

# **SANDEEP KUMAR AGRAWAL**

F.C.A., LL.B., M.B.A.(Finance), DISA (ICAI),  
FAFD(ICAI), INSOLVENCY PROFESSIONAL  
Registered Valuer : Security & Financial Assets (S&FA)  
IBBI Reg. No.: IBBI/RV/06/2019/10705

Director  
R.K. Associates Valuers & Techno  
Engineering Consultant Pvt. Ltd.

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## **BRAND VALUATION REPORT**

OF

**CORPORATE DEBTOR:  
M/S. COX & KINGS LTD.**

REGISTERED AT

1<sup>ST</sup> FLOOR, TURNER MORRISON BUILDING 16, BANK STREET,  
FORT, MUMBAI – 400001, MAHARASHTRA, INDIA

REPORT PREPARED FOR:

**MR. ASHUTOSH AGARWALA**  
(IBBI/IPA-001/IP-P01123/2018-2019/11901)  
Liquidator of M/s. Cox & Kings Limited

*\*\*Important - In case of any query/ issue or escalation you may please contact Incident Manager  
at [ibcvaluations@rkassociates.org](mailto:ibcvaluations@rkassociates.org). We will appreciate your feedback in order to improve our services.*

Office : D-39, 2nd floor, Sector 2, Noida-201301  
Ph : +91-0120-4110117, 4324647  
Email: [sandeep.agrawal@rkassociates.org](mailto:sandeep.agrawal@rkassociates.org)



**PART A****INTRODUCTION****1. ABOUT THE REPORT:**

The report has been prepared under regulation 35 of IBBI (Liquidation Process) Regulations, 2016 for valuation of Brand of a renowned Travel Agency in India, M/s. Cox & Kings Ltd. (C&KL) having its tourism business all over the world and its' registered office is situated at 1<sup>st</sup> Floor, Turner Morrison Building 16, Bank Street, Fort, Mumbai – 400001, Maharashtra, India.

**2. EXECUTIVE SUMMARY:**

M/s. Cox & Kings Ltd. (C&KL), established in 1758. Previously it was providing its' services as an Army agent. Later on, it started the business of travel agency and just before commencement of its' insolvency proceedings on 22<sup>nd</sup> October, 2019, it was providing its' services across diverse segments of the travel vertical like Destination Management, Outbound Tourism, Business Travel, Incentive & Conference Solutions, Domestic Holidays and Trade Fairs in the Indian subcontinent including Foreign Exchange and Visa Processing etc.

Later on, the Foreign Exchange division of the Company was demerged to its' subsidiary M/s. Cox & Kings Financial Services Ltd. The Company has its' headquarter in Mumbai, India and its subsidiaries are located in United States, Canada, United Kingdom, Netherlands, United Arab Emirates, Japan, Singapore, Australia and New Zealand.

The Company had come out with Initial Public Offering of its shares in December 2009. The Company's shares were listed on 11th December 2009 at the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company's shares are currently traded on Bombay Stock Exchange Limited (BSE), and National Stock Exchange of India Limited.

The lending arrangement of the Company is classified as a non-performing asset by the lenders of the company during the period under review. The Company is under Corporate Insolvency Resolution Process (CIRP) pursuant to the provisions of the Insolvency and Bankruptcy Code, 2016 (Code), and with effect from October 22, 2019, its affairs, business and assets are being managed by and the powers of the board of directors were vested in the Interim Resolution Professional, Mr. Alok Agarwal, who was later replaced with Mr. Ashutosh Agarwal as Resolution Professional on January 10, 2020.





Mr. Alok Agarwal (Reg. No. IBBI/IPA-001/IP-P00059/2017-18/10137) was appointed as Interim Resolution professional vide order dated October 22, 2019 passed by Hon'ble NCLT, Mumbai bench and then Mr. Ashutosh Agarwala (Reg. No IBBI/IPA-001/IP-P01123/2018-19/11901) has been appointed as the Resolution Professional as per the Hon'ble NCLT order, Mumbai Bench, dated 10 January 2020. Now the company is under liquidation process and the liquidation commencement date is 16<sup>th</sup> Dec 2021.

As per the order the Corporate Debtor Cox & Kings Limited is ordered to be liquidated.

- a) Mr. Ashutosh Agarwala, having Registration No. IBBI/IPA-001/IP-P01123/2018-2019/11901 and having office at: D-1005, Ashok Towers, Dr. S.S. Rao Road, Parel, Mumbai - 400012, is hereby appointed as the Liquidator as provided under Section 34(1) of the Code.
- b) That the Liquidator for conduct of the liquidation proceedings would be entitled to the fees as provided in Regulation 4(2) (b) of the IBBI (Liquidation Process Regulations), 2016.
- c) The Liquidator appointed in this case to initiate liquidation process as envisaged under Chapter-III of the Code by following the liquidation process given in the Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
- d) The Liquidator appointed under section 34(1) of the Code. Will have all powers of the board of directors, key managerial personnel and the partners of the Corporate Debtor, as the case may be, shall cease to have effect and shall be vested with the liquidator.
- e) All the powers of the Board of Directors, key managerial persons, the partners of the Corporate Debtor hereafter ceased to exist. All these powers henceforth vest with the Liquidator.

### 3. FINANCIAL PERFORMANCE:

The financial performance of the Company from the F.Y.2016 to F.Y.2020 are as presented below:

(Figures in INR Crores)

Particulars	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Total Operating Revenue	2814.19	3189.62	2595.27	2751.68	767.99
Total Operating Expenses	2520.65	2944.32	2530.71	2297.00	1019.61

Particulars	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>EBITDA</b>	<b>293.54</b>	<b>245.30</b>	<b>64.56</b>	<b>454.68</b>	<b>-251.62</b>
<b>EBITDA %</b>	<b>10.43%</b>	<b>7.69%</b>	<b>2.49%</b>	<b>16.52%</b>	<b>-32.76%</b>
Dep. & Amortization Expenses	29.52	25.05	30.9	35.57	5.87
<b>EBIT</b>	<b>264.02</b>	<b>220.25</b>	<b>33.66</b>	<b>419.11</b>	<b>-257.49</b>
<b>EBIT %</b>	<b>9.38%</b>	<b>6.91%</b>	<b>1.30%</b>	<b>15.23%</b>	<b>-33.53%</b>
Finance costs	56.52	64.94	105.02	120.45	716.38
<b>PBT</b>	<b>207.50</b>	<b>155.31</b>	<b>-71.36</b>	<b>298.66</b>	<b>-973.87</b>
<b>PBT %</b>	<b>7.37%</b>	<b>4.87%</b>	<b>-2.75%</b>	<b>10.85%</b>	<b>-126.81%</b>
Tax Exp. & Exceptional Items	90.22	95.84	103.96	89.36	9,398.76
<i>Effective Tax Rate</i>	<i>43.48%</i>	<i>61.71%</i>	<i>-145.69%</i>	<i>29.92%</i>	<i>-965.09%</i>
<b>PAT</b>	<b>117.28</b>	<b>59.47</b>	<b>-175.32</b>	<b>209.30</b>	<b>-10,372.63</b>
<b>PAT %</b>	<b>4.17%</b>	<b>1.86%</b>	<b>-6.76%</b>	<b>7.61%</b>	<b>-1350.63%</b>

**Source:** Audited Financials of the company from FY 2016 to FY 2021

It can be observed from above table that profitability of the Company has been decreased from F.Y.2016 to F.Y.2018. Primarily, it can be seen as a major reason of incapability of the Company to pay its' outstanding liabilities.

