05	Nil	-
Eurocamp Independent Limited	31-Mar-12	100000	GBP I	100%	Nil	-	Nil	-
Eurocamp Ltd	31-Mar-12	1	GBP I	100%	Nil	-	Nil	-
Eurocamp Travel (Schweiz) AG	31-Mar-12	100	CHF 1000	100%	Nil	(6.78)	Nil	-
Eurocamp Travel BV	31-Mar-12	40	EUR 453.78	100%	Nil	(38.39)	Nil	-
Eurocamp Travel Gmbh	31-Mar-12	50000	EUR I	100%	Nil	(465.69)	Nil	-
European Study Tours limited	31-Mar-12	50000	GBP I	100%	Nil	546.80	Nil	-
Eurosites AS	31-Mar-12	500	DKR 1000	100%	Nil	(344.43)	Nil	-
Eurosites BV	31-Mar-12	40	EUR 450	100%	Nil	5.58	Nil	-
Explore Aviation Ltd	31-Mar-12	2000	GBP I	100%	Nil	-	Nil	-
Explore Worldwide Ltd	31-Mar-12	100000	GBP I	100%	Nil	831.07	Nil	-
Explore Worldwide Ltd	31-Mar-12	10	CAD I	100%	Nil	-	Nil	-
Freedom of France Ltd	31-Mar-12	2	GBP I	100%	Nil	-	Nil	-
GHL Transport Ltd	31-Mar-12	1000	GBP I	100%	Nil	(0.55)	Nil	-
Greenbank Holidays Ltd	31-Mar-12	1.09E+08	GBP I	100%	Nil	(3,369.71)	Nil	-
Greenbank Packages Ltd	31-Mar-12	100	GBP I	100%	Nil	(219.73)	Nil	-
Greenbank Services Ltd	31-Mar-12	20000	GBP I	100%	Nil	(337.30)	Nil	-

STATEMENT REGARDING SUBSIDIARY COMPANY PURSUANT TO SECTION 212 OF THE COMPANIES ACT 1956

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		Share Holding		Extent of holding % age	dealt with the accounts of the Company Company for ended 31st March 2012	not dealt with the accounts of the Company Company for ended 31st March 2012	dealt with the accounts of the Company for the year ended 31st March 2011	not dealt with the accounts of the Company for the year ended 31st March 2011
		Number of Shares	Face Value					
Holidaybreak Education Limited	31-Mar-12	8000000	GBP 1	100%	Nil	(490.36)	Nil	-
Holidaybreak Holding Co Ltd	31-Mar-12	2000	GBP 527.125	100%	Nil	(2.20)	Nil	-
Holidaybreak Ltd	31-Mar-12	72106429	GBP 5p	100%	Nil	(6,843.08)	Nil	-
Holidaybreak QUEST Trustee Ltd	31-Mar-12	1	GBP 1	100%	Nil	-	Nil	-
Holidaybreak Trustee Ltd	31-Mar-12	1	GBP 1	100%	Nil	-	Nil	-
Holidays Ltd	31-Mar-12	2	GBP 1	100%	Nil	(0.05)	Nil	-
Hotelnet Ltd	31-Mar-12	1	GBP 1	100%	Nil	-	Nil	-
Keycamp Holidays (Ireland) Ltd	31-Mar-12	11000	EUR 1.269738	100%	Nil	(102.04)	Nil	-
Keycamp Holidays Netherlands BV	31-Mar-12	400	EUR 45.38	100%	Nil	(36.09)	Nil	-
Noreya 2002 SL	31-Mar-12	3006	EUR 1	100%	Nil	(8.86)	Nil	-
NST Holdings Limited	31-Mar-12	82877	GBP 1	100%	Nil	(0.78)	Nil	-
NST Limited	31-Mar-12	30000	EUR 1.3	100%	Nil	116.41	Nil	-
NST Transport Services Ltd	31-Mar-12	2001	GBP 1	100%	Nil	49.65	Nil	-
NST Travel Group Limited	31-Mar-12	150000	GBP 1	100%	Nil	337.55	Nil	-
Own A Holiday Home Ltd	31-Mar-12	754232	GBP 1	100%	Nil	(1.84)	Nil	-
Parkovi Sunca d.o.o	31-Mar-12	20000	HRK 1	100%	Nil	(1.59)	Nil	-
PGL Adventure Ltd	31-Mar-12	100	GBP 1	100%	Nil	2.46	Nil	-
PGL Air Travel Ltd	31-Mar-12	65000	GBP 1	100%	Nil	2.75	Nil	-
PGL Aventures SAS	31-Mar-12	2916	EUR 1000	100%	Nil	646.12	Nil	-
PGL Group Ltd	31-Mar-12	700000	GBP 1p	100%	Nil	10.40	Nil	-
PGL Travel Ltd	31-Mar-12	13550000	GBP 1	100%	Nil	(5,463.78)	Nil	-
PGL Voyages Ltd	31-Mar-12	5844074	GBP 10p	100%	Nil	0.93	Nil	-
Regal Diving & Tours Ltd	31-Mar-12	125000	GBP 1	100%	Nil	37.05	Nil	-
SARL Chateau D'Eblinghem	31-Mar-12	81800	EUR 10	100%	Nil	379.86	Nil	-
SAS Travelworks France	31-Mar-12	1000	EUR 100	100%	Nil	(71.38)	Nil	-
SASu le Chateau D'Eblinghem	31-Mar-12	97000	EUR 20	100%	Nil	(160.32)	Nil	-
Select Sites Ltd	31-Mar-12	1	GBP 1	100%	Nil	-	Nil	-
Simpar SASu	31-Mar-12	575000	EUR 1.391304	100%	Nil	(660.61)	Nil	-
Sites Services SARL	31-Mar-12	8000	EUR 1	100%	Nil	(160.84)	Nil	-
Starvillas Ltd	31-Mar-12	1	GBP 1	100%	Nil	-	Nil	-
Superbreak Mini Holidays Group Ltd	31-Mar-12	9287267	GBP 1	100%	Nil	-	Nil	-
Superbreak Mini Holidays Ltd	31-Mar-12	500000	GBP 0.1	100%	Nil	(11,724.40)	Nil	-
Travelplus Group Gmbh	31-Mar-12	2	EUR 2.048	100%	Nil	13.33	Nil	-
Travelplus Group Gmbh	31-Mar-12	2	EUR 2.048	100%	Nil	53.07	Nil	-
Travelworks UK Limited	31-Mar-12	1	GBP 1	100%	Nil	-	Nil	-
Weekendje Weg BV	31-Mar-12	18200	EUR 1	100%	Nil	(0.16)	Nil	-

## FINANCIAL INFORMATION OF SUBSIDIARY COMPANIES

(Amount In Lacs)

Sr. No.	Name of the Subsidiary Company	Reporting Currency	Capital	Reserve	Total Assets	Total Liabilities	Investment In Total Assets (Excluding Investment in Subsidiary)	Turnover / Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	Country
1	Clearmine Limited	INR	1.22	91.03	500.23	500.23	-	-	33.00	8.18	24.82	-	UK
		GBP	0.02	1.12	6.14	6.14	-	-	0.41	0.10	0.30	-	
2	Cox & Kings Destination Management Services Ltd.	INR	0.00	3,750.75	5,971.50	5,971.50	-	2,486.67	1,236.68	321.86	914.82	-	UK
		GBP	0.00	46.05	73.31	73.31	-	30.53	15.18	3.95	11.23	-	
3	C&K Investments Limited	INR	0.00	-	0.00	0.00	-	-	-	-	-	-	UK
		GBP	0.00	-	0.00	0.00	-	-	-	-	-	-	
4	Cox & Kings (Agents) Limited	INR	0.00	-	0.00	0.00	-	-	-	-	-	-	UK
		GBP	0.00	-	0.00	0.00	-	-	-	-	-	-	
5	Cox & Kings (Shipping) Ltd.	INR	1.63	(5.45)	-	-	-	-	-	-	-	-	UK
		GBP	0.02	(0.07)	-	-	-	-	-	-	-	-	
6	Cox & Kings (UK) Ltd.	INR	1,163.08	676.94	5,798.07	5,798.07	8.15	-	101.29	30.22	71.07	-	UK
		GBP	14.28	8.31	71.18	71.18	0.10	-	1.24	0.37	0.87	-	
7	Cox & Kings Enterprises Ltd.	INR	0.08	-	0.08	0.08	-	-	-	-	-	-	UK
		GBP	0.00	-	0.00	0.00	-	-	-	-	-	-	
8	Cox & Kings Finance Ltd.	INR	0.00	-	0.00	0.00	-	-	-	-	-	-	UK
		GBP	0.00	-	0.00	0.00	-	-	-	-	-	-	
9	Cox & Kings Holdings Ltd.	INR	0.00	-	0.00	0.00	0.00	-	-	-	-	-	UK
		GBP	0.00	-	0.00	0.00	0.00	-	-	-	-	-	
10	Cox & Kings Special Interest Holidays Ltd.	INR	1.63	(31.64)	-	-	-	-	-	-	-	-	UK
		GBP	0.02	(0.39)	-	-	-	-	-	-	-	-	
11	Cox & Kings Tours Ltd.	INR	0.00	-	0.00	0.00	-	-	-	-	-	-	UK
		GBP	0.00	-	0.00	0.00	-	-	-	-	-	-	
12	ETN Services Ltd.	INR	0.00	-	0.00	0.00	-	-	-	-	-	-	UK
		GBP	0.00	-	0.00	0.00	-	-	-	-	-	-	
13	Grand Tours Ltd.	INR	0.42	(0.42)	-	-	-	-	-	-	-	-	UK
		GBP	0.01	(0.01)	-	-	-	-	-	-	-	-	
14	Cox & Kings Travel Limited	INR	520.50	13,167.05	37,295.92	37,295.92	1,872.44	10,712.36	3,628.08	1,037.95	2,590.13	-	UK
		GBP	6.39	161.65	457.87	457.87	22.99	131.51	44.54	12.74	31.80	-	
15	East India Travel Company Inc,	INR	0.31	3,128.14	7,131.45	7,131.45	-	3,181.23	1,157.32	567.32	590.00	-	USA
		USD	0.01	61.49	140.19	140.19	-	62.54	22.75	11.15	11.60	-	
16	Cox & Kings Japan Ltd.	INR	1,227.80	3,258.27	18,903.57	18,903.57	-	1,292.36	(1,850.31)	-	(1,850.31)	-	Japan
		JPY	2,000.00	5,307.50	30,792.59	30,792.59	-	2,105.17	(3,014.03)	-	(3,014.03)	-	
17	Cox & Kings Tours LLC, Dubai	INR	41.55	4,995.83	7,012.19	7,012.19	-	2,904.67	1,948.85	-	1,948.85	-	UAE
		AED	3.00	360.73	506.32	506.32	-	209.73	140.72	-	140.72	-	
18	Cox & Kings Finance (Mauritius) Ltd.	INR	6.10	(51.86)	3.64	3.64	-	0.70	(5.99)	-	(5.22)	-	Mauritius
		USD	0.12	(1.02)	0.07	0.07	-	0.01	(0.12)	-	(0.10)	-	
19	Cox and Kings Asia Pacific Travel Ltd.	INR	0.66	(305.76)	11,338.57	11,338.57	-	-	(293.78)	-	(293.78)	-	Hong Kong
		USD	0.01	(6.01)	222.89	222.89	-	-	(5.78)	-	(5.78)	-	
20	Cox and Kings Singapore Private Limited	INR	644.54	(4,017.43)	27,154.35	27,154.35	1,467.88	34.11	(1,093.91)	-	(1,093.91)	-	Singapore
		USD	12.67	(78.97)	533.80	533.80	28.86	0.67	(21.50)	-	(21.50)	-	
21	Cox and Kings Destinations Management Services Pvt. Ltd.	INR	40.45	(4.01)	37.17	37.17	-	-	(4.01)	-	(4.01)	-	Singapore
		SGD	1.00	(0.10)	0.92	0.92	-	-	(0.10)	-	(0.10)	-	
22	Cox & Kings Global Services Management (Singapore) Pte Ltd.	INR	50.87	(3.96)	1,403.65	1,403.65	-	122.37	(3.96)	-	(3.96)	-	Singapore
		USD	1.00	(0.08)	27.59	27.59	-	2.41	(0.08)	-	(0.08)	-	
23	Cox & Kings GmbH	INR	16.97	28.95	435.94	435.94	-	674.96	16.26	-	16.26	-	Germany
		EUR	0.25	0.43	6.42	6.42	-	9.94	0.24	-	0.24	-	
24	Cox & Kings Global Services LLC Dubai	INR	41.55	(298.02)	508.36	508.36	-	39.05	(298.02)	-	(298.02)	-	UAE
		AED	3.00	(21.52)	36.71	36.71	-	2.82	(21.52)	-	(21.52)	-	
25	Cox and Kings Global Services (Singapore) Pte Ltd.	INR	42.26	(6.98)	703.71	703.71	-	-	(6.98)	-	(6.98)	-	Singapore
		USD	0.83	(0.14)	13.83	13.83	-	-	(0.14)	-	(0.14)	-	
26	Cox & Kings Global Services Pvt. Ltd.	INR	5.00	(17.81)	1,091.09	1,091.09	-	320.65	(15.59)	(3.90)	(11.69)	-	India
		EUR	0.18	0.04	0.48	0.48	-	(0.07)	(0.07)	(0.02)	(0.05)	-	Germany
27	Quoprrro Global Hellas, Greece	INR	12.22	2.76	32.66	32.66	-	(4.82)	(4.65)	(1.08)	(3.57)	-	Germany
		EUR	0.18	0.04	0.48	0.48	-	(0.07)	(0.07)	(0.02)	(0.05)	-	
28	Quoprrro Global Limited	INR	24.44	(302.00)	357.41	357.41	-	-	(274.99)	-	(274.99)	-	UK
		GBP	0.30	(3.71)	4.39	4.39	-	-	(3.38)	-	(3.38)	-	
29	Quoprrro Global Services Pte. Ltd.	INR	80.89	(290.03)	111.24	111.24	-	42.12	(52.05)	-	(52.05)	-	Singapore
		SGD	2.00	(7.17)	2.75	2.75	-	1.04	(1.29)	-	(1.29)	-	
30	Quoprrro Global Services Pvt. Ltd.	INR	1.00	(2.26)	4,496.53	4,496.53	-	1.29	1.29	0.09	1.20	-	India
		USD	0.01	(0.02)	27.59	27.59	-	0.01	0.01	0.01	0.01	-	
31	Quoprrro Global Services Pvt. Ltd. HK	INR	65.51	17.92	91.11	91.11	-	114.51	4.79	2.17	2.62	-	Hong Kong
		HKD	10.00	2.74	13.91	13.91	-	17.48	0.73	0.33	0.40	-	
32	Cox & Kings (Australia) Pty Ltd.	INR	0.53	1,167.00	17,922.42	17,922.42	-	428.61	(453.18)	196.81	(649.99)	-	Australia
		AUD	0.01	22.17	340.42	340.42	-	8.14	(8.61)	3.74	(12.35)	-	
33	Tempo Holidays Pty Ltd.	INR	61.60	8,113.98	8,175.58	8,175.58	-	7,831.08	2,848.01	854.40	1,993.61	-	Australia
		AUD	1.17	154.12	155.29	155.29	-	148.74	54.10	16.23	37.87	-	
34	Tempo Holidays NZ Ltd.	INR	0.42	1.39	1.81	1.81	-	223.68	(39.98)	4.20	(44.18)	-	New Zealand
		NZD	0.01	0.03	0.04	0.04	-	5.37	(0.96)	0.10	(1.06)	-	
35	Cox and Kings Nordic PTY Limited	INR	14.21	21.11	35.33	35.33	-	-	-	-	-	-	Australia
		AUD	0.27	0.40	0.67	0.67	-	-	-	-	-	-	
36	Prometheon Enterprise Limited	INR	0.00	-	0.00	0.00	-	-	-	-	-	-	UK
		GBP	0.00	-	0.00	0.00	-	-	-	-	-	-	
37	Prometheon Holdings Limited	INR	0.00	(1.30)	0.04	0.04	-	-	(0.36)	-	(0.36)	-	UK
		GBP	0.00	(0.02)	0.00	0.00	-	-	(0.00)	-	(0.00)	-	
38	Prometheon Holdings Pvt. Ltd.	INR	0.51	(4.75)	1.18	1.18	-	-	(2.71)	-	(2.71)	-	Mauritius
		USD	0.01	(0.09)	0.02	0.02	-	-	(0.05)	-	(0.05)	-	
39	Prometheon Holdings (UK) Ltd.	INR	8.15	5,537.90	285,697.15	285,697.15	-	-	6,185.47	647.57	5,537.90	-	UK
		GBP	0.10	67.99	3,507.40	3,507.40	-	-	75.94	7.95	67.99	-	



## FINANCIAL INFORMATION OF SUBSIDIARY COMPANIES

(Amount In Lacs)

Sr. No.	Name of the Subsidiary Company	Reporting Currency	Capital	Reserve	Total Assets	Total Liabilities	Investment In Total Assets (Excluding Investment in Subsidiary)	Turnover / Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	Country
40	Prometheon Limited	INR	0.00	-	0.00	0.00	-	-	-	-	-	-	UK
		GBP	0.00	-	0.00	0.00	-	-	-	-	-	-	-
41	Adventure Experience Inc	INR	0.01	162.72	227.36	(64.63)	-	94.19	0.17	-	0.17	-	USA
		USD	0.00	3.20	4.47	(1.27)	-	1.85	0.00	-	0.00	-	-
43	BCR Holland BV	INR	12.35	9,631.25	14,033.99	(4,390.39)	-	2,858.86	119.39	450.87	(331.48)	-	Netherlands
		EUR	0.18	141.88	206.74	(64.68)	-	42.12	1.76	6.64	(4.88)	-	-
44	Bookit BV	INR	12.22	(0.91)	11.31	-	-	-	(0.16)	-	(0.16)	-	Netherlands
		EUR	0.18	(0.01)	0.17	-	-	-	(0.00)	-	(0.00)	-	-
45	BRC Holland Holding BV	INR	12.22	10,082.26	14,033.99	(3,939.52)	-	-	1,804.24	1,840.37	(36.13)	-	Netherlands
		EUR	0.18	148.53	206.74	(58.04)	-	-	26.58	27.11	(0.53)	-	-
46	Camping Division Ltd.	INR	20.47	5,003.89	44,158.26	(39,133.90)	-	(776.05)	(1,399.98)	(512.31)	(887.67)	-	England
		GBP	0.25	61.43	542.11	(480.43)	-	(9.53)	(17.19)	(6.29)	(10.90)	-	-
47	Camping In Comfort BV	INR	10.78	5,370.03	5,635.05	(254.24)	-	0.12	(427.25)	-	(427.25)	-	Holland
		EUR	0.16	79.11	83.01	(3.75)	-	0.00	(6.29)	-	(6.29)	-	-
48	Chalets de France	INR	40.73	(0.00)	40.73	-	-	-	-	-	-	-	England
		GBP	0.50	(0.00)	0.50	-	-	-	-	-	-	-	-
49	Chateau de Lamorlaye SCI	INR	10.86	-	10.86	-	-	-	-	-	-	-	France
		EUR	0.16	-	0.16	-	-	-	-	-	-	-	-
50	Depot Starvillas SARL	INR	5.09	95.51	271.61	(171.02)	-	177.90	89.12	(17.57)	106.69	-	France
		EUR	0.08	1.41	4.00	(2.52)	-	2.62	1.31	(0.26)	1.57	-	-
51	Djoser BV	INR	17.58	2,850.34	8,870.92	(6,003.00)	-	1,777.66	(949.17)	(223.43)	(725.74)	-	Netherlands
		EUR	0.26	41.99	130.68	(88.43)	-	26.19	(13.98)	(3.29)	(10.69)	-	-
52	Djoser-Divantoura BVBA	INR	113.58	15.64	332.17	(202.95)	-	11.14	(83.98)	-	(83.98)	-	Belgium
		EUR	1.67	0.23	4.89	(2.99)	-	0.16	(1.24)	-	(1.24)	-	-
53	Domaine de Segries SCI	INR	129.65	167.63	302.10	(4.82)	-	(16.09)	(16.09)	21.22	(37.30)	-	France
		EUR	1.91	2.47	4.45	(0.07)	-	(0.24)	(0.24)	0.31	(0.55)	-	-
54	Ecamp AG	INR	56.38	(141.09)	730.58	(815.29)	-	-	(141.09)	-	(141.09)	-	Switzerland
		CHF	1.00	(2.50)	12.96	(14.46)	-	-	(2.50)	-	(2.50)	-	-
55	ECAMP BV	INR	12.22	(850.02)	792.79	(1,630.59)	-	4.45	(188.84)	-	(188.84)	-	Holland
		EUR	0.18	(12.52)	11.68	(24.02)	-	0.07	(2.78)	-	(2.78)	-	-
56	ECAMP Gmbh	INR	17.65	723.93	1,278.80	(537.22)	-	134.01	(38.79)	(1.40)	(37.39)	-	Germany
		EUR	0.26	10.66	18.84	(7.91)	-	1.97	(0.57)	(0.02)	(0.55)	-	-
57	Edge Adventures Ltd.	INR	3,851.72	31,599.36	35,451.08	-	-	-	-	-	-	-	England
		GBP	47.29	387.93	435.22	-	-	-	-	-	-	-	-
58	EST Transport Purchasing Ltd.	INR	40.73	122.42	537.81	(374.67)	-	5,074.75	24.44	(0.61)	25.05	-	UK
		GBP	0.50	1.50	6.60	(4.60)	-	62.30	0.30	(0.01)	0.31	-	-
59	Eurocamp Independent Limited	INR	109.97	(7,304.99)	-	(7,195.02)	-	-	-	-	-	-	England
		GBP	1.35	(89.68)	-	(88.33)	-	-	-	-	-	-	-
60	Eurocamp Ltd.	INR	0.00	-	0.00	-	-	-	-	-	-	-	England
		GBP	0.00	-	0.00	-	-	-	-	-	-	-	-
61	Eurocamp Travel (Schweiz) AG	INR	56.38	3,020.84	3,423.75	(346.52)	-	(0.66)	(3.86)	2.92	(6.78)	-	Switzerland
		CHF	1.00	53.58	60.72	(6.15)	-	(0.01)	(0.07)	0.05	(0.12)	-	-
62	Eurocamp Travel BV	INR	12.32	1,994.13	5,701.30	(3,694.86)	-	-	(98.65)	(60.27)	(38.39)	-	Holland
		EUR	0.18	29.38	83.99	(54.43)	-	-	(1.45)	(0.89)	(0.57)	-	-
63	Eurocamp Travel Gmbh	INR	34.71	121.70	747.79	(591.38)	-	250.83	(419.89)	45.80	(465.69)	-	Germany
		EUR	0.51	1.79	11.02	(8.71)	-	3.70	(6.19)	0.67	(6.86)	-	-
64	European Study Tours limited	INR	40.73	1,733.06	3,700.65	(1,926.87)	-	9,106.50	547.38	0.58	546.80	-	UK
		GBP	0.50	21.28	45.43	(23.66)	-	111.80	6.72	0.01	6.71	-	-
65	Eurosites AS	INR	45.61	(924.23)	89.28	(967.91)	-	(6.38)	(344.43)	-	(344.43)	-	Denmark
		DKK	5.00	(101.32)	9.79	(106.11)	-	(0.70)	(37.76)	-	(37.76)	-	-
66	Eurosites BV	INR	12.22	229.50	244.09	(2.37)	-	-	3.21	(2.37)	5.58	-	Holland
		EUR	0.18	3.38	3.60	(0.03)	-	-	0.05	(0.03)	0.08	-	-
67	Explore Aviation Ltd.	INR	1.63	-	1.63	-	-	-	-	-	-	-	England
		GBP	0.02	-	0.02	-	-	-	-	-	-	-	-
68	Explore Worldwide Ltd.	INR	81.46	5,320.69	13,495.81	(8,093.66)	-	4,006.76	884.16	53.09	831.07	-	England
		GBP	1.00	65.32	165.68	(99.36)	-	49.19	10.85	0.65	10.20	-	-
69	Explore Worldwide Ltd.	INR	0.01	-	0.00	-	-	-	-	-	-	-	England
		CAD	0.00	-	0.00	-	-	-	-	-	-	-	-
70	Freedom of France Ltd.	INR	0.00	-	11.40	(11.40)	-	-	-	-	-	-	UK
		GBP	0.00	-	0.14	(0.14)	-	-	-	-	-	-	-
71	GHL Transport Ltd.	INR	0.81	(3.54)	0.55	(3.28)	-	-	-	0.55	(0.55)	-	England
		GBP	0.01	(0.04)	0.01	(0.04)	-	-	-	0.01	(0.01)	-	-
72	Greenbank Holidays Ltd.	INR	89,015.95	42,035.63	161,051.61	(30,000.02)	-	104.09	(4,610.84)	(1,241.14)	(3,369.71)	-	England
		GBP	1,092.82	516.06	1,977.17	(368.30)	-	1.28	(56.61)	(15.24)	(41.37)	-	-
73	Greenbank Packages Ltd.	INR	0.08	261.79	439.71	(177.84)	-	-	(220.51)	(0.78)	(219.73)	-	England
		GBP	0.00	3.21	5.40	(2.18)	-	-	(2.71)	(0.01)	(2.70)	-	-
74	Greenbank Services Ltd.	INR	16.29	264.43	758.70	(477.98)	-	392.16	(339.20)	(1.90)	(337.30)	-	England
		GBP	0.20	3.25	9.31	(5.87)	-	4.81	(4.16)	(0.02)	(4.14)	-	-
75	Holidaybreak Education Limited	INR	6,516.45	487.10	32,550.47	(25,546.92)	-	-	(490.36)	-	(490.36)	-	England
		GBP	80.00	5.98	399.61	(313.63)	-	-	(6.02)	-	(6.02)	-	-
76	Holidaybreak Holding Co Ltd.	INR	1.63	989.69	994.57	(3.26)	-	-	(2.20)	-	(2.20)	-	Isle of Man
		GBP	0.02	12.15	12.21	(0.04)	-	-	(0.03)	-	(0.03)	-	-
77	Holidaybreak Ltd.	INR	2,936.47	123,056.60	236,718.93	(110,725.86)	-	-	(6,843.08)	-	(6,843.08)	-	England
		GBP	36.05	1,510.72	2,906.11	(1,359.34)	-	-	(84.01)	-	(84.01)	-	-
78	Holidaybreak QUEST Trustee Ltd.	INR	0.00	-	0.00	-	-	-	-	-	-	-	England
		GBP	0.00	-	0.00	-	-	-	-	-	-	-	-
79	Holidaybreak Trustee Ltd.	INR	0.00	0.76	68.15	(67.39)	-	-	-	-	-	-	England
		GBP	0.00	0.01	0.84	(0.83)	-	-	-	-	-	-	-
80	Holidays Ltd.	INR	0.00	2,420.05	2,420.05	-	-	-	(0.05)	-	(0.05)	-	England
		GBP	0.00	29.71	29.71	-	-	-	(0.00)	-	(0.00)	-	-