As per the information available on the company's website, below is the list of Secured Financial Creditors as on 1<sup>st</sup> March, 2022:

S. N o.	Name of the Creditors	Date of Receipt	Amount Claimed	Amount of Claim admitted	Nature of Claim	Amount covered by security Interest	Detail of Security Interest	Amount Covered by Gaurentee	% Shares of Total	Amount of claim rejected	Remark, if any
1	Axis Bank	19-Jan-22	3,91,07,88,032	3,91,07,88,032	Commercial credit Card	3,91,07,88,032	Subservient charge on current assets	-	36.95 %		
			4,41,69,41,464	4,41,69,41,464	Commercial Paper	4,41,69,41,464	Subservient charge on current assets	-			



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			1,65,20,63,543	1,65,20,63,543	LC	1,65,20,63,543	Subservient charge on current assets	1,65,20,63,543			
			2,75,03,25,846	2,75,03,25,846	NCD	2,75,03,25,846	Subservient charge on current assets	-			
2	Bank Of Baroda	28-Jan-22	2,29,01,61,032	2,29,01,61,032	Demand Loan	2,29,01,61,032	Pari Passu First charge on all current assets and movable fixed assets	2,29,01,61,032	7.75%		
			38,09,60,726	38,09,60,726	Overdraft	38,09,60,726	Pari Passu First charge on all current assets and movable fixed assets	38,09,60,726			
3	Kotak Mahindra Bank	18-Jan-22	87,95,77,677	87,95,77,677	CC	87,95,77,677	Charge on Current and Moveable Fixed Assets	-	6.89%		
			1,49,53,41,269	1,49,53,41,269	WCDL	1,49,53,41,269	Charge on Current and Moveable Fixed Assets	-			
4	DBS Bank India Ltd (Lakshmi Vilas Bank)	18-Jan-22	20,80,10,707	20,80,10,707	CP	20,80,10,707	Subservient charge on the entire assets of the company	20,80,10,707	1.41%		

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							covering exposure by 1.25 times				
			27,79,89,243	27,79,89,243	WCDL	27,79,89,243	Subservient charge on the entire assets of the company covering exposure by 1.25 times	27,79,89,243			
5	State Bank of India	19-Jan-22	25,00,000	25,00,000	BG	25,00,000	Pari Passu First Charge on all Current assets and movable Fixed assets company	-	25.23 %		
			5,30,33,14,687	5,30,33,14,687	Cash Credit	5,30,33,14,687	Pari Passu First Charge on all Current assets and movable Fixed assets company	5,30,33,14,687			
			3,38,63,52,187	3,38,63,52,187	WC Loan	3,38,63,52,187	Pari Passu First Charge on all Current assets and movable Fixed assets company	3,38,63,52,187			

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6	TFCI	19-Jan-22	86,89,74,341	85,86,55,877	Corporate Loan	85,86,55,877	Second Charge on all Fixed and Current Assets, Registered Mortgage of two flatsPledge of 1402500 shares of Tulip star Hotels Limited	-	4.37%	1,03,18,464	Interest claimed for period after liquidation on commencement date is rejected
			65,09,37,389	64,52,10,857	Secured NCD	64,52,10,857	Second Charge on all Fixed and Current Assets, Registered Mortgage of two flatsPledge of 1402500 shares of Tulip star Hotels Limited	-		57,26,532	Interest claimed for period after liquidation on commencement date is rejected
7	Yes Bank	19-Jan-22	66,96,09,739	66,96,09,739	Cash Credit	66,96,09,739	Pari Passu First Charge on all Current assets	1,79,95,58,541	17.40 %		
			5,32,36,18,526	5,32,36,18,526	WCDL	5,32,36,18,526	Pari Passu First Charge on all Current assets	-			
<b>Total</b>			<b>34,46,74,66,409</b>	<b>34,45,14,21,413</b>		<b>34,45,14,21,413</b>		<b>15,29,84,10,667</b>	<b>100.00 %</b>	<b>1,60,44,996</b>	



Due to the inability of the Company to repay its' above mentioned outstanding liability the Creditors has filled insolvency case against the Company in National Company Law Tribunal (NCLT) and NCLT passed an order of Insolvency Proceeding against the Company on 22<sup>nd</sup> October, 2019 and Mr. Ashutosh Agarwala having IBBI Regn. No. IBBI/PA-001/IP-P01123/2018-2019/11901 was appointed as Resolutional Professional (RP) of the Company on 10<sup>th</sup> of January, 2020. Later on, as the insolvency proceedings could not get completed within the extended time period provided by the NCLT, the Company went into liquidation and the RP got appointed as liquidator of the Company.

Hence, in order to liquidate the Corporate Debtor i.e. M/s. Cox & Kings Limited and sell it and its' assets as per the provisions of The IBBI (Liquidation Process) Regulations, 2016, the liquidator appointed Mr. Sandeep Kumar Agrawal having IBBI Regn. No. IBBI/RV/06/2019/10705 for the purpose of computation of brand value of the Company.

4. **TYPE OF REPORT:** Valuation of Brand of the Corporate Debtor under regulation 35 of IBBI (Liquidation Process) Regulations, 2016.
5. **PURPOSE OF THE REPORT:** To estimate & determine current Fair Value of the Brand of the Corporate Debtor to enable the liquidator to evaluate the further course of action regarding the liquidation proceedings of the Company.
6. **SCOPE OF THE REPORT:** To estimate and determine the Fair Value of the Brand of the Corporate Debtor based on Income Approach.
  - *This is just the valuation of the Brand of the Company based on its Income generating capacity for future years. This Valuation shall not be construed as the Value calculated on the basis of Cost Approach or Market Approach.*
  - *This Valuation under Income Approach only covers the cash flow generated from the Brand of the Company.*
  - *This Valuation is prepared based on the current financial status and projections of the company, financial data of similar companies, other facts & information provided by the Liquidator in writing & verbal discussions held during the course of the assignment and got through financial research of the comparable companies and based on certain assumptions which are specifically mentioned in the Valuation section of the Report.*





- We have assumed that the information provided to us is correct and is not manipulated or distorted.

**7. METHODOLOGY/ MODEL ADOPTED:** Income based Approach for the calculation of Fair Value of the Brand of the Company.

**8. DATA/ INFORMATION RECEIVED FROM:**

Data/ Information received from:

Particulars	Details
Name	Abhirish Kankariya
Team	RP/ Liquidator and his team members
Email Address	Abhirish.Kankariya@excedor.com
Contact No.	+91 8689888110
Information about Market and Industry analysis has been adopted on the basis of information available on public domain like <a href="https://www.egov-nsdl.co.in/">https://www.egov-nsdl.co.in/</a> , <a href="http://www.ibef.org/">http://www.ibef.org/</a> etc.	

**9. DOCUMENTS / DATA REFFERED:**

- Annual Report of the Company from F.Y.2016 to F.Y. 2021
- Market Research data about Travel industry and Comparative Company
- Market Resesrch about Brand Valuation
- CIRP/Liquidation orders on company's website
- List of domain names, trademarks and softwares provided by RP/client.
- Required data/information shared by the client/RP.



**PART B****CORPORATE DEBTOR****1. BRIEF DESCRIPTION ABOUT THE COMPANY**

The incorporation details of the Project Company are provided in the table below:

<b>Name of the Corporate Debtor</b>	M/s. Cox & Kings Limited
<b>CIN</b>	L63040MH1939PLC011352
<b>Address</b>	<b>Registered Office</b> 1 <sup>st</sup> Floor Turner Morrison Building, 16 Bank Street Mumbai, Maharashtra- 400 023, India
<b>Constitution</b>	Non- govt Company
<b>Principal Business</b>	Travel Business
<b>Date of Incorporation</b>	07.06.1939
<b>Authorised Capital</b>	Rs. 110,00,00,000
<b>Paid up Capital</b>	Rs. 88,28,24,450

Source: <http://www.mca.gov.in/mcafoportal/companyLLPMasterData.do>

**2. COMPANY'S DIRECTORS:**

As per the Hon'ble NCLT order, Mumbai Bench, dated 10 January 2020. Below are the details of the Board of Directors and other members, whose powers now stand suspended on the initiation of CIRP under the Insolvency and Bankruptcy Code, 2016

S. No.	Name	DIN	Designation	Date of Appointment	Brief Details about Directors
1.	Mr. Anthony Bruton Meyrick Good	00189453	Promoter and Non-Executive Chairman	28/10/1987	After being a management trainee with the Distillers Group, Mr. A. B. M. Good ventured into the field of journalism, where he spent five years first as a Public Relations Officer and later in a group marketing role with the then largest independent airline group in the UK. In this capacity, he was involved in setting up a tour operating subsidiary. Mr. Good formed the Good Relations Group in 1962 and floated it on the London Stock Exchange in 1982. In 1970, he was commissioned by Grindlays Bank to turn C&K, UK, into a long-haul tour operator specialising in India. He was appointed to the Board of C&K in 1971 and became the