## FINANCIAL INFORMATION OF SUBSIDIARY COMPANIES

(Amount In Lacs)

Sr. No.	Name of the Subsidiary Company	Reporting Currency	Capital	Reserve	Total Assets	Total Liabilities	Investment In Total Assets (Excluding Investment in Subsidiary)	Turnover / Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	Country
81	Hotelnat Ltd.	INR	0.00	-	0.00	-	-	-	-	-	-	-	England
		GBP	0.00	-	0.00	-	-	-	-	-	-	-	
82	Keycamp Holidays (Ireland) Ltd.	INR	18.10	1,388.63	1,430.68	(23.95)	-	(3.20)	(124.25)	(22.21)	(102.04)	-	Ireland
		EUR	0.27	20.46	21.08	(0.35)	-	(0.05)	(1.83)	(0.33)	(1.50)	-	
83	Keycamp Holidays Netherlands BV	INR	12.32	912.93	981.03	(55.78)	-	0.22	(99.05)	(62.96)	(36.09)	-	Holland
		EUR	0.18	13.45	14.45	(0.82)	-	0.00	(1.46)	(0.93)	(0.53)	-	
84	Noreya 2002 SL	INR	2.04	35.00	64.34	(27.31)	-	(6.95)	(8.86)	-	(8.86)	-	Spain
		EUR	0.03	0.52	0.95	(0.40)	-	(0.10)	(0.13)	-	(0.13)	-	
85	NST Holdings Limited	INR	67.51	-	67.51	-	-	-	-	-	0.78	(0.78)	England
		GBP	0.83	-	0.83	-	-	-	-	-	0.01	(0.01)	
86	NST Limited	INR	26.47	1,246.07	1,307.96	(35.42)	-	329.50	116.41	-	116.41	-	Ireland
		EUR	0.39	18.36	19.27	(0.52)	-	4.85	1.71	-	1.71	-	
87	NST Transport Services Ltd.	INR	1.63	468.21	3,463.22	(2,993.38)	-	48.87	48.87	(0.78)	49.65	-	UK
		GBP	0.02	5.75	42.52	(36.75)	-	0.60	0.60	(0.01)	0.61	-	
88	NST Travel Group Limited	INR	122.18	6,084.80	37,568.28	(31,361.29)	-	4,018.20	1,068.62	731.07	337.55	-	UK
		GBP	1.50	74.70	461.21	(385.01)	-	49.33	13.12	8.98	4.14	-	
89	Own A Holiday Home Ltd.	INR	614.36	(568.79)	47.67	(2.09)	-	1.02	(1.44)	0.40	(1.84)	-	England
		GBP	7.54	(6.98)	0.59	(0.03)	-	0.01	(0.02)	0.00	(0.02)	-	
90	Parkovi Sunca d.o.o	INR	1.81	37.00	60.82	(22.01)	-	(4.78)	(14.23)	(12.64)	(1.59)	-	Croatia
		HRK	0.20	4.08	6.71	(2.43)	-	(0.53)	(1.57)	(1.39)	(0.18)	-	
91	PGL Adventure Ltd.	INR	0.08	142.36	143.21	(0.78)	-	394.23	3.24	0.78	2.46	-	UK
		GBP	0.00	1.75	1.76	(0.01)	-	4.84	0.04	0.01	0.03	-	
92	PGL Air Travel Ltd.	INR	52.95	58.23	223.40	(112.22)	-	277.09	3.53	0.78	2.75	-	UK
		GBP	0.65	0.71	2.74	(1.38)	-	3.40	0.04	0.01	0.03	-	
93	PGL Aventures SAS	INR	1,979.41	354.11	5,133.26	(2,799.75)	-	344.09	646.12	-	646.12	-	France
		EUR	29.16	5.22	75.62	(41.24)	-	5.07	9.52	-	9.52	-	
94	PGL Group Ltd.	INR	5.70	2,453.45	103,307.94	(100,848.80)	-	521.32	10.40	-	10.40	-	UK
		GBP	0.07	30.12	1,268.27	(1,238.08)	-	6.40	0.13	-	0.13	-	
95	PGL Travel Ltd.	INR	11,037.23	42,211.81	141,769.30	(88,520.26)	-	4,809.54	(4,601.08)	862.69	(5,463.78)	-	UK
		GBP	135.50	518.22	1,740.45	(1,086.73)	-	59.04	(56.49)	10.59	(67.08)	-	
96	PGL Voyages Ltd.	INR	476.03	369.36	70,200.31	(69,354.92)	-	-	1.51	0.59	0.93	-	UK
		GBP	5.84	4.53	861.82	(851.44)	-	-	0.02	0.01	0.01	-	
97	Regal Diving & Tours Ltd.	INR	101.82	404.20	1,202.82	(696.80)	-	269.63	37.55	0.50	37.05	-	England
		GBP	1.25	4.96	14.77	(8.55)	-	3.31	0.46	0.01	0.45	-	
98	SARL Chateau D'Ebblinghem	INR	555.27	78.18	1,188.77	(555.33)	-	391.91	379.86	-	379.86	-	France
		EUR	8.18	1.15	17.51	(8.18)	-	5.77	5.60	-	5.60	-	
99	SAS Travelworks France	INR	67.88	(248.12)	61.11	(241.34)	-	(38.39)	(71.38)	-	(71.38)	-	France
		EUR	1.00	(3.66)	0.90	(3.56)	-	(0.57)	(1.05)	-	(1.05)	-	
100	SASu le Chateau D'Ebblinghem	INR	1,316.89	430.64	1,835.59	(88.05)	-	(110.47)	(120.67)	39.64	(160.32)	-	France
		EUR	19.40	6.34	27.04	(1.30)	-	(1.63)	(1.78)	0.58	(2.36)	-	
101	Select Sites Ltd.	INR	0.00	-	0.00	-	-	-	-	-	-	-	England
		GBP	0.00	-	0.00	-	-	-	-	-	-	-	
102	Simpair SASu	INR	543.05	2,202.15	3,149.18	(403.99)	-	932.96	(650.30)	10.31	(660.61)	-	France
		EUR	8.00	32.44	46.39	(5.95)	-	13.74	(9.58)	0.15	(9.73)	-	
103	Sites Services SARL	INR	5.43	250.24	5,763.21	(5,507.54)	-	56.97	(125.63)	35.21	(160.84)	-	France
		EUR	0.08	3.69	84.90	(81.14)	-	0.84	(1.85)	0.52	(2.37)	-	
104	Starvillas Ltd.	INR	0.00	3.87	3.87	-	-	-	-	-	-	-	England
		GBP	0.00	0.05	0.05	-	-	-	-	-	-	-	
105	Superbreak Mini Holidays Group Ltd.	INR	7,565.00	95.76	13,677.23	(6,016.63)	-	-	-	-	-	-	England
		GBP	92.87	1.18	167.91	(73.86)	-	-	-	-	-	-	
106	Superbreak Mini Holidays Ltd.	INR	40.73	8,769.00	56,728.16	(47,918.43)	-	6,766.16	(11,891.68)	(167.27)	(11,724.40)	-	England
		GBP	0.50	107.65	696.43	(588.28)	-	83.07	(145.99)	(2.05)	(143.94)	-	
107	Travelplus Group GmbH	INR	25.86	950.44	2,372.01	(1,395.71)	-	1,224.10	17.89	4.57	13.33	-	Germany
		EUR	0.38	14.00	34.94	(20.56)	-	18.03	0.26	0.07	0.20	-	
108	Travelplus Group GmbH	INR	23.76	6.06	238.73	(208.92)	-	59.41	54.26	1.19	53.07	-	Austria
		EUR	0.35	0.09	3.52	(3.08)	-	0.88	0.80	0.02	0.78	-	
109	Travelworks UK Limited	INR	0.00	-	0.00	-	-	-	-	-	-	-	England
		GBP	0.00	-	0.00	-	-	-	-	-	-	-	
110	Weekendje Weg BV	INR	12.35	(1.88)	10.48	-	-	-	(0.16)	-	(0.16)	-	Netherlands
		EUR	0.18	(0.03)	0.15	-	-	-	(0.00)	-	(0.00)	-	

Exchange Rate as on 31st March 2012: | AED = Rs.13.85, | AUD = Rs.52.65, | CAD = Rs.50.93, | CHF = Rs.56.38, | DKR = Rs.9.12, | EUR = Rs.67.88, | GBP = Rs.81.46, | HKD = Rs.6.55, | HRK = Rs.9.07, | JPY = Rs.0.61, | NZD = Rs.41.64, | SGD = Rs.40.64, | USD = Rs.50.87.

## AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENT

To  
The Board of Directors  
**Cox & Kings Limited**

We have audited the attached Consolidated Balance Sheet of Cox & Kings Limited (the Company) and its Subsidiaries and its joint ventures (collectively referred to as "the Group") as at 31st March 2012, and also the Consolidated Statement of Profit and Loss 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 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, whose financial statements/consolidated financial statements reflects total assets of Rs. 701,512 Lacs as at 31st March, 2012, total revenue of Rs. 67,637 Lacs and net cash inflows amounting to Rs. 23,748 Lacs for the year then ended and the financial statements of associates wherein the Group's share of profit is Rs. 1,462 Lacs. 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 other auditors.
2. Without qualifying our opinion, we draw attention to note no. 34(b). The financials of the joint venture for the year ended 31st March, 2012, could not be finalized for the reasons stated therein. The Company has consolidated the unaudited financials of the joint venture for the year ended 31st March, 2011. We have relied on this unaudited financial statement which reflects total assets of Rs. 2,425 Lacs as at 31st March,

2011, total revenue of Rs. 297 Lacs and net cash inflows amounting to Rs. 150 Lacs for the year then ended. These unaudited financial statements as approved by the Board of Directors of the joint venture have been furnished to us by the Management and our report in so far as it relates to the amounts included in respect of the joint venture is based solely on such approved unaudited financial statements.

3. 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.
4. 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 a 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 2012;
  - (ii) in the case of the Consolidated Statement of Profit and Loss, 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**  
**Firm Registration No. 101720W**  
**Chartered Accountants**

**Amit Chaturvedi**  
**Partner**  
**Membership No.: 103141**

Place: Mumbai  
Date : August 13, 2012

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2012

(Rupees in Lacs)

Particulars	Note No.	As at 31st March, 2012	As at 31st March, 2011
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	6,826	6,826
Reserves and Surplus	2	112,411	113,959
		<b>119,237</b>	<b>120,785</b>
<b>Non-Current Liabilities</b>			
Long-term borrowings	3	345,117	74,979
Deferred tax liabilities (Net)	4	7,663	912
Long term provisions	5	2,657	149
		<b>355,437</b>	<b>76,040</b>
<b>Current Liabilities</b>			
Short-term borrowings	6	25,500	-
Trade payables	7	42,492	10,990
Other current liabilities	8	217,162	25,277
Short-term provisions	9	5,156	3,352
		<b>290,310</b>	<b>39,619</b>
<b>Total</b>		<b>764,984</b>	<b>236,444</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Tangible assets	10	189,833	8,795
Intangible assets	11	1,639	1,416
Capital work-in-progress	10	4,864	561
Intangible assets under development	11	7,511	4,299
Goodwill on Consolidation		266,289	21,750
		<b>470,136</b>	<b>36,821</b>
Non-current investments	12	27,610	1,505
Deferred tax Assets (Net)	4	172	118
Long term loans and advances	13	3,416	5,117
		<b>31,198</b>	<b>6,740</b>
<b>Current assets</b>			
Current investments	14	2,807	19,617
Inventories	15	1,726	860
Trade receivables	16	71,506	41,422
Cash and Cash Equivalents	17	105,327	96,127
Short-term loans and advances	18	82,119	34,692
Other current assets	19	165	165
		<b>263,650</b>	<b>192,883</b>
<b>Total</b>		<b>764,984</b>	<b>236,444</b>
See accompanying significant accounting policies and notes to the financial statements - I to 34			

As per our report of even date

**For Chaturvedi & Shah**  
Chartered Accountants  
Firm Registration No. 101720W

**Amit Chaturvedi**  
Partner  
Membership No. 103141

Place: Mumbai  
Date: August 13, 2012

For and on behalf of the Board

**A. B. M. Good**  
Director

**Peter Kerkar**  
Director

**Rashmi Jain**  
Company Secretary

## CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

(Rupees in Lacs)

Particulars	Note No.	For the year ended 31st March, 2012	For the year ended 31st March, 2011
<b>INCOME</b>			
Revenue from operations	20	83,794	49,673
Other Income	21	16,603	3,599
<b>Total Revenue</b>		<b>100,397</b>	<b>53,272</b>
<b>EXPENDITURE</b>			
Employee benefit expenses	22	38,516	12,957
Finance costs	23	18,429	5,439
Depreciation and amortization expense	10 & 11	4,913	1,855
Other expenses	24	28,547	13,711
<b>Total Expenses</b>		<b>90,405</b>	<b>33,963</b>
<b>Profit before exceptional items and tax</b>		<b>9,992</b>	<b>19,310</b>
Exceptional Items		3,118	-
<b>Profit before tax</b>		<b>6,874</b>	<b>19,310</b>
<b>Tax Expenses:</b>			
Current tax		3,766	5,605
Deferred tax		198	657
Current tax expenses relating to prior years		212	(11)
<b>Profit after tax for the year</b>		<b>2,698</b>	<b>13,058</b>
Add : Share of Income/(Loss) from Investment in Associates		1,462	(150)
<b>Profit for the year</b>		<b>4,160</b>	<b>12,908</b>
Earnings per equity share (Face Value of Rs. 5 per share):	28		
Basic (In Rs.)		3.05	9.76
Diluted (In Rs.)		3.05	9.76
See accompanying significant accounting policies and notes to the financial statements - I to 34			

As per our report of even date

**For Chaturvedi & Shah**  
Chartered Accountants  
Firm Registration No. 101720W

**Amit Chaturvedi**  
Partner  
Membership No. 103141

Place: Mumbai  
Date: August 13, 2012

**For and on behalf of the Board**

**A. B. M. Good**  
Director

**Peter Kerkar**  
Director

**Rashmi Jain**  
Company Secretary

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

	(Rupees in Lacs)	
Particulars	For the year ended 31.03.2012 Rs. in Lacs	For the year ended 31.03.2011 Rs. in Lacs
<b>Cash Flow from Operating Activities</b>		
Profit before Tax	6,874	19,310
<b>Adjustment for:</b>		
Depreciation	4,913	1,855
Profit on sale of Investment	(819)	(3)
Dividend on Investment	(536)	(832)
Interest Income	(588)	(1,266)
Interest Expense	17,340	5,439
Bad Debts	53	50
Reversal of loss in value of Current Investment	-	1
Foreign Exchange Reserve on Translation	(3,003)	(1,504)
Profit on Sale of Fixed Assets (Net)	(9)	(4)
<b>Operating profit before working capital changes</b>	24,225	23,046
<b>Adjustment for:</b>		
(Increase)/Decrease in Inventories	423	(31)
(Increase)/Decrease in Trade Receivable	(6,009)	(11,266)
(Increase)/Decrease in Loans and Advances	(49,940)	(5,086)
Increase/(Decrease) in Current Liabilities	(20,236)	8,235
Cash Generated from Operations	(11,064)	14,898
Income Taxes Paid	2,594	(5,392)
<b>Net cash flow from operating activities</b>	(13,658)	9,506
<b>Cash Flow from Investing Activities</b>	A	
Purchase of Fixed Assets & Capital Work In Progress	(14,337)	(9,227)
Acquisition of subsidiaries	(277,074)	-
Advances (given)/ Refund	2,850	-
Sale of Fixed Assets	1,265	398
Interest Received	588	1,254
Dividend Received	536	832
Purchase of Investment	2,504	(176,180)
Sale of Investments	17,630	174,789
<b>Net cash used in investing activities</b>	(266,039)	(8,134)
<b>Cash Flow from Financing Activities</b>	B	
Proceeds of Long Term Borrowing	249,918	17,591
Repayment of Long Term Borrowing	(10,000)	(6,591)
Proceeds of Short Term Borrowing	25,500	-
Proceed from Issue of Equity Shares	-	30,399
Proceed from Issue of Debentures	-	30,000
Repayment of Debentures	-	(7,000)
Expenses for IPO / GDR / NCD	(1,766)	(1,389)
Dividend Paid	(795)	(799)
Interest Paid	(14,492)	(4,888)
<b>Net cash flow from financing activities</b>	248,364	57,323
<b>Net Increase in cash and Cash equivalents (A+B+C)</b>	(31,333)	58,695
<b>Cash and Cash equivalents</b>		
at the beginning of the period	96,080	37,385
as part of acquired subsidiary	36,692	-
at the end of the period	101,440	96,080
<b>Net Increase in cash and Cash equivalents</b>	(31,333)	58,695

Cash and cash equivalents are as per notes 17 to the financial statements (adjusted for the Book Overdraft)

Significant accounting policies and notes to the financial statements - I to 34

As per our report of even date

**For Chaturvedi & Shah**  
Chartered Accountants  
Firm Registration No. 101720W

**Amit Chaturvedi**  
Partner  
Membership No. 103141

Place: Mumbai  
Date: August 13, 2012

**For and on behalf of the Board**

**A. B. M. Good**  
Director

**Peter Kerkar**  
Director

**Rashmi Jain**  
Company Secretary

## Significant Accounting Policies

### A. Principles of consolidation

- The financial statements of the Company and its subsidiary Companies (which are not in the nature of joint ventures) are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".
- In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the period. All assets and liabilities are converted at rates prevailing at the end of the period. Any exchange difference arising on consolidation is recognised in the foreign exchange translation reserve.
- The difference between the costs of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.
- In case of associates where the Company directly or indirectly through subsidiaries holds more than 20% of equity, Investments in associates are accounted for using equity method in accordance with Accounting Standard (AS) 23 - "Accounting for investments in associates in consolidated financial statements".
- The Company accounts for its share in the change in the net assets of the associates, post acquisition, after eliminating unrealized profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its profit and loss account to the extent such change is attributable to the associates' profit and loss account and through its reserves for the balance, based on available information.
- The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- In case of joint venture Companies (JVC's), the consolidated financial statements include the interest of the Company in JVC's, which has been accounted for using the proportionate consolidation method of accounting and reporting whereby the Company's share of each of the assets, liabilities, income and expenses of a jointly controlled entity is considered as separate line items in the Consolidated Financial Statements.
- As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 "Accounting for Investments".

### B. Other significant accounting policies

#### a. Basis of accounting:

The financial statements of the parent Company are prepared as per historical cost convention on accrual basis except certain fixed assets which are stated at fair value and comply with the generally accepted accounting principles in India and the applicable accounting standards. The financial statements of the United Kingdom based subsidiaries are prepared in accordance with the UK financial reporting standards, UAE based subsidiary Company are prepared in accordance with International Financial Reporting Standards, Singapore based subsidiaries are prepared in accordance with the Singapore Financial Reporting Standards and Australia based subsidiaries are prepared in accordance with the Australia Financial Reporting Standards.

#### b. Use of estimates:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of the assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

#### c. Turnover:

In line with generally accepted accounting practices, turnover comprises of net commissions earned on travel management, service agency charges including margins in respect of tour and tour related services and commissions/margins earned on foreign exchange transactions in the normal course of the business as Authorised Dealer. The income arising from the buying and selling of foreign currencies has been included on the basis of margins achieved.

#### d. Revenue Recognition:

In accordance with the Group's accounting policy followed consistently, commissions/income arising from tours and related services is accounted after netting off all direct expenditures relating thereto net of discounts. Income from buying and selling

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (CONTD.)

of foreign currencies is accounted on net basis as stated in (c) above. All revenues are accounted when there is reasonable certainty of its ultimate collection.

e. Expenditure:

All general business expenditure is accounted in the year in which it is incurred. All direct tour related expenses including advertisement expenses for specific tour are accounted in the year in which the tours are undertaken. Certain expenses such as cost of brochure productions and promotional materials are charged to Statement of Profit & Loss over the season to which they relate to the extent that these costs are reasonably assured.

f. Fixed Assets:

Fixed Assets are stated at cost, less accumulated depreciation. Costs include all costs relating to acquisition and installation of fixed assets. Intangible assets represent Software, Video Shoots and Trademarks stated at cost less accumulated amortisation and impairments losses, if any.

g. Depreciation:

Parent Company provides depreciation on fixed assets on the written down value method at the rates prescribed under Schedule XIV to the Companies Act, 1956. Intangible assets are amortised over a period of five to ten years, being the expected period of use. The leasehold land is depreciated over the lease period. Leasehold improvements are depreciated over the lease period or at the rates prescribed for Furniture in Schedule XIV to the Companies Act, 1956, whichever is higher.

In case of foreign subsidiaries, depreciation on fixed assets is provided at the rates/method prescribed as per the GAAPs of the respective countries which varies in case of following significant subsidiaries:

- Prometheon Holdings (UK) Limited provides depreciation using the straight line method at rates calculated to write off the cost, less residual value, of each asset over its expected useful economic life, as follows:

Freehold Land and Building	-	50 years
Short Leasehold improvements	-	Terms of Lease
Camping Equipment	-	2-5 years
Mobile Homes	-	12 years
Office Equipments and Motor vehicles	-	3-5 years

- Cox and Kings (UK) Limited provides depreciation using the following rates on written down value method.