S. No.	Name	DIN	Designation	Date of Appointment	Brief Details about Directors
					Chairman in 1975. Under his astute guidance, the Company imbibed quality standards and practices. He is a Fellow Member of Chartered Institute of Public Relations and Honorary Life Fellow Member of the Institute of Directors.
2.	Mr. Peter Kerkar	00202891	Promoter and Non- Executive Director	30/11/1993	Mr. Peter Kerkar has been intimately involved in the growth of the C & K Group and was responsible for its transformation from a business travel and shipping and forwarding agency to one of the leading leisure players in the industry. He is the driving force behind the Company's initiatives in the geographies in which it operates today. He is based in the UK and is responsible for the Company's overall leadership, strategy, global centralised buying and international growth. In this role, he has been actively involved in the identification of new opportunities. Under his leadership, the Company is now positioned as the premier travel company in India as well as a brand leader in the premium market segment in the UK, US and Japan. He is a graduate in Arts (B.A.) with distinction in Economics and Anthropology from Stanford University, US.
3.	Ms. Urrshila Kerkar	00021210	Promoter and Whole Time Director	01/09/2007	Prior to joining the Company in 1990, Ms. Urrshila Kerkar was running her own enterprise, a graphic design and production house, which has won over 20 international awards for design. She initially worked with C&K in an advisory role on marketing and brochure design from 1985. Her role was extended when she joined the Company in 1999 and was made in charge of its Indian operations. Ms. Kerkar has been at the forefront of the Company's growth, playing a vital role in the development of Outbound Leisure and Domestic Leisure businesses and is the driving force behind the



S. No.	Name	DIN	Designation	Date of Appointment	Brief Details about Directors
					Company's IT vision. She has been directly involved and responsible for the day-to-day management of the Company and for all the marketing and design initiatives of the Group. She is a graduate in Arts (B.A. Hons), specialising in Economics and Psychology, from Mumbai University and holds an associate degree from Pratt University, NY, USA, in Graphic Design. In October 2015, she was awarded the 'Game Changer of the Year' by India Travel Awards.
4.	Mr. Pesi Shavak Patel	00016091	Independent Director and Member of the Board Audit Committee	05/02/1998	Mr. Pesi Patel started his career with the family's industrial products manufacturing business. He oversaw the sales and marketing of the products and led the division in manufacturing these products. Ultimately in 1982, Mr. Patel gained responsibility for running the entire Company. Under his leadership, the Company experienced growth both structurally and financially. He is a graduate in Commerce (B.Com) from Mumbai University
5.	Mr. Mahalinga Narayanan	00159288	Independent Director and Chairman of the Board Audit Committee	16/06/2007	Mr. M. Narayanan had served as the Chairman and Managing Director with Tourism Finance Corporation of India Limited between July 2004 and September 2006. He also occupied the position of General Manager, Industrial Finance Corporation of India, and held senior management positions in IFCI and Bank of Baroda. Mr. Narayanan started his professional career with the Reserve Bank of India in June 1964. The Institute of Economic Studies, New Delhi, conferred him with UDYOG Rattan Award in the year 2005 for excellence in performance. Mr. Narayanan is a post graduate in Commerce (M.Com) and holds a degree in Law. He is also a Certified Associate of Indian Institute of Bankers (CAIIB).

Source: <https://www.mca.gov.in/mcafoportal/companyLLPMasterData.do> and Company's Annual Report for the F.Y. 2018

**3. CAPITAL STRUCTURE**

The authorized Share Capital of the Company is Rs. 110 crores divided into 22 Crore Equity Shares of Rs. 5/- each.

The outstanding paid up capital of the Company is Rs. 88.28 Crores divided into 17,65,64,890 Equity Shares of Rs. 5/- each fully paid as on 31<sup>st</sup> March, 2020.

**4. SHAREHOLDING PATTERN**

As per the information available on the company's website below table shows the category wise shareholding pattern of the company:

Category	Category of shareholder	Number of shareholders	Fully paid up equity share held	Total number of share held	% shareholding
A	Promoter & Promoter Group	7	21534004	21534004	12.2
B	Public	59373	155030886	155030886	87.8
C	Non Promoter- Non Public				
C1	Shares underlying DRs	0	0	0	N/A
C2	Shares held by Employees Trusts	0	0	0	0
	<b>Total</b>	<b>59380</b>	<b>176564890</b>	<b>176564890</b>	<b>100</b>



**PART C****MARKET OVERVIEW ON TOURISM AND HOSPITALITY INDUSTRY****1. INTRODUCTION:**

The Indian tourism and hospitality industry have emerged as one of the key drivers of growth among the services sector in India. Tourism in India has significant potential considering the rich cultural and historical heritage, variety in ecology, terrains and places of natural beauty spread across the country. Tourism is an important source of foreign exchange in India similar to many other countries. The foreign exchange earnings from 2016 to 2019 grew at a CAGR of 7% but dipped in 2020 due to the COVID-19 pandemic. In FY20, tourism sector in India accounted for 39 million jobs, which was 8.0% of the total employment in the country. By 2029, it is expected to account for about 53 million jobs.

According to WTTC, India ranked 10th among 185 countries in terms of travel & tourism's total contribution to GDP in 2019. During 2019, contribution of travel & tourism to GDP was 6.8% of the total economy, Rs. 13, 68,100 crore.

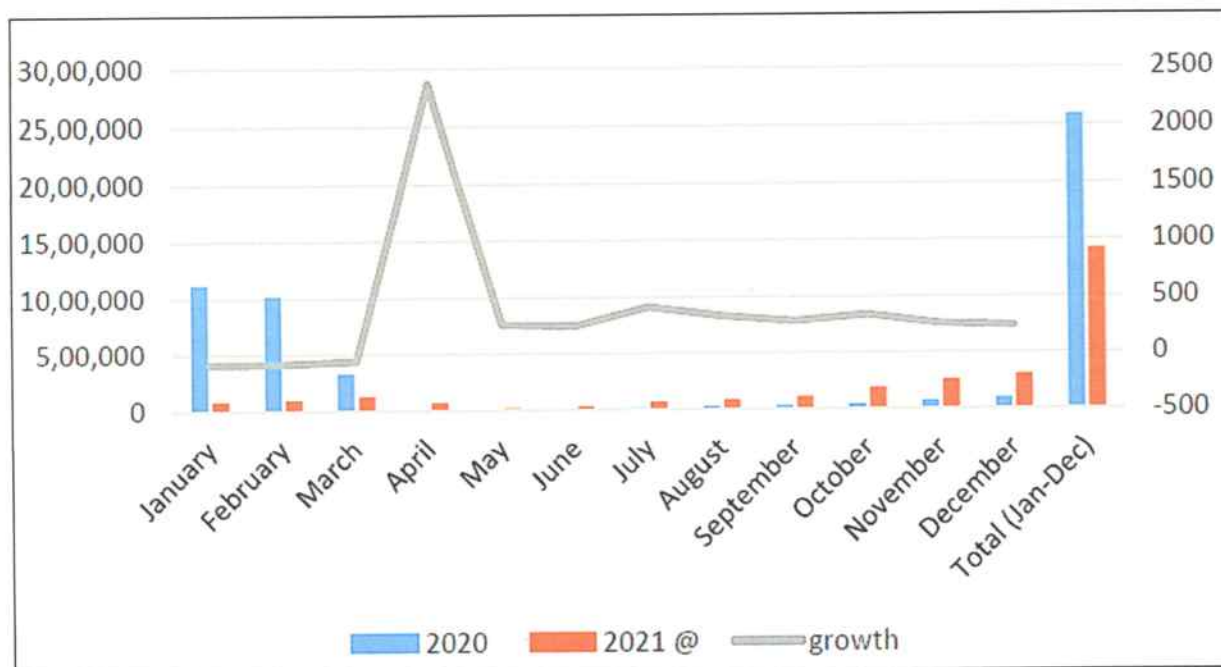
As per Invest India, The tourism sector in India is an integral pillar of the Make in India programme. The tourism industry in India plays a role of significant economic multiplier and becomes critical since India has to grow at rapid rates and create jobs. India offers geographical diversity, world heritage sites and niche tourism products like cruises, adventure, medical, eco-tourism, etc. Incredible India has spurred growth in Tourists Arrivals and Employment.

Government is planning to boost the tourism in India by leveraging on the lighthouses in the country. 71 lighthouses have been identified in India which will be developed as tourist spots. The lighthouses will feature museums, amphi-theatres, open air theatres, cafeterias, children's parks, eco-friendly cottages and landscaping according to its capacity. India is often termed as the hotspot for bio-diversity and its rich natural heritage is unparalleled in many ways. As of December 2020, the country comprised ~104 national parks and 566 sanctuaries

Tourism tends to encourage the development of multiple-use infrastructure including hotels, resorts & restaurants, transport infrastructure (aviation, roads, shipping & railways) and healthcare facilities. By 2030, India is expected to be among the top five business travel market as 100% FDI in the tourism industry is allowed under automatic route and 100% FDI allowed in tourism construction projects, including the development of hotels, resorts, and recreational facilities.



As per the information available on the tourism ministry website, below graph shows the comparison between Foreign Tourist Arrival during 2020 & 2021:



As per Bureau of Immigration, Govt. of India, below table shows the Foreign Tourist Arrivals (FTAs), Arrivals of Non-Residents Indians (NRIs) and International Tourist Arrivals (ITAs) during 2014-2020:

#### Foreign Tourist Arrivals in India

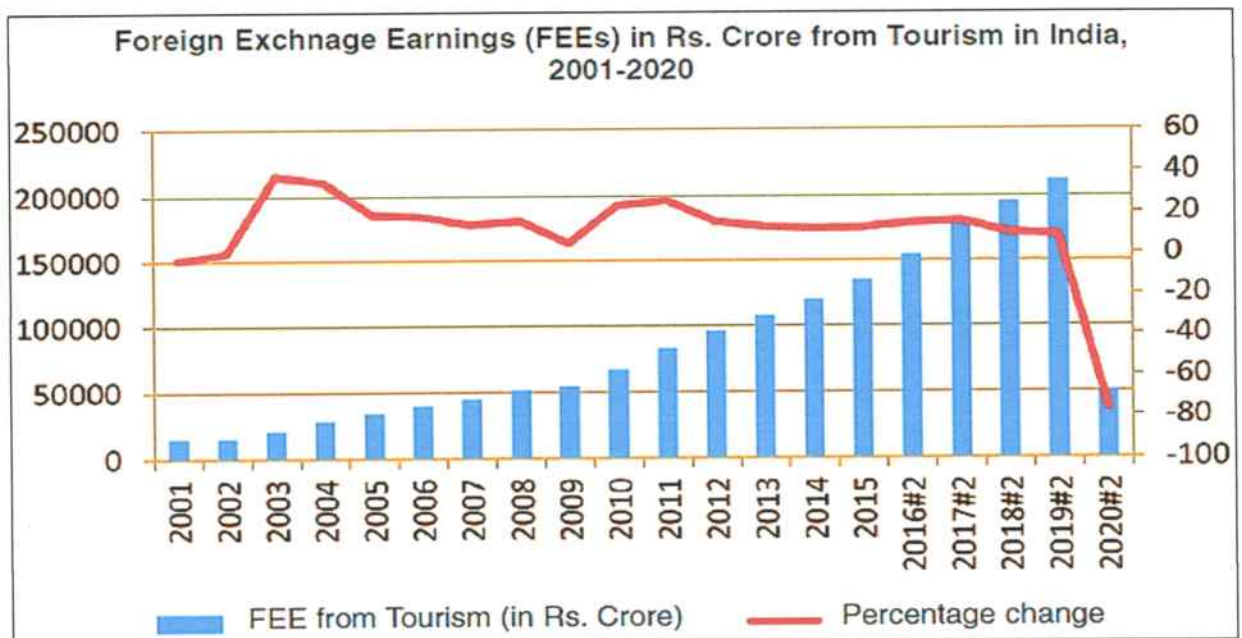
Years	FTAs in India (in Million)	Percentage (%) change over previous year	NRIs arrivals in India	Percentage (%) change over previous year	International Tourist Arrivals in India (in Million)	Percentage (%) change over previous year
2014	7.68	10.2	5.43	13.11		
2015	8.03	4.5	5.74	5.7	13.76	5
2016	8.8	9.7	6.22	8.5	15.03	9.2
2017	10.04	14	6.77	8.8	16.81	11.8
2018	10.56	5.2	6.87	1.4	17.42	3.7
2019	10.93	3.5	6.98	1.7	17.91	2.8
2020	2.74	-74.9	3.59	-48.6	6.33	-64.7



**INBOUND TOURISM IN INDIA**



**Foreign Exchange Earnings (FEEs) in Rs. Crore from Tourism in India, 2001-2020**



As one of the biggest contributors to the global The Travel and Tourism (T&T) industry directly contributes about 3.6% of the world's Gross Domestic Product (GDP) and, indirectly contributes about 10.3% to it. As one of the biggest contributors to the global GDP, this industry directly employs nearly 77 million people worldwide, which comprises about 3% of the world's total employment. The T&T industry also contributes to indirect employment generation to the tune of 234 million or 8.7 % of the total employment implying that one in every twelve jobs in the



world is in the tourism industry. The industry also represents about 12% of the total world exports. Global market trends indicate that long-haul travel, neighbouring country tourism, rural and ethnic tourism, wellness and health holidays, cultural tourism, spiritualism, ecotourism, sports and adventure holidays, and coastal tourism and cruises are a few emerging areas of tourist interest. From a geographic viewpoint, there has been a remarkable rise in Asian tourists, particularly from China and East Asian countries.

Further, the average age of the international tourist has also been reducing representing a growing segment of young tourists who would typically travel to take a break from increasingly stressful professional lives. Given the above factors, robust growth in tourism is likely to continue in the coming years. The World Tourism Organisation (WTO) forecasts over one billion arrivals in 2010 versus approximately 693 million today (See Exhibit below). Worldwide long-distance travel is likely to grow faster (5.4% each year) than travel within regions (3.8%).

Continuing world prosperity, growing recognition of tourism's contribution to employment and economic growth, availability of better infrastructure, focused marketing and promotion efforts, liberalization of air transport, growing intraregional cooperation, and a growing number of Public-Private-Partnerships (PPPs) are seen as the key drivers for tourism in the next decade.

## **2. MARKET SIZE:**

India is the most digitally advanced traveller nation in terms of digital tools being used for planning, booking, and experiencing a journey. India's rising middle class and increasing disposable income has supported the growth of domestic and outbound tourism. By 2028, Indian tourism and hospitality is expected to earn US\$ 50.9 billion as visitor exports compared with US\$ 28.9 billion in 2018. The travel market in India is projected to reach US\$ 125 billion by FY27 from an estimated US\$ 75 billion in FY20.

The Indian airline travel market was estimated at ~US\$ 20 billion and is projected to double in size by FY27 due to improving airport infrastructure and growing access to passports. The Indian hotel market including domestic, inbound and outbound was estimated at ~US\$ 32 billion in FY20 and is expected to reach ~US\$ 52 billion by FY27, driven by the surging demand from travelers and sustained efforts of travel agents to boost the market. During 2019, foreign tourist arrivals (FTAs) in India stood at 10.93 million, achieving a growth rate of 3.5% y-o-y. During 2019, FEEs from tourism increased 4.8% y-o-y to Rs. 1, 94,881 crore (US\$ 29.96 billion).

In 2019, arrivals through e-Tourist Visa increased by 23.6% y-o-y to 2.9 million. In 2020, FTAs decreased by 75.5% YoY to 2.68 million and arrivals through e-Tourist Visa (Jan-Nov)



decreased by 67.2% YoY to 0.84 million. As of March 2021, the e-Tourist Visa facility was extended to citizens of 171 countries. In April 2021, the percentage share of FTAs was highest from USA (26.85%), followed by Bangladesh (15.65%), Afghanistan (6.92%), UK (5.87%), Nepal (4.59%), Canada (4.27%), Iraq (2.99%), Portugal (2.40%), Germany (1.42%), Russian Fed (1.41%), Maldives (1.39%), France (1.33%), Sudan (1.21%), Korea (Rep.) (1.18%), and Australia (1.02%). In April 2021, the percentage share of FTAs in India was highest at Bengaluru Airport (29.96%), followed by Mumbai Airport (17.48%), Ahmedabad Airport (15.72%), Delhi Airport (9.21%), Cochin Airport (4.91%), Chennai Airport (4.04%), Hyderabad Airport (3.34%), Lucknow Airport (2.40%), Bhavnagar Seaport (2.37%), Kolkata Airport (2.11%), Calicut Airport (1.41%), Amritsar Airport (1.35%), Kakinada Seaport (1.32%), Dabolim (Goa) (0.91%), Mangalore Airport (0.72%).