Short leasehold	-	15%
Plant and machinery	-	15%
Furniture, Fittings and Equipments	-	15%
Motor vehicles	-	25%

- Cox and Kings Australia (Pty) Ltd. provides depreciation on following rates on Straight line method.

Furniture, Fixtures and Fittings	-	20%
Office Equipment	-	20%
Computer Equipment and Software	-	40%

h. Impairment of assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been change in the estimate of recoverable amount.

i. Investments:

Long-term investments are valued at cost. Provision for diminution in value of investments is made, if the diminution is of a nature other than temporary. Current investments are valued at the lower of cost and market value.



j. Inventory:

Inventory have been valued at lower of cost and realisable value as at the year-end. Cost represents purchase price and is calculated using the FIFO method.

k. Employee Benefits:

- (i) Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of profit and loss of the year in which the related service is rendered.
- (ii) Post employment and other long term employee benefits are recognised as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of profit and loss.

l. Foreign Currency Transactions:

- (i) Transactions denominated in foreign currencies are recorded at spot rates / average rates.
- (ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates.
- (iii) Non monetary foreign currency items are carried at cost.
- (iv) In respect of forward contracts, the premium paid, gains/losses on settlement and losses on restatement are recognized in Statement of Profit and Loss.
- (v) In respect of integral foreign oprations, all transactions are translated at rates prevailing on the date of transaction or that approximates the actual rate on the date of transaction. Monetary assets and liabilities are restated at the year end rates.
- (vi) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the profit and loss account.

m. Accounting for taxes on Income:

Provision for current tax is made, based on the tax payable under the relevant statute.

Deferred tax on timing differences between taxable income and accounting income is accounted for, using the tax rates and the tax laws enacted or substantially enacted as on the balance sheet date. Deferred tax assets are recognized only to the extent that there is a reasonable certainty of its realisation.

n. Provision, Contingent Liabilities and Contingent Assets :

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

<b>I - Share Capital</b>		<b>(Rupees in Lacs)</b>	
<b>Particulars</b>	<b>As at 31st March 2012</b>	<b>As at 31st March 2011</b>	
<b>Authorised:</b>			
220,000,000 equity shares of Rs. 5/- each (Previous year 110,000,000 equity shares of Rs. 10/- each)	11,000	11,000	
	<b>11,000</b>	<b>11,000</b>	
<b>Issued, Subscribed and Paid up:</b>			
136,527,890 equity shares of Rs. 5/- each fully paid up (Previous year 68,263,945 equity shares of Rs. 10/- each fully paid up).	6,826	6,826	
<b>Total</b>	<b>6,826</b>	<b>6,826</b>	

1.1 38,887,890 equity shares of face value Rs.5/- each (Previous Year 19,443,945 equity shares of face value Rs.10/- each) out of issued, subscribed & paid up share capital were allotted as bonus shares in the five years by capitalisation of reserves.

1.2 2,399,630 equity shares of face value Rs.5/- each (Previous Year 1,199,815 equity shares of face value Rs.10/- each) out of issued, subscribed & paid up share capital were allotted as bonus shares in the five years to the contract without payment being received in cash.

1.3 **Number of Equity Shares held by each shareholder holding more than 5% shares in the Company are as follows:**

<b>Particulars</b>	<b>Number of shares of Face Value Rs.5/- each as at 31st March, 2012</b>	<b>Shareholding in %</b>	<b>Number of shares of Face Value Rs.10/- each as at 31st March, 2011</b>	<b>Shareholding in %</b>
Sneh Sadan Graphic Services Limited	33,353,368	24.42%	16,676,684	24.42%
Kubber Investments (Mauritius) Pvt Ltd	18,346,560	13.44%	9,173,280	13.44%
Liz Investments Pvt Ltd	13,763,328	10.08%	6,881,664	10.08%
Smallcap World Fund Inc	10,592,000	7.76%	4,063,950	5.95%

<b>1.4 Reconciliation of the no. of shares outstanding at the beginning and at the end of the year:</b>	<b>For the year ended 31st March 2012 No of shares</b>	<b>For the year ended 31st March 2011 No of shares</b>
No of Equity Shares outstanding at the beginning of the year	68,263,945	62,922,942
Add: Additional Equity Shares issued during the year		
- on GDR Issue	-	5,341,003
- on exercise of ESOP	-	-
- on conversion of warrants	-	-
Add: Subdivision (Refer Note 1.5)	68,263,945	-
Less: Equity Shares forfeited/Bought back during the year	-	-
No of Equity Shares outstanding at the end of the year	<b>136,527,890</b>	<b>68,263,945</b>

1.5 The equity shares of the Company of Face value of Rs. 10/- each were sub-divided into equity shares of Rs.5/- with effect from June 22, 2011

1.6 Terms/rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs. 5/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**2 - Reserves And Surplus**

(Rupees in Lacs)

Particulars	As at	
	31st March 2012	31st March 2011
<b>Capital Reserves</b>		
As per last Balance Sheet	32	30
<b>Securities Premium Account:</b>		
As per last Balance Sheet	76,155	47,677
Add: Issue of shares	-	29,865
Less : IPO / GDRs / NCDs issue expenses	1,766	1,387
	74,389	76,155
<b>Debenture Redemption Reserve</b>		
As per last Balance Sheet	1,518	-
Additions on debenture issued during the year	3,188	1,518
	4,706	1,518
<b>Foreign Exchange Earning Reserve:</b>		
As per last Balance Sheet	56	56
Less: Transfer to General Reserves	(56)	-
	-	56
<b>Revaluation Reserve:</b>		
As per last Balance Sheet	333	305
Add/(Less) : during the year	(57)	28
	276	333
<b>Foreign Exchange Translation Reserve:</b>		
As per last Balance Sheet	(3,205)	(1,888)
Additions during the year	(2,297)	(1,317)
	(5,502)	(3,205)
<b>General Reserve</b>		
As per last Balance Sheet	-	-
Add: Transfer from Statement of Profit and Loss	583	-
Add: Transfer from Foreign Exchange Earning Reserve	56	-
	639	-
<b>Surplus i.e. Balance in Profit and Loss statement</b>		
As per last Balance Sheet	39,072	28,539
Add: Profit for the year	4,160	12,908
Less: Appropriations		
Debenture Redemption Reserve	3,188	1,517
Dividend payment for Previous Year	-	53
Tax on Dividend payment for Previous Year	3	12
Proposed Dividend*	1,365	683
Tax on Proposed Dividend	221	111
Transfer to General Reserves	583	-
	37,871	39,072
<b>Total</b>	<b>112,411</b>	<b>113,959</b>

\* Dividend amount per equity share proposed to be distributed to Shareholders Re. 1/- (P.Y. Re. 0.5/- per share).

**3 - Long Term Borrowings**

(Rupees in Lacs)

	As at 31st March 2012		As at 31st March 2011	
	Current	Non Current	Current	Non Current
Non Convertible Debentures	-	60,000	-	-
Term Loans from Banks	89,878	257,127	9,380	44,961
Vehicle Loans from Banks	12	-	43	12
Vehicle Loans from Others	6	-	30	6
<b>Unsecured</b>				
Non Convertible Debentures	-	20,000	-	30,000
Finance Lease Obligations (Refer Note No.27)	5,668	7,990	-	-
<b>Total</b>	<b>95,565</b>	<b>345,117</b>	<b>9,453</b>	<b>74,979</b>

**3.1 Term Loans comprising of:**

- (a) Secured Non Convertible debentures to the extent Rs.50,000 Lacs (Previous Year Nil) are secured by First Pari Passu charge on Fixed & Current Assets of the Company.
- (b) Secured Non Convertible debentures to the extent Rs.10,000 Lacs (Previous Year Nil ) are secured by First Pari Passu charge on Current Assets of the Company.
- (c) Secured Term Loan from Bank to the extent Rs.4,735 Lacs (Previous Year Rs.6,662 Lacs) is secured against Credit Card Receivables, second charge on the current assets of the Company, present and future and Personal Guarantee of two Directors.
- (d) Secured Term Loan from Bank to the extent Rs.950 Lacs (Previous Year Rs.1,250 Lacs) is secured by pledge of shares held by Company in JV Company and Personal Guarantee of two directors.
- (e) Secured Term Loan from Bank to the extent Rs.5,000 Lacs (Previous Year Nil) is secured by Subservient charge on Present & Future Fixed assets & Second Pari Passu charge on Current Assets of the Company.
- (f) Secured Term Loan from Bank to the extent Rs.3,331 Lacs (Previous Year Rs. 4,004 Lacs) is secured by first ranking charge on all Current Assets, both present and future, excluding credit card receivables.
- (g) Secured Term Loan from Bank Rs.5,728 Lacs (Previous year Rs.6,811 Lacs) are secured by fixed and floating charged over all assets of Cox and Kings Travel Ltd.
- (h) Secured Term Loan from Bank Rs.5,240 Lacs (Previous year Rs.6,081 Lacs) are secured by fixed charged on all current and future revenue, moveable and immovable assets including intangible assets of Cox and kings (Australia) Pty Ltd. And its subsidiaries and a collateral security by way of pledge of shares of the Company and its subsidiaries.
- (i) Secured Term Loan from Bank Rs. 24,953 Lacs (Previous year Rs. 29,509 Lacs) are secured by bank guarantees given by parent Company for Cox and Kings Singapore Pvt. Ltd..
- (j) Secured Term Loan from Bank Rs. 297,068 Lacs (Previous year Rs. Nil) are secured by freehold properties of certain subsidiary undertakings pledge of shares of Prometheon Holdings (UK) Ltd and subsequent Pari Passu charge on fixed Assets of the Company .
- (g) Vehicle Loans are secured against the respective vehicles purchased.

**3.2 Maturity Profile and rate of interest of Non-convertible debentures are set out below:****(Rupees in Lacs)**

	Rate on Interest	2013-14	2014-15	2015-16	2016-17
<b>Secured Debentures</b>					
2,500 Non Convertible Debentures	11.25%	-	7,500	7,500	10,000
1,200 Non Convertible Debentures	11.70%	-	4,000	4,000	4,000
1,300 Non Convertible Debentures	11.30%	-	-	-	13,000
1,000 Non Convertible Debentures	11.25%	-	10,000	-	-
<b>Unsecured Debentures</b>					
2,000 Non Convertible Debentures	10.60%	-	10,000	10,000	-
<b>Total</b>	-	-	<b>31,500</b>	<b>21,500</b>	<b>27,000</b>

**3.3 Maturity Profile of other loans is set out below:****(Rupees in Lacs)**

	2013-14	2014-15	2015-16	2016-17	2017-18 & After
Term Loan from Banks	148,836	25,979	15,177	15,767	51,368
Vehicle Loan	18	-	-	-	-
<b>Total</b>	<b>148,853</b>	<b>25,979</b>	<b>15,177</b>	<b>15,767</b>	<b>51,368</b>

**4 - Deferred Tax Liability (Net):****(Rupees in Lacs)**

	As at 31st March, 2012	As at 31st March, 2011
<b>Deferred Tax Liability</b>		
Related to Fixed Assets	7,663	912
	<u>7,663</u>	<u>912</u>
<b>Deferred Tax Assets</b>		
Related to Fixed Assets	172	118
Disallowance under Income Tax Act, 1961	172	118
	<u>172</u>	<u>118</u>

<b>5 - Long- Term Provisions</b>		<b>(Rupees in Lacs)</b>	
	<b>As at 31st March, 2012</b>	<b>As at 31st March, 2011</b>	
Provision for Employee Benefits	2,657	149	
<b>Total</b>	<b>2,657</b>	<b>149</b>	

<b>6 - Short Term Borrowings</b>		<b>(Rupees in Lacs)</b>	
	<b>As at 31st March, 2012</b>	<b>As at 31st March, 2011</b>	
<b>Secured Loan</b>			
<b>From Banks</b>			
- Working Capital Loan	10,000	-	
<b>Unsecured Loan</b>			
- Other Short Term Loan	15,500	-	
<b>Total</b>	<b>25,500</b>	<b>-</b>	

6.1 Working Capital Loan is secured by First Pari Passu charge on Fixed & Current Assets of the Company.

6.2 Other Short Term Loan include commercial paper of Rs.15,500 Lacs (Previous Year Rs.Nil).

<b>7 - Trade Payables</b>		<b>(Rupees in Lacs)</b>	
	<b>As at 31st March, 2012</b>	<b>As at 31st March, 2011</b>	
Trade payables	41,110	9,608	
Share of Interest in Joint Venture	1,382	1,382	
<b>Total</b>	<b>42,492</b>	<b>10,990</b>	

#### 7.1 Micro and Small Entities

The particulars required to be disclosed under the Micro, Small and Medium Enterprises Act, 2006 (MSMED Act) in respect of principal amount remaining unpaid to any supplier as at the end of the year, amount due to the suppliers beyond the appointed day during the year, amount of interest if any, accrued and remaining unpaid as at the end of the year etc. could not be disclosed for want of information whether sundry creditors include dues payable to any such undertakings. The Company has initiated the exercise of identifying the status of the suppliers as required under MSMED Act where supplier confirmations are awaited.