Between January 2021 and April 2021, FTAs was 376,083 as compared with 2.35 million between January 2020 and April 2020, registering a negative growth of -84.0% Y-o-Y due to COVID-19. By 2028, international tourist arrivals are expected to reach 30.5 billion and generate revenue over US\$ 59 billion. However, domestic tourists are expected to drive the growth, post pandemic. International hotel chains are increasing their presence in the country, and it will account for around 47% share in the tourism and hospitality sector of India by 2020 and 50% by 2022.

As per the Federation of Hotel & Restaurant Associations of India (FHRAI), in FY21, the Indian hotel industry has taken a hit of >Rs. 1.30 lakh crore in revenue due to impact of the COVID-19 pandemic. The United Nations World Tourism Organisation selected Pochampally in Telangana as one of the best tourism villages in November 2021.

### **3. Investments**

India was globally the third largest in terms of investment in travel and tourism with an inflow of US\$ 45.7 billion in 2018, accounting for 5.9% of the total investment in the country. The hotel & tourism sector received cumulative FDI inflow of US\$ 15.89 billion between April 2000 and June 2021. Indian government has estimated that India would emerge with a market size of 1.2 million cruise visitors by 2030-31. Dream Hotel Group plans to invest around US\$300 million in the next 3-5 years for the development of the cruise sector in India.





#### 4. Government Initiatives

The Indian Government has realised the country's potential in the tourism industry and has taken several steps to make India a global tourism hub. Some of the major initiatives planned by the Government of India to boost the tourism and hospitality sector of India are as follows:

- The Ministry of Road Transport and Highways has introduced a new scheme called 'All India Tourist Vehicles Authorisation and Permit Rules, 2021', in which a tourist vehicle operator can register online for All India Tourist Authorisation/Permit. This permit will be issued within 30 days of submitting the application.
- In February 2021, the Ministry of Tourism under the Government of India's Regional Office (East) in Kolkata collaborated with Eastern Himalayas Travel & Tour Operator Association (resource partner) and the IIAS School of Management as (knowledge partner) to organise an 'Incredible India Mega Homestay Development & Training' workshop. 725 homestay owners from Darjeeling, Kalimpong and the foothills of Dooars were trained in marketing, sales and behavioural skills
- The Ministry of Tourism has created a policy for development and promotion of caravan and caravan camping parks.





- On January 25, 2021, Union Tourism and Culture Minister announced plan to develop an international-level infrastructure in Kargil (Ladakh) to promote adventure tourism and winter sports.
- The Indian Railway Catering and Tourism Corporation (IRCTC) runs a series of Bharat Darshan tourist trains aimed at taking people to various pilgrimages across the country.
- On November 4, 2020, the Union Minister of State (IC) for Tourism & Culture Mr. Prahlad Singh Patel inaugurated the "Tourist Facilitation Centre" facility constructed under the project "Development of Guruvayur, Kerala" (under the PRASHAD Scheme of the Ministry of Tourism).
- The Ministry of Tourism's 'DekhoApnaDesh' webinar series titled '12 Months of Adventure Travel' on November 28, 2020, is likely to promote India as an adventure tourism destination.
- On January 26, 2021, Maharashtra Chief Minister Mr. Uddhav Thackeray inaugurated Balasaheb Thackeray Gorewada International Zoological Park in Nagpur. It is India's largest zoological park spread over 564 hectares and expected to attract ~2.5 million tourists a year.
- The initiative is a part of 17 new projects that are planned. Additionally, the government will also launch seaplane service from Ahmedabad to Statue of Unity in a major push to India's tourism.
- The Ministry of Tourism developed an initiative called SAATHI (System for Assessment, Awareness & Training for Hospitality Industry) by partnering with the Quality Council of India (QCI) in October 2020. The initiative will effectively implement guidelines/SOPs issued with reference to COVID-19 for safe operations of hotels, restaurants, B&BS and other units.
- Ministry of Tourism launched Dekho Apna Desh webinar series to provide information on many destinations and sheer depth and expanse on the culture and heritage of India.
- Statue of Sardar Vallabhbhai Patel, also known as 'Statue of Unity', was inaugurated in October 2018. It is the highest standing statue in the world at a height of 182 metre. It is expected to boost the tourism sector in the country and put it on the world tourism map.
- Under Budget 2021-22, the Government of India has allotted Rs. 2,400 crore for development of tourist circuits under Swadesh Darshan for eight Northeast states.





- From the budgetary allocation for major tourism infrastructure schemes, Rs 1181.30 crore is earmarked for the Swadesh Darshan Scheme, and Rs 235 crore for the Pilgrimage Rejuvenation and Spiritual and Heritage Augmentation Drive (PRASHAD) Scheme.

## **5. Conclusion:**

- Medical tourism industry was estimated at US\$ 9 billion in 2020
- The travel market in India is projected to reach US\$ 125 billion by FY27 from an estimated US\$ 75 billion in FY20.
- International tourist arrivals are expected to reach 30.5 million by 2028
- Government is providing free loans to MSMEs to help them deal with the crisis and revive the economy, including the tourism sector.
- Post the pandemic crisis, the government plans to tap into regional tourism by opening doors for South Asian country tourists
- In October 2021, the Government of India announced plan to resume inbound tourism from November 15, 2021, which is expected to lend a major boost to the tourism sector in India.
- The government introduced a scheme to boost the tourism sector by providing one-month free tourist visa to 5 lakh tourists until March 31, 2022
- India offers geographical diversity, attractive beaches, 37 World Heritage sites, 10 bio-geographic zones, 80 national parks and 441 sanctuaries
- The Ministry of Tourism launched the NIDHI portal to understand the geographical spread of the hospitality sector, its size, structure and existing capacity in the country. NIDHI will serve as a common data repository for the Ministry of Tourism, State Departments of Tourism and Industry; this will enable the Central and State Governments to deliver better support and services including policies and strategies for the tourism sector. As of December 31, 2020, 34,399 accommodation units have been registered on the portal
- Ministry of Tourism has introduced the Incredible India Tourist Facilitator (IITF) and Incredible India Tourist Guide (IITG) Certification Programme, aimed at creating an online learning platform of well-trained tourist facilitators and guides across the country. The IITF concept is aimed to promote micro-tourism, i.e., tourism in less explored areas of the country

## PART D

## FINANCIAL PROJECTIONS

### 1. PREVIOUS YEARS FINANCIAL PERFORMANCE:

Below table shows the financial performance of the Company from F.Y. 2015-16 to 2019-20 are as follows:

(Figures are in INR Crores)

Particulars	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Total Operating Revenue	2814.19	3189.62	2595.27	2751.68	767.99
Total Operating Expenses	2520.65	2944.32	2530.71	2297.00	1019.61
<b>EBITDA</b>	<b>293.54</b>	<b>245.30</b>	<b>64.56</b>	<b>454.68</b>	<b>-251.62</b>
<b>EBITDA %</b>	<b>10.43%</b>	<b>7.69%</b>	<b>2.49%</b>	<b>16.52%</b>	<b>-32.76%</b>
Depreciation and Amortization Expenses	29.52	25.05	30.9	35.57	5.87
<b>EBIT</b>	<b>264.02</b>	<b>220.25</b>	<b>33.66</b>	<b>419.11</b>	<b>-257.49</b>
<b>EBIT %</b>	<b>9.38%</b>	<b>6.91%</b>	<b>1.30%</b>	<b>15.23%</b>	<b>-33.53%</b>
Finance costs	56.52	64.94	105.02	120.45	716.38
<b>PBT</b>	<b>207.50</b>	<b>155.31</b>	<b>-71.36</b>	<b>298.66</b>	<b>-973.87</b>
<b>PBT %</b>	<b>7.37%</b>	<b>4.87%</b>	<b>-2.75%</b>	<b>10.85%</b>	<b>-126.81%</b>
Tax Expenses & Exceptional Items	90.22	95.84	103.96	89.36	9,398.76
<i>Effective Tax Rate</i>	<i>43.48%</i>	<i>61.71%</i>	<i>-145.69%</i>	<i>29.92%</i>	<i>-965.09%</i>
<b>PAT</b>	<b>117.28</b>	<b>59.47</b>	<b>-175.32</b>	<b>209.30</b>	<b>-10,372.63</b>
<b>PAT %</b>	<b>4.17%</b>	<b>1.86%</b>	<b>-6.76%</b>	<b>7.61%</b>	<b>-1350.63%</b>

*Source: Annual reports of the Company from F.Y.2016 to F.Y.2020*

### Analysis of Previous years' financial performance:

- a) Operating margins of the company became negative during the financial year 2020 while company has performed well during FY 2019 in all the respect.
- b) Profit after taxes (PAT) is negative during F.Y.2017 & 2018.