<b>8 - Other Current Liabilities</b>		<b>(Rupees in Lacs)</b>	
	<b>As at 31st March, 2012</b>	<b>As at 31st March, 2011</b>	
Current maturities of long-term debt (Refer Note No. 3)	89,897	9,453	
Current maturities of finance lease obligations (Refer Note No. 3)	5,668	0	
Interest accrued but not due on borrowings	3,678	830	
Unpaid Dividends* [Current year Rs.0.81 Lacs, (Previous year Rs.0.36 Lacs)]	1	0	
Unpaid Share Application money* [Current year Rs.0.17 Lacs, (Previous year Rs.0.17 Lacs)]	0	0	
Book overdraft	3,887	47	
Other payables (including statutory dues payable)	113,600	14,516	
Share of Interest in Joint Venture	431	431	
<b>Total</b>	<b>217,162</b>	<b>25,277</b>	

\*No amount is due to Investor Education and Protection Fund.

<b>9 - Short-Term Provisions</b>		<b>(Rupees in Lacs)</b>	
	<b>As at 31st March, 2012</b>	<b>As at 31st March, 2011</b>	
<b>Provision-Others:</b>			
Provision for Employee Benefits	1,037	206	
Proposed Dividend	1,366	683	
Tax on proposed dividend	221	111	
Provision for Tax (Net of Advance Tax)	2,532	2,352	
<b>Total</b>	<b>5,156</b>	<b>3,352</b>	

Description of Assets	Cost			Depreciaton			Net Block	
	As at 01.04.2011	Additions during the year	Disposals/adjustment during the year	As at 01.04.2011	For the year	On disposals/adjustment	As at 31.03.2012	As at 31.03.2011
<b>Owened Assets</b>								
Land	608	116,576	655	184	283	(3,056)	3,523	424
Building	1,550	162	(182)	10	1	-	11	1,540
Computers	8,263	2,280	(575)	4,243	942	(195)	5,380	4,020
Electrical Equipments	466	323*	7	173	29	7	195	293
Office Equipments	1,336	9,264*	(196)	648	144	(3,196)	3,988	688
Furniture & Fixtures	1,149	70,868	951	677	146	(30,331)	31,154	472
Motor Car	674	27,163	5,427	308	2,408	(7,047)	9,763	366
<b>Leased Assets</b>								
Lease Hold Improvement	1,620	10,159	511	628	390	(998)	2,016	992
Total Amount	15,666	236,795	6,598	6,871	4,343	(44,816)	56,030	8,795
Previous Year	11,395	4,241	(30)	5,427	1,323	(121)	6,871	8,795
Add: Capital Work In Progress - Tangible	-	-	-	-	-	-	-	561

10.1 Additions to gross block includes Rs. 230,146 Lacs (Previous year Rs. Nil Lacs) and depreciation adjustments includes Rs. 50,853 Lacs (Previous year Rs. Nil Lacs) on account of consolidation of new subsidiaries

10.2 Disposal/Adjustments to gross block includes Rs. 1,456 Lacs (Previous year Rs. 620 Lacs) and depreciation adjustments includes Rs. 766 Lacs (Previous year Rs. 318 Lacs) on account of foreign exchange difference on consolidation.

10.3 Capital Work in Progress and addition includes rent capitalised Rs.739 Lacs (Previous year Rs.377 Lacs)

\* [Reclassification of certain assets of Rs. 16 Lacs from Office Equipment to Electrical Equipment]

Description of Assets	Cost			Depreciaton			Net Block	
	As at 01.04.2011	Additions during the year	Disposals during the year	As at 01.04.2011	For the year	Deletions	As at 31.03.2012	As at 31.03.2011
<b>Owened Assets (Other than internally generated)</b>								
Computer Software	2,381	631	(127)	1,314	493	(113)	1,920	1,067
Video	333	141	-	6	74	-	80	327
Trade Mark	25	6	-	3	2	-	5	22
Total Amount	2,739	778	(127)	3,644	569	(113)	2,005	1,416
Previous Year	1,975	619	(145)	728	533	(63)	1,324	1,416
Add: Capital Work In Progress - Intangible	-	-	-	-	-	-	-	4,299

11.1 Disposal/Adjustments to gross block includes Rs. 142 Lacs (Previous year Rs. 145 Lacs) and depreciation adjustments includes Rs. 124 Lacs (Previous year Rs. 62 Lacs) on account of foreign exchange difference on consolidation.

11.2 Intangible under development and additon include Employee Benefit Expenses Capitalised. Rs.779 Lacs (Previous year Rs.218 Lacs)

**Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2012**

<b>12 - Non Current Investments</b>		<b>(Rupees in Lacs)</b>	
	<b>As at 31st March, 2012</b>	<b>As at 31st March, 2011</b>	
<b>Non Current Investments (Unquoted, Non Trade)</b>			
<b>Investments in Equity Instruments of Others:</b>			
<b>Radius the Global Travel Company</b>			
649 Shares (Previous year 30) of Class B Common Voting shares , fully paid-up	1,475	53	
10 Shares (Previous year 10) of Class A Common Non-Voting Shares, fully paid-up	6	6	
<b>Ezeego One Travel and Tours Limited</b>			
9,000 (Previous year 9,000) Equity Shares of Rs.10/- Each fully paid-up	1,000	1,000	
<b>Business India Publications Limited</b>			
45,000 (Previous year 45,000) equity shares of Rs 10/- each fully paid-up	25	25	
<b>Greater Bombay Co-Op Bank Limited</b>			
40 shares (Previous year 40) at Rs. 25 each fully paid-up	0*	0*	
* [Current year Rs.0.01 Lacs (Previous year Rs.0.01 Lacs)]			
<b>New Media Spark Plc</b>			
10,000 (Previous year 10,000) equity shares of GBP 1 each fully paid-up	8	7	
<b>Non Current Investments (Quoted, Non Trade)</b>			
<b>Investments in Equity Instruments of Associates:</b>			
<b>Tulip Star Hotels Limited</b>			
1,402,500 (Previous year 1,402,500) Equity Shares of Rs.10/- each fully paid-up	304	414	
<b>Meininger Holding GmbH</b>			
15,000 (Previous year NIL) Equity shares of Euro 1 each fully paid-up	24,792	-	
<b>Total</b>	<b>27,610</b>	<b>1,505</b>	
Aggregate Amount of quoted investments	304	414	
Market Value of quoted investments	2,300	1,525	
Aggregate Amount of unquoted investments	27,306	1,091	

<b>13 - Long Term Loans And Advances</b>		<b>(Rupees in Lacs)</b>	
	<b>As at 31st March, 2012</b>	<b>As at 31st March, 2011</b>	
(Unsecured and considered good)			
<b>Loans and Advances to other than related parties:</b>			
<b>Capital Advances</b>			
Capital Advances	193	1,558	
<b>Deposits (Including Security &amp; EMD Deposits)</b>			
Deposits (Including Security & EMD Deposits)	2,271	2,607	
<b>Share of Interest in Joint Venture</b>			
Share of Interest in Joint Venture	952	952	
<b>Total</b>	<b>3,416</b>	<b>5,117</b>	

14 - Current Investments	(Rupees in Lacs)	
	As at 31st March, 2012	As at 31st March, 2011
<b>CURRENT INVESTMENTS (Unquoted, Non Trade)</b>		
<b>Investments in Debentures:</b>		
<b>V Hotels Limited</b>	1,800	1,800
1,800,000 (Previous year 1,800,000) 24% Convertible Debentures of Rs 100/- each fully paid-up		
<b>Ezeego One Travel and Tours Limited</b>	1,000	1,000
100,000 (Previous year 100,000) 12% Fully Convertible Debentures of Rs. 1,000/- each fully paid-up		
<b>Investments in Commercial Papers:</b>		
<b>JM Financial Products Limited</b>	-	996
(Includes interest accrued of Rs. 12 Lacs)		
<b>Investments in Units of Mutual Funds:</b>		
<b>Kotak Indo World Infrastructure Fund - Growth Plan</b>	7	7
100,000 Units (Previous Year 100,000 units of Rs. 10 each fully paid up)		
<b>Axis Liquid Fund-Institutional Growth</b>	-	1,061
Nil units (Previous Year 97,693) of Rs. 1,000 each fully paid up		
<b>1565 ICICI Prudential Liquid Super Institutional Plan-Growth</b>	-	314
Nil units (Previous Year 216,633) of Rs. 100 each fully paid up		
<b>B503G Birla Sun Life Cash Plus - Institutional Premium -Growth</b>	-	1,000
Nil units (Previous Year Nil) of Rs. 10 each fully paid up)		
<b>DSP BlackRock Liquidity Fund- Institutional Plan - Growth</b>	-	3,802
Nil units (Previous Year 270,931) of Rs. 1,000 each fully paid up		
<b>DWS Insta Cash Plus Fund-Super Institutional Plan -Growth</b>	-	500
Nil units (Previous Year 392,874) of Rs. 100 each fully paid up		
<b>Franklin Templeton India Treasury Management Account Super Institutional Plan -Growth</b>	-	1,002
Nil units (Previous Year 68,769) of Rs. 1,000 each fully paid up		
<b>IDFC Cash Fund-Super Institutional Plan C Growth</b>	-	1,500
Nil units (Previous Year 12,579,988) of Rs. 10 each fully paid up		
<b>JPLGR-JPMORGAN India Liquid Fund-Super Institutional Growth Plan</b>	-	1,500
Nil units (Previous Year 11,811,861) of Rs. 10 each fully paid up		
<b>Kotak Floater Short Term-Growth</b>	-	1,000
Nil units (Previous Year 6,238,496)of Rs. 10 each fully paid up		
<b>L031 SBI -Magnum Insta Cash Fund -Cash Option</b>	-	700
Nil units (Previous Year 3,216,261) of Rs. 10 each fully paid up		
<b>Canara Robeco Liquid Super Institutional Growth Fund</b>	-	500
Nil units (Previous Year 4,196,462) of Rs. 10 each fully paid up)		
<b>Reliance Monthly Interval Fund -Series I -Institutional Dividend Plan</b>	-	207
Nil units (Previous Year 2,070,560)of Rs.10 each fully paid up		
<b>Reliance Liquid Fund -Treasury Plan- Institutional Option -Growth Option Growth Plan</b>	-	927
Nil units (Previous Year 3,885,204) of Rs. 10 each fully paid up		
<b>Religare Liquid Fund-Super Institutional Growth</b>	-	1,001
Nil units (Previous Year 74,341 )of Rs. 1,000 each fully paid up)		
<b>Taurus Liquid Fund - Institutional Growth</b>	-	300
Nil units (Previous Year 27,881) of Rs.1,000 each fully paid up		
<b>S232 Sundaram Money Fund Super Institutional Growth</b>	-	500
Nil units (Previous Year 2,420,768) of Rs.10 each fully paid up		
<b>Total</b>	<b>2,807</b>	<b>19,617</b>



**15 - Inventories**

(at cost or net realisable value whichever is lower)

(Rupees in Lacs)

	As at 31st March, 2012	As at 31st March, 2011
Foreign Currency	585	720
Stock - tickets, food, mobile homes and other retail items (Taken, valued and certified by the management)	1,001	-
Share of Interest in Joint Venture	140	140
<b>Total</b>	<b>1,726</b>	<b>860</b>

**16 - Trade Receivables**

(Rupees in Lacs)

	As at 31st March, 2012	As at 31st March, 2011
(Unsecured and considered good)		
Over Six Months	422	152
Others	70,436	40,622
Share of Interest in Joint Venture	648	648
<b>Total</b>	<b>71,506</b>	<b>41,422</b>

**17 - Cash And Cash Equivalents**

(Rupees in Lacs)

	As at 31st March, 2012	As at 31st March, 2011
<b>Balances with banks</b>		
In Current Accounts	83,985	34,852
In Unpaid Dividend Accounts	1	-
Cash on hand	223	392
<b>Other Bank Balance</b>		
Margin Money Deposit	371	-
Fixed Deposits	20,515	60,651
(Given as security for bank guarantee)		
Share of Interest in Joint Venture	232	232
<b>Total</b>	<b>105,327</b>	<b>96,127</b>

**18 - Short Term Loans And Advances**

(Rupees in Lacs)

	As at 31st March, 2012	As at 31st March, 2011
(Unsecured and considered good)		
Loans and Advances to related parties (Refer Note No. 26)	8,394	7,471
Loans and Advances to others	4,823	5,971
Others (including Advances against supplies and services, Staff Advances, etc)	68,898	21,246
Share of Interest in Joint Venture	4	4
<b>Total</b>	<b>82,119</b>	<b>34,692</b>

**19 - Other Current Assets**

(Rupees in Lacs)

	As at 31st March, 2012	As at 31st March, 2011
Miscellaneous Expenditure	-	-
Share of Interest in Joint Venture	165	165
<b>Total</b>	<b>165</b>	<b>165</b>

<b>20 - Revenue From Operations</b>		<b>(Rupees in Lacs)</b>	
	<b>For the year ended 31st March, 2012</b>	<b>For the year ended 31st March, 2011</b>	
<b>Income from operation</b>			
Travel and Tours Commission	82,383	48,302	
Income from Forex Division	1,374	1,045	
Other Operating Income	37	213	
Share of Interest in Joint Venture	-	113	
<b>Total</b>	<b>83,794</b>	<b>49,673</b>	
<b>21 - Other Income</b>		<b>(Rupees in Lacs)</b>	
	<b>For the year ended 31st March, 2012</b>	<b>For the year ended 31st March, 2011</b>	
<b>Interest</b>			
From Current Investment	1,159	867	
From Others	570	400	
<b>Dividend</b>			
From Current Investment	536	832	
<b>Net Gain on Sale of Investments</b>			
From Current Investment [Current Year Rs.0.08 Lacs]	819	3	
Adjustment to the carrying amount of investment [Current Year Rs.0.45 Lacs]	-	(1)	
<b>Other Non operating Income</b>			
Foreign Exchange Fluctuation Gain (Net)	13,046	1,298	
Profit on Sale of Fixed Assets	9	12	
Others	464	188	
<b>Total</b>	<b>16,603</b>	<b>3,599</b>	
<b>22 - Employee Benefit Expenses</b>		<b>(Rupees in Lacs)</b>	
	<b>For the year ended 31st March, 2012</b>	<b>For the year ended 31st March, 2011</b>	
Salaries and wages	32,873	11,439	
Contribution to provident and other funds	3,529	816	
Payment / Provision for Gratuity	1,271	244	
Staff welfare expenses	843	458	
<b>Total</b>	<b>38,516</b>	<b>12,957</b>	
<b>23 - Finance Costs</b>		<b>(Rupees in Lacs)</b>	
	<b>For the year ended 31st March, 2012</b>	<b>For the year ended 31st March, 2011</b>	
Interest expense	17,340	5,162	
Other borrowing costs	1,089	277	
<b>Total</b>	<b>18,429</b>	<b>5,439</b>	

	(Rupees in Lacs)	
	For the year ended 31st March, 2012	For the year ended 31st March, 2011
<b>24 - Other Expenses</b>		
Rent	3,321	1,935
Rates & Taxes (excluding taxes on income)	242	44
Electricity Charges	455	255
Insurance	1,023	325
Payment to Auditors		
Audit Fees	562	102
Certificaton Fees	17	4
Taxation Matter	187	2
	766	108
Communication and Courier Expenses	1,674	1,143
Professional Charges	2,585	1,492
Travelling Expenses	2,412	2,059
Advertisement, Publicity & Business Promotion	9,872	4,234
Bad debts	53	50
Donation	124	45
Directors Sitting Fees & Commissions	42	19
Computer Expenses	1,463	362
Miscellaneous expenses	4,515	1,641
Share of Interest in Joint Venture	-	730
<b>Total</b>	<b>28,547</b>	<b>13,711</b>

**25 - Segment Reporting:**

The Company is mainly engaged in Tours and Travel activity. All activity of the Company revolve around this main business. As such, there are no seperate reportable segments as per the Accounting Standard 17 (Segment Reporting) notified by Companies (Accounting Standard) Rules, 2006.

Reporting in respect of secondary segment is as under : -

Particulars	(Rupees in Lacs)	
	As at 31st March, 2012	As at 31st March, 2011
<b>Segment Revenue (External Turnover):</b>		
India	29,895	23,679
Rest of World	53,898	25,994
<b>Segment Assets:</b>		
India	235,825	163,668
Rest of World	529,159	72,776
<b>Segment Liabilities:</b>		
India	140,243	55,897
Rest of World	505,504	29,448
<b>Capital Expenditure:</b>		
India	10,097	6,400
Rest of World	231,780	2,827

**26 - As per the Accounting Standard 18, the disclosure of transactions with the related parties as defined in the accounting standards, are given below**

(a) List of the related parties where control exist and related parties with whom transactions have taken place and relationship.

Sr. No.	Name of the Related Party
<b>A</b>	<b>Associate / Group Company:</b>
1	Tulip Star Hotels Ltd.
2	Radius Global Travel Ltd.
3	Meininger Travel Experience Inc.
4	Adventure Travel Experience Inc.

**B Key Managerial Personnel:**

- 5 Mr. A.B.M Good – Chairman  
6 Mr. Peter Kerkar – Director  
7 Ms. Urrshila Kerkar – Director

**C Others:****(i) Joint Venture:**

- 8 Royale Indian Rail Tours Limited

**(ii) Enterprises over which Key Management Personnel and their relatives exercise significant influence**

- 9 Far Pavilions Tours and Travels Pvt. Ltd.  
10 Ezeego One Travel and Tours Limited

**(iii) Relatives of Key Managerial Personnel**

- 11 Mrs Elizabeth Kerkar

**b) Transaction during the year with related parties :**

(Rupees in Lacs)

Sr. No.	Nature of Transaction	Associates	Key Managerial Personnel	Others	Total
	<b>(Excluding reimbursements)</b>				
1	Purchase/Subscription of Investments	26,260	-	-	26,260
		-	-	-	-
2	Loans and advances given/(returned/taken)	227	-	679	906
		(74)	-	92	18
3	Purchase	385	-	5,389	5,775
		-	-	2,944	2,944
4	Sales	-	-	39,165	39,165
		-	-	22,667	22,667
5	Payment to Key Managerial Person	-	181	-	181
		-	108	-	108
6	Interest Received on Loans/Advance	245	-	925	1,170
		305	-	761	1,066
7	Commission	154	-	-	154
		-	-	-	-
	<b>Balance as at 31st March, 2012</b>				
8	Investments	26,459	-	2,250	28,709
		140	-	2,250	2,390
9	Sundry Debtors	-	-	6,242	6,242
		-	-	3,439	3,439
10	Loan & Advances	2,182	-	6,212	8,394
		1,955	-	8,141	10,096
11	Sundry Creditors	-	-	1,125	1,125
		-	-	(4)	(4)

**Note :** The Figures in Italics are in respect of Previous year

**Disclosure in respect of significant related party transaction during the year.**

- 1 Investment includes Rs.24,792 Lacs (Previous Year Rs.Nil) in Meininger Holding GmbH and Rs.1,468 Lacs (Previous Year Rs.Nil) in Radius Global Travel Ltd.
- 2 Loan given during the year includes Rs.227 Lacs (Previous year Rs.Nil) to Tulip Star Hotel Ltd. Rs.482 Lacs (Previous year Rs.Nil) to Ezeego One Travels & Tours Ltd., Rs.113 Lacs (Previous year Rs.66 Lacs) to Far Pavilion Tours & Travels Ltd and Rs.85 Lacs (Previous year Rs.929 Lacs) Royale Indian Rail Tours Ltd.  
Loan returned during the year includes Rs. Nil (Previous year Rs.74 Lacs ) by Tulip Star Hotel Ltd and Rs. Nil (Previous year Rs.905 Lacs) to Ezeego One Travels & Tours Ltd.
- 3 Purchases include Rs. 3,617 Lacs (Previous year Rs. 1,644 Lacs) Ezeego One Travels & Tours Ltd. and Rs.1,772 Lacs (Previous year Rs.1,300 Lacs) Royale Indian Rail Tours Ltd.

- 4 Sales include Ezeego One Travels and Tours Ltd. Rs. 38,646 Lacs (Previous year Rs. 21,912 Lacs) and Rs.519 Lacs (Previous year Rs.755 Lacs) Royale Indian Rail Tours Ltd.
- 5 Payment to Key Management Personnel paid includes Rs.181 Lacs paid to Ms. Urrshila Kerkar (Previous year Rs. 96 Lacs) and Rs.21 Lacs (Previous year Rs.12 Lacs) to Peter Kerkar.
- 6 Interest received includes Tulip Star Hotels Ltd. Rs. 245 Lacs (Previous year Rs. 305 Lacs), Royale Indian Rail Tours Ltd. Rs. 241 Lacs (Previous year Rs.81 Lacs), Far Pavilion Tours & Travels Ltd. Rs. 98 Lacs (Previous year Rs. 66 Lacs) and Ezeego One Tours & Travels Ltd. Rs.586 Lacs (Previous year Rs.481 Lacs)
- 7 Commission paid on sales to Adventure Travel Experience Inc Rs.154 Lacs (Previous year Rs.Nil).

## 27 - Leases

- (a) The Company has operating lease in respect of office premises. Further lease rentals payable in respect of the above which are non cancellable is as follows :

Particulars	(Rupees in Lacs)	
	As at 31st March, 2012	As at 31st March, 2011
Not later than one year	2,633	2,719
Later than one year but not later than five years	6,288	8,713
Later than five years	NIL	NIL

- (b) The minimum lease rentals and the present value of minimum value of minimum lease payments in respect of assets acquired under finance leases are as follows:

Particulars	(Rupees in Lacs)					
	Total Minimum Lease Payments Outstanding		Future Interest on Outstanding Lease Payments		Present Value of minimum lease payments	
	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2012	As at 31st March, 2011
Not later than one year	5,668	-	244	-	5,424	-
Later than one year but not later than five years	7,990	-	570	-	7,420	-
Later than five years	-	-	-	-	-	-

## 28 - Earnings Per Share (EPS)

- (a) Earnings Per Share (EPS) Basic and Diluted

Particulars	As at 31st March, 2012	As at 31st March, 2011
Net Profit after Tax as per Statement of Profit & Loss attributable to Equity Shareholders before exceptional item (Rs. in Lacs)	7,278	12,908
Net Profit after Tax as per Statement of Profit & Loss attributable to Equity Shareholders after exceptional item (Rs. in Lacs)	4,160	12,908
Weighted average number of Equity Shares (Basic) (No. in Lacs)	1,365	1322*
Weighted average number of Equity Shares (Diluted) (No. in Lacs)	1,365	1322*
Basic & Diluted Earning Per Share before exceptional item (EPS) (In Rs.)	5.33	9.76
Basic & Diluted Earning Per Share after exceptional item (EPS) (In Rs.)	3.05	9.76
Face Value Per Equity Shares (In Rs.)	5/-	5/-

\*After giving effect of subdivision of shares from face value of Rs.10/- to Rs.5/-

**29 - Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs.759 Lacs (Previous year Rs Nil).

**30. Financial Derivative Instruments:**

A. Derivative contract entered into by the Company for hedging currency risk and outstanding as on 31st March, 2012 .

Nominal amount of forward contract entered into by the Company and outstanding as on 31st March 2012 amounting to Rs.19,754 Lacs (Previous year Rs. 121 Lacs)

(in Lacs)

Particulars	Amount in foreign Currency		Equivalent amount in Rs.	
	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2012	As at 31st March, 2011
AUD	-	0*	-	11
EUR	3	1	167	47
GBP	240	-	19,549	-
USD	1	1	38	63
<b>Total</b>	<b>244</b>	<b>2</b>	<b>19,754</b>	<b>121</b>

\* Current year AUD Nil (Previous year AUD 0.24 Lacs)

B. Derivative contract entered into by the Company for hedging Interest rate risk and outstanding as on 31st March, 2012 .