- c) In F.Y.2019 Profitability of the Company recovered but on 22<sup>nd</sup> October, 2019, the Company went into insolvency and now the company is under liquidation.

Based on the data/ information/ inputs provided by the Liquidator and the assessment & analysis of the financials of the comparable companies conducted by us, financial projections of the Company have been estimated below by way of several different financial indicators and assumptions:

## 2. PROJECTED PROFIT & LOSS STATEMENT:

(Figures are in INR Crores)

Particulars	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Revenue from Operations	1297.64	1336.57	1390.03	1459.53	1532.51
<b>Total Income</b>	<b>1297.64</b>	<b>1336.57</b>	<b>1390.03</b>	<b>1459.53</b>	<b>1532.51</b>
<b>Expenses:</b>					
Cost of Tourism Service	648.82	668.28	695.01	729.77	766.25
Employee Benefit Expenses	194.65	204.38	214.60	225.33	236.59
Other Operative Expenses	194.65	206.32	218.70	231.83	245.74
<b>Total Expenses</b>	<b>1038.11</b>	<b>1078.99</b>	<b>1128.32</b>	<b>1186.92</b>	<b>1248.58</b>
<b>EBITDA</b>	<b>259.53</b>	<b>257.58</b>	<b>261.71</b>	<b>272.61</b>	<b>283.93</b>
EBITDA %	20.00%	19.27%	18.83%	18.68%	18.53%
Depreciation & Amortisation Expenses	64.88	66.83	69.50	72.98	76.63
<b>EBIT</b>	<b>194.65</b>	<b>190.75</b>	<b>192.21</b>	<b>199.64</b>	<b>207.30</b>
EBIT %	15.00%	14.27%	13.83%	13.68%	13.53%
Finance Cost	25.95	26.73	27.80	29.19	30.65
<b>PBT</b>	<b>168.69</b>	<b>164.02</b>	<b>164.41</b>	<b>170.45</b>	<b>176.65</b>
PBT %	13.00%	12.27%	11.83%	11.68%	11.53%
Tax Expenses	58.95	57.32	57.45	59.56	61.73
Effective Tax Rate	34.94%	34.94%	34.94%	34.94%	34.94%
<b>PAT</b>	<b>109.74</b>	<b>106.71</b>	<b>106.96</b>	<b>110.89</b>	<b>114.92</b>
PAT %	8.46%	7.98%	7.69%	7.60%	7.50%

### NOTES:

- a. We have projected the financials of the company from 1<sup>st</sup> April' 2022 because currently the liquidation proceedings of the company are going on and it will take the complete



F.Y. 2022 to sell the Corporate Debtor to a prospective buyer and thereafter its' operations will get started under the leadership of new company.

- b. It is assumed that the revenue for 1<sup>st</sup> projected financial year will be 50% of the revenue of the F.Y.2018 because due to Covid-19 the tourism industry has been drastically affected and as the Company's operations remain halted for approximately 2 years so it will not be able to generate the revenue at the similar pace as it has been generating before commencement of insolvency. In the next financial year revenue has been estimated by applying appropriate growth rate on the revenue of F.Y.2023.
- c. For the purpose of revenue projections, financial analysis has been performed of the following three comparable companies for the period from F.Y.2016 to F.Y.2020:
- Thomas Cook (India) Ltd.
  - International Travel House Ltd.
  - Yatra Inc
- d. The assumptions made relating to the projections of the Corporate Debtor for future years on the basis of comparable company analysis, are as mentioned below:

S. No.	Particulars	Assumptions	Basis of Assumption
1.	Operations Start year	31-03-2023	All assumptions are made on the basis of analysis of revenue and expenses of comparable companies for the F.Y.2016 to F.Y.2020. An average of the figures arrived on the basis of the comparable company analysis has been considered for the projections.
2.	Sales Growth Y-o-Y:		
	For 1 <sup>st</sup> Year:	3%	
	For 2nd Year:	4%	
	From 3rd Year onwards:	5%	
3.	Cost of Tour as a % of Sales	50%	
4.	Employee Costs for the first year as a % of Sales	15%	
5.	Other Operating Expenses for the first year as a % of Sales	15%	
6.	Growth Rate for Employee Benefit Cost	5%	



# SANDEEP KUMAR AGRAWAL

IBBI Regn. No.- IBBI/RV/06/2019/10705

BRAND VALUATION REPORT

M/S. COX & KINGS LIMITED

S. No.	Particulars	Assumptions	Basis of Assumption
7.	Growth Rate for Other Operating Expenses	6%	
8.	Depreciation as a % of Sales	5%	
9.	Finance Cost as a % of Sales	2%	
10.	Capital Charge as a % of Sales	2%	



**PART E****SWOT ANALYSIS OF THE BRAND****STRENGTHS**

- Availability of the Brand in the various parts of the world like India, US, U.K. Europe, UAE, Australia, Japan etc.
- The Brand is renowned among various sections like Corporates, Individuals etc for its services like trade fairs, domestic vacation, business travel, international tourism etc.
- Due to the listing of the Company in a recognized stock exchange, the brand got its popularity to wide range of investors from various parts of India.
- The range of services provided by the Corporate Debtor under the Brand name, like Tour Booking, Hotel Arrangement etc. provides a hassle free experience to its customers.

**WEAKNESSES**

- Lack of proper fund management and leadership in the Company which leads the Company towards insolvency and liquidation.
- All travel companies have similar offerings hence limited service differentiation from Competitors.
- Lack of active presence of the Corporate Debtor in the Social Media sites (Like Facebook, LinkedIn etc.) and Advertisement world.
- Limited market share of the Company in between the immense market competition.

**OPPORTUNITIES**

- Vaccination around the world to fight against Covid-19 will help the Travel & Tourism Industry to take its shape of pre-covid period after 1 year (appx).
- Currently the earnings from the brand related to travel & tourism, Leisure, Education and Meiningen business segments. However diversifying the earnings in the Meta-Market industry like Hotels, restaurants & eateries will help the acquirer in escalating its growth thereby supporting the mainline business.
- If the brand will get acquired by an acquirer which is a much renowned brand than the subject brand, then it might be possible that due to this the earnings of the brand will get increase.
- It might be possible that post Covid period, governments of various countries may provide certain incentives and relaxations to boost the tourism industry and foreign exchange revenue in their country.

**THREATS**

- Governments of several countries may continue their strict regulatory norms or stringent Visa guidelines in the initial post Covid period also to protect their countries from unexpected infection or diseases from outsiders.
- As the Pandemic has effected the travel giants of the world very badly, hence it may be possible that appropriate buyer will not be available at the time of liquidation of the Corporate Debtor.
- Lack of sufficient funds required to resume the operations of the brand, may cause deficiency in Brand's Growth Factor.
- Increasing impact of competitors on social media platforms (Like Yatra.com, Easemytrip etc.) may cause negative effect the revenue growth of the brand.



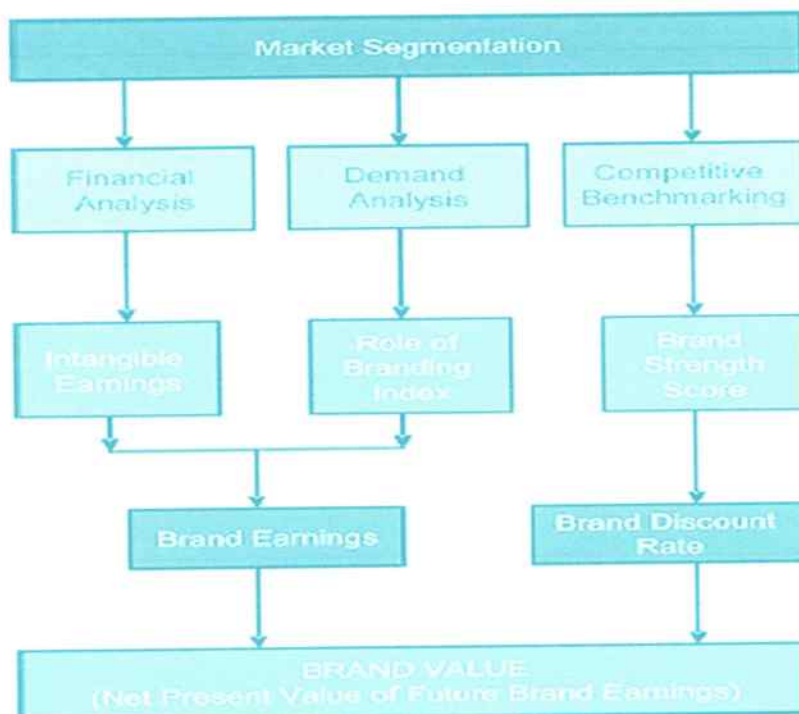


**PART F**

**VALUATION OF BRAND**

- 1. METHODOLOGY/ MODEL ADOPTED:** Out of the various models & theories available we have adopted the most widely used & acceptable Economic Use Approach. The economic use approach provides the multidimensionality to brand valuation as it combines brand equity with financial measures. Companies such as Inter-brand and Millward Brown compile a list of most valuable brands each year which is based on economic principles and replies to the fundamental question: how much more valuable is the business because it owns certain brands. This brand valuation includes both a marketing measure that reflects the security and growth prospects of the brand and a financial measure that reflects the earnings potential of the brand.

Given this concept of economic worth, the value of a brand reflects not only what earnings it is capable of generating in the future, but also the likelihood of those earnings actually being realized. Figure below shows the valuation model adopted in this report for arriving at the brand value.



Undeniably, brands influence customer choice; however, that influence varies depending on the market in which the brand operates. This is why market is split into segments, i.e., brand consumers are divided into non-overlapping and homogeneous groups of consumers according

to criteria such as consumption patterns, purchase behavior, geography, etc. The brand is valued in each segment according to the following elements:

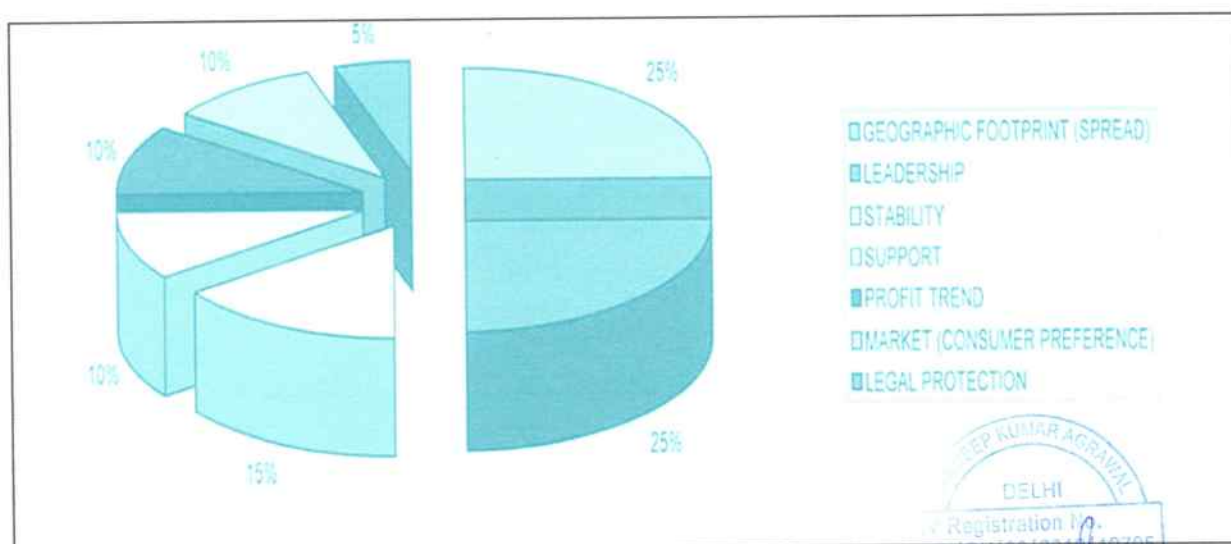
**Financial Analysis:** includes identification and forecast of revenues and earnings from intangibles for each of the distinct segments.

**Demand/market Analysis:** assesses the role that the brand plays in driving demand for products and services in the markets in which it operates and determines what proportion of intangible earnings is attributable to the brand (measured by an indicator referred to as the role of branding index). The role of branding index represents the percentage of intangible earnings that are generated by the brand.

Brand earnings are calculated by multiplying the role of branding index by intangible earnings. This is done by first identifying the various drivers of demand for the branded products, then determining the degree to which each driver is directly influenced by the brand. For some brands (perfume industry, clothing industry) the role of branding index is very high because consumers subjective opinion plays an important role, while it is less prominent for others.

Besides the brand itself, the consumer's choice is also affected by some other factors (we buy Microsoft not only because of the brand but also because of the fact that 80% of software's are based on their products).

**Competitive Benchmarking:** looks at the competitive strengths and weaknesses of the brand as well as the likelihood of expected future earnings (this indicator is referred to as the brand strength score). Role of Branding Index comprises seven components as shown below





The Brand Strength Score, which measures the competitive strength of the brand in the market, is transformed into a discount rate using an S-curve from which discount rate is derived which is used to calculate the net present value of the brand. As the company has gone under Liquidation process the investment becomes a very risky deed since return on investment becomes uncertain as it may be higher than expected or lower than the expected return.

Hence in this scenario we have assumed a 20% WACC since the cost of equity and debt for the company will be very much higher in this kind of risky scenario.

To calculate the net present value of the brand we need the discount rate which represents the risk profile of future brand earnings. Discount rate is a risk rate one has to take into account when calculating the future earnings.

Discount rate is determined by two factors:

- Present value of cash flow and
- Risk profile of brands future earnings.

**BRAND VALUE CALCULATION:** Brand value is the net present value of the forecast brand earnings, discounted by the brand discount rate. The net present value calculation comprises both the forecast period and the period beyond, reflecting the ability of brands to continue generating future earnings. Brand value includes the value of all intangible assets such as software trademarks, domainnames, copyrights etc.

## 2. CALCULATION OF BRAND EARNINGS:

(Figures are in INR Crores)

Operating Summary	Mar 2023	Mar 2024	Mar 2025	Mar 2026	Mar 2027
	Proj	Proj	Proj	Proj	Proj
Total Revenue	1,297.64	1,336.57	1,390.03	1,459.53	1,532.51
% Growth		3%	4%	5%	5%
EBIT	194.65	190.75	192.21	199.64	207.30
% Sales	15%	14%	14%	14%	14%
Less: Taxes	58.95	57.32	57.45	59.56	61.73
NOPAT	135.70	133.44	134.76	140.08	145.57
% Sales	10.46%	9.98%	9.69%	9.60%	9.50%
Add: Depreciation	64.88	66.83	69.50	72.98	76.63
% Sales	5%	5%	5%	5%	5%



Operating Summary	Mar 2023	Mar 2024	Mar 2025	Mar 2026	Mar 2027
	Proj	Proj	Proj	Proj	Proj
Less: Capital Charge	25.95	26.73	27.80	29.19	30.65
% Sales	2%	2%	2%	2%	2%
<b>Intangible Earnings</b>	<b>174.63</b>	<b>173.53</b>	<b>176.46</b>	<b>183.86</b>	<b>191.55</b>
% Sales	13%	13%	13%	13%	12%
Role of Branding Index	5%	5%	5%	5%	5%
<b>Branded Earnings</b>	<b>8.73</b>	<b>8.68</b>	<b>8.82</b>	<b>9.19</b>	<b>9.58</b>
% Growth		-1%	2%	4%	4%

**3. KEY INPUTS USED TO DISCOUNT BRAND EARNINGS:**

Inputs	
Valuation Date	20-March-22
Discount Rate	20.00%
Terminal Growth Rate	0.5%
Discount Rate Change	2%