Nominal amount of interest rate swap contract entered into by the Company and outstanding as on 31st March 2012 amounting to Rs.106,218 Lacs (Previous year Rs. Nil)

(in Lacs)

Particulars	Amount in foreign Currency		Equivalent amount in Rs.	
	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2012	As at 31st March, 2011
GBP	1,304	-	106,218	-
<b>Total</b>	<b>1,304</b>	<b>-</b>	<b>106,218</b>	<b>-</b>

C. Foreign Currency Exposure that are not hedged by derivative instruments as on 31st March 2012 amounting to Rs. 4,780 Lacs (Previous year Rs. 13,452 Lacs)

(Rupees in Lacs)

Particulars	Amount in foreign Currency		Equivalent amount in Rs.	
	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2012	As at 31st March, 2011
Trade Receivables	0*	42	26	1,929
Banks (Net of Trade Payables)	4	146	883	7,317
Borrowing	65	100	3,331	4,004
Unsettled Travellers' Cheque	10	4	540	202
<b>Total</b>	<b>80</b>	<b>292</b>	<b>4,780</b>	<b>13,452</b>

\* Current year USD 0.50 Lacs (Previous year USD 42 Lacs)

Particulars	(Rupees in Lacs)	
	As at 31st March, 2012	As at 31st March, 2011
<b>31 - Contingent Liabilities:</b>		
<b>Guarantees:</b>		
Guarantees given by Bank	28,002	31,755
Corporate Guarantee given to third party	32,827	-
<b>Tax demands</b>		
Disputed income Tax Demand	754	770
Advance income Tax paid against demand	269	121
Disputed Service Tax demand	12,908	-
<b>Legal Claims</b>		
Claim against the Company not acknowledged as debts	1,053	853
<b>Total</b>	<b>75,813</b>	<b>33,499</b>

**32. Basis of consolidation**

- The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and Consolidated Cashflow Statement (together referred to as Consolidated Financial Statements) comprises financial statements of Cox & Kings Limited and its subsidiaries and the interest of the Company in joint ventures, in the form of jointly controlled entities for the year ended 31st March, 2012.
- Subsidiary Companies considered in these Consolidated Financial Statements are:

Name of Subsidiary Company	Country of Incorporation	Proportion of ownership interest
• Cox & Kings (UK) Ltd.	UK	100%
Step down subsidiaries :		
- C & K Investments Ltd.	UK	100%
- Cox & Kings (Agents) Ltd.	UK	100%
- Cox & Kings Finance (Mauritius) Ltd.	Mauritius	100%
- Cox & Kings Enterprises Ltd.	UK	100%
- Cox & Kings Finance Ltd.	UK	100%
- Cox & Kings Holdings Ltd.	UK	100%
- Cox & Kings Shipping Ltd.	UK	100%
- Cox & Kings Special Interest Holidays Ltd.	UK	100%
- Cox & Kings Tours Ltd.	UK	100%
- Cox & Kings Travel Ltd.	UK	100%
- East India Travel Company Inc.	USA	100%
- ETN Services Ltd.	UK	100%
- Grand Tours Ltd.	UK	100%
• Clearmine Ltd.	UK	100%
Step down subsidiary :		
- Cox & Kings Destination Management Services Ltd.	UK	100%
• Cox and Kings (Australia) PTY Ltd.	Australia	100%
Step down subsidiaries :		
- Cox and Kings Nordic PTY Ltd.	Australia	100%
- Tempo Holidays NZ Ltd	New Zealand	100%
- Tempo Holidays PTY Ltd	Australia	100%
• Quoprro Global Ltd.	UK	100%
• Prometheon Holdings Private Ltd	Mauritius	100%
Step down subsidiary		
- Prometheon Holdings Ltd	UK	100%

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

• Cox & Kings Singapore Pvt. Ltd.	Singapore	100%
• Cox & Kings Tours LLC	UAE	100%
• Cox & Kings (Japan) Ltd.	Japan	100%
• Cox & Kings Asia Pacific Travel Ltd	Hong Kong	100%
• Cox and Kings Global Services Private Ltd	India	100%
• Quoprro Global Services Pvt. Ltd.	India	100%
• Cox and Kings Global Services (Singapore) Pte Ltd. (w.e.f. 7th July, 2011)	Singapore	100%
Step down subsidiaries :		
- Cox & Kings Global Services Management (Singapore) Pte Ltd (w.e.f. 8th July, 2011)	Singapore	100%
- Cox & Kings Global Services LLC Dubai (w.e.f. 21st March, 2012)	UAE	100%
• Quoprro Global Hellas	Greece	100%
• Cox and Kings Gmbh	Germany	100%
Step down subsidiaries :		
- Quoprro Global Services PTE Ltd.	Singapore	100%
- Quoprro Global Services Pvt. Ltd.	Hongkong	100%
• Cox and Kings Destinations Management Services Pvt Ltd (w.e.f. 9th November, 2011)	Singapore	100%
• Prometheon Enterprise Limited (w.e.f. 24th November, 2011)	UK	100%
• Prometheon Holdings (UK) Ltd (w.e.f. 30th June, 2011)	UK	100%
Step down subsidiaries (with effect from 30th June, 2011) :-		
- Prometheon Limited	UK	100%
- Holidaybreak Limited	UK	100%
- SASu Le Chateau d'Ebblinghem	France	100%
- SARL Chateau d'Ebblinghem	France	100%
- PGL Air Travel Ltd.	England	100%
- PGL Voyages Ltd.	England	100%
- PGL Travel Ltd.	England	100%
- PGL Adventure Ltd.	England	100%
- Freedom of France Ltd.	England	100%
- Noreya SL	Spain	100%
- PGL Adventure SAS	France	100%
- Travelplus Group Gmbh	Germany	100%
- Simpar Sasu	France	100%
- Chateau de Lamorlaye SCI	France	100%
- SCI Domaine de Segries	France	100%
- Hertford Travel Group Ltd.	England	100%
- European Study Tours Ltd.	England	100%
- NST Holdings Ltd.	England	100%
- NST Travel Group Ltd.	England	100%
- PGL Group Ltd.	England	100%
- EST Transport Purchasing Ltd.	England	100%
- Explore Worldwide Ltd.	England	100%
- Explore Aviation Ltd.	England	100%
- Explore Worldwide Adventures Ltd.	Canada	100%
- Regal Diving and Tours Ltd.	England	100%
- Djosser BV	Netherlands	100%
- Djosser-Divantoura BVBA	Belgium	100%
- Superbreak Mini-Holidays Ltd.	England	100%
- Business Reservations Centre Holland BV	Netherlands	100%
- Bookit BV	Netherlands	100%
- BV Weekendjeweg.nl	Netherlands	100%
- Business Reservations Centre Holland Holding BV	Netherlands	100%
- Superbreak Mini Holidays Group Ltd.	England	100%
- Greenbank Holidays Ltd.	England	100%



- Easycamp BV	Netherlands	100%
- ECAMP Gmbh	Germany	100%
- Eurocamp Travel AG	Switzerland	100%
- Ecamp AG	Switzerland	100%
- Eurosites BV	Holland	100%
- Parkovi Sunca d.o.o	Croatia	100%
- Camping in Comfort BV	Netherlands	100%
- Keyline Continental Ltd.	England	100%
- Keycamp Holidays BV	Netherlands	100%
- Keycamp Holidays Ireland Ltd.	Ireland	100%
- Eurosites AS	Denmark	100%
- Eurocamp Travel BV	Netherlands	100%
- Camping Division Ltd.	England	100%
- Sites Services SARL	France	100%
- Greenbank Packages Ltd.	England	100%
- Greenbank Services Ltd.	England	100%
- Own A Holiday Home Ltd.	England	100%
- Holidaybreak Trustee Ltd.	England	100%
- Holidaybreak Holding Company Ltd.	Isle of Man	100%
- Holidays Ltd.	England	100%
- Holidaybreak Education Ltd.	England	100%
- Meininger Travel Holdings Gmbh	Germany	100%
- Adventure Travel Experience Inc	USA	100%
- NST Ltd.	Ireland	100%
- NST Transport Services Ltd.	England	100%
- Depot Starvillas SARL	France	100%
- Eurocamp Independent Limited	England	100%
- Eurocamp Ltd.	England	100%
- Eurocamp Travel Gmbh	Germany	100%
- GHL Transport Ltd.	England	100%
- Holidaybreak QUEST Trustee Ltd.	England	100%
- Hotelnet Ltd.	England	100%
- SAS Travelworks France	France	100%
- Select Sites Ltd.	England	100%
- Starvillas Ltd.	England	100%
- Travelplus Group Gmbh	Austria	100%
- Travelworks UK Limited	England	100%
- Weekendje Weg BV	Netherlands	100%

Results of subsidiaries acquired are included in the consolidated financial statements from the effective dates of acquisition.

c. Associate Companies considered in these Consolidated Financial Statements are:

Name of Subsidiary Company	Country of Incorporation	Proportion of ownership interest
· Tulip Star Hotel Ltd.	India	30.42%
· Radius Global Travel Ltd.	Singapore	28.33%
· Meininger Holding GmbH	Germany	50%
· Adventure Travel Experience Inc.	USA	48%

d. Joint Venture Companies considered in these Consolidated Financial Statements are:

Name of Subsidiary Company	Country of Incorporation	Proportion of ownership interest
Royale Indian Rail Tours Ltd.	India	50%

33. The audited financial statement of foreign Subsidiaries has been prepared in accordance with the Generally Accepted Accounting Principles of its country of incorporation or International Financial Reporting Standard, as applicable. Differences in accounting policies of the Company and its subsidiaries are not material except as stated under : -

Material differences in accounting policies of the Company and its subsidiaries are as under:-

Item	Name of Subsidiary	Rs. in Lacs	Proportion to the item
Depreciation	Prometheon Holdings (UK) Ltd. and its subsidiaries	2,681	55%
Depreciaton	Cox and Kings (Australia) Pty Ltd and its subsidiaries	377	8%

#### 34. Other Notes

- (a) The Revised Schedule VI has become effective from 1 April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.
- (b) The Royale India Rail Tours Ltd.(RIRTL) is a 50:50 joint venture between Indian Railway Catering and Tourism Corporation (IRCTC) and Cox and Kings Ltd. The Supreme Court has dismissed the Special Leave Petition filed by the Company and directed both the parties to go for arbitration which commenced on 6th July 2012. It also made it clear that the observations made by the Courts shall not, in any way, influence the outcome of the arbitral proceedings, if resorted to by the parties. We have not considered the financials of RIRTL for our consolidation purpose as Annual Accounts from RIRTL has not been received.
- (c) In the opinion of the Board of Directors, other current assets have a value on realisation in the ordinary course of the Company's business, which is at least to the amount at which they are stated in the balance sheet.
- (d) The Ministry of Corporate Affairs, Government of India, Vide General Circular No. 2 and 3 dated 8th February 2011 and 21st February 2011 respectively has granted a general exemption from compliance with section 212 of the Companies Act 1956, subject to fulfilment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statements.

As per our report of even date

**For Chaturvedi & Shah**  
Chartered Accountants  
Firm Registration No. 101720W

**Amit Chaturvedi**  
Partner  
Membership No. 103141

Place: Mumbai  
Date: August 13, 2012

**For and on behalf of the Board**

**A. B. M. Good**                      **Peter Kerkar**  
Director                                      Director

**Rashmi Jain**  
Company Secretary

# PGL (Education Division)



## PGL (Education Division)



# Camping Division



# Meininger Properties (Education Division)





[coxandkings.com](http://coxandkings.com)

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