**4. CALCULATION OF VALUE BRAND: (Fair market value of Brand + software + trademark + Domain Names) (46.25 +6.07):**

<b>FAIR VALUE OF THE BRAND</b>
<b>INR FIFTY TWO CRORE THIRTY TWO LAKHS (₹ 52.32 Crores)</b>

Below table shows the sensitivity analysis of discount rates i.e. if discount rate is 2% up or down then the fair market value of brand in base case, Bull Case and Bearish Case are as below:

Sensitivity Analysis for Brand Value		
Scenario	Discount Rate	Brand Value (₹ in Crs.)
Bull Scenario	18.00%	57.76
Base Case	20.00%	52.32
Bearish Scenario	22.00%	47.90

**ANNEXURE-I: ROLE OF BRANDING INDEX**

The role of Brand is used to determine the value of a brand based on the assumption that a strong brand is more reliable for future earnings with lesser risk. Under this approach, the branding index comprises of seven variables:

- 1. Leadership:** A brand that dominates the market in its category using economies of scale. The company was performing well before FY 2018 but now there is no leadership with this company since the company has gone under CIRP process and now the company is in the liquidation process.
- 2. Stability:** It is etched in the consumer's mind since its inception. In this scenario the company is not having any kind of stability/ any kind of scope can't be assigned.
- 3. Market:** A brand in a stable but growing market with strong entry barriers will score high in brand strength. Post Covid Indian and global economy is recovering and most of the countries are stable and growing market where the company is having its presence.
- 4. Geographic:** The value of a brand is measured in terms of its attractiveness and acceptance in multiple markets. Making a mark internationally adds to brand strength.
- 5. Trend:** The over-all long-term trend (of the brand) is a measure of its ability to remain contemporary and retain consumers by being relevant to their needs and wants.
- 6. Support:** The assessment of qualitative and quantitative support provided by the company to the brand. Now the RP is having all the supervision powers as the company is under liquidation so we can not assign much score board of directors can not support in this scenario.
- 7. Protection:** The extent of legal support a brand possesses is very crucial in its assessment.

After analysis of all the factors the company is having a very low brand index score, below table shows the assigned score to calculate the brand index:

Role of Branding Index of M/s. Cox & Kings Ltd.		
Variables	Weightage	Assigned Score
Leadership	25	0
Stability	15	0
Market	10	2
Geographic	25	1

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Trend	10	1
Support	10	1
Protection	5	0
Total	100	5





**ANNEXURE-II: BRAND STRENGTH SCORE**

Brand Strength measures the ability of the brand to create loyalty and, therefore, to keep generating demand and profit into the future. Brand Strength is scored on a 0-100 scale, based on an evaluation across ten key factors that believes in making a strong brand. Performance on these factors is judged relative to other brands in the industry and relative to other world-class brands. The strength of the brand is inversely related to the level of risk associated with the brand's financial forecasts (a strong brand creates loyal customers and lowers risk, and vice versa). A proprietary formula is used to connect the Brand Strength Score to a brand-specific discount rate.

<b>Internal Factors</b>	<b>External Factors</b>
<b>Clarity</b> Clarity internally about what the brand stands for and its values, positioning, and proposition. Clarity too about target audiences, customer insights, and drivers. Because so much hinges on this, it is vital that these are articulated and shared across the organization.	<b>Authenticity</b> The brand is soundly based on an internal truth and capability. It has a defined heritage and a well-grounded value set. It can deliver against the (high) expectations that customers have of it.
<b>Commitment</b> Internal commitment to brand, and a belief internally in the importance of brand. The extent to which the brand receives support in terms of time, influence, and investment.	<b>Relevance</b> The fit with customer/consumer needs, desires, and decision criteria across all relevant demographics and geographies.
<b>Protection</b> How secure the brand is across a number of dimensions: legal protection, proprietary ingredients or design, scale or geographical spread.	<b>Differentiation</b> The degree to which customers/consumers perceive the brand to have a differentiated positioning distinctive from the competition.
<b>Responsiveness</b> The ability to respond to market changes, challenges, and opportunities. The brand should have a sense of leadership internally, and a desire and ability to constantly evolve and renew itself.	<b>Consistency</b> The degree to which a brand is experienced without fail across all touchpoints or formats.
	<b>Presence</b> The degree to which a brand feels omnipresent and is talked about positively by consumers, customers, and opinion formers in both traditional and social media.
	<b>Understanding</b> The brand is not only recognized by customers, but there is also an in-depth knowledge and understanding of its distinctive qualities and characteristics. (Where relevant, this will extend to consumer understanding of the company that owns the brand.)



Brand Strength Score of M/s. Cox & Kings Ltd.		
Factors	Weightage	Assigned Score
<b>Internal Factors</b>		
Clarity	10	1
Commitment	10	0
Protection	10	0
Responsiveness	10	0
<b>External Factors</b>		
Authenticity	10	2
Relevance	10	1
Differentiation	10	0
Consistency	10	0
Presence	10	0
Understanding	10	1
<b>Total</b>	<b>100</b>	<b>5</b>

As the company is under the liquidation process the company is assigned a very low score as of now and zero has been assigned for some of the factors as the power of board of directors is vested into the RP during the liquidation process.





**DECLARATION**

1.	<p>i. The undersigned does not have any direct/ indirect interest in the above Company/ Corporate Debtor.</p> <p>ii. The information furnished herein is true and correct to the best of valuer's knowledge.</p> <p>iii. I have submitted Valuation report directly to the Resolution Professional.</p> <p>iv. This valuation report is carried out on the request from <b>Mr. Ashutosh Agarwala, Liquidator of M/S. Cox &amp; Kings Limited having IBBI Regn. No. IBBI/PA-001/IP-P01123/2018-2019/11901</b></p> <p>v. During of the course of execution of this assignment, I have taken infrastructure, logistical, and operational support from R.K. Associates Valuers &amp; Techno Engineering consultants (P) Ltd. and its team. However, the valuation has been conducted independently by me in all respects.</p>	
2.	<b>Name &amp; Address of Registered Valuer</b>  Mr. Sandeep Kumar Agrawal IBBI Reg. No.: IBBI/RV/06/2019/10705 UDIN: <b>22088699AKBGQX8723</b> 523, Pocket -E, Mayur Vihar Phase- II Delhi- 110 091  Corporate Office: M/S. R.K. Associates Valuers & Techno Engineering Consultants Pvt. Ltd. Corporate Office: D-39, 2 <sup>nd</sup> Floor, Sector- 2, Noida, Uttar Pradesh- 201301	<b>Signature of the Registered Valuer</b>  
3.	<b>Total Number of Pages in the Report with Annexures</b>	37



## PART G

## ASSUMPTIONS | REMARKS | LIMITING CONDITIONS

1.	<b>Fair Market Value</b> suggested by the competent Valuer in his opinion is a prospective estimated amount without any prejudice after evaluating all the facts related to the subject asset at which the subject asset should be realizable on the date of Valuation.
2.	<b>Liquidation Value</b> suggested by the competent Valuer in his opinion is a prospective estimated amount without any prejudice after evaluating all the facts related to the subject asset at which the subject asset should be realizable when the company is undergoing liquidation process on the date of the Valuation.
3.	As per <b>Regulation 32 of IBBI (Liquidation Process) Regulations, 2016</b> , The liquidator may sell- (a) an asset on a standalone basis; (b) the assets in a slump sale; (c) a set of assets collectively; (d) the assets in parcels; (e) the corporate debtor as a going concern; or (f) the business(s) of the corporate debtor as a going concern: If the liquidator is unable to sell the corporate debtor or its business under clause (e) or (f) of regulation 32 within ninety days from the liquidation commencement date, he shall proceed to sell the assets of the corporate debtor under clauses (a) to (d) of regulation 32.
4.	Securities or Financial Assets Valuation is computed based on the Estimated Realizable assessment analysis.
5.	This report is prepared based on the copies of the documents/ information/ data which interested organization or customer could provide to me out of the standard checklist of documents/ details/ information sought from them and further based on our assumptions and limiting conditions. All such information provided to me has been relied upon and I have assumed that it is true and correct. Verification or cross checking of the documents/ data/ information provided to me from the originals has not been done at our end. If at any time in future, it's found or came to our knowledge that misrepresentation of facts or incomplete or distorted information has been provided to me then this report will automatically become null & void.
6.	Legal aspects are not considered in this report. It is assumed and taken into account that the concerned Corporate Debtor/ Resolution Professional has first got the legal verification cleared by the competent Advocate before requesting for the Valuation report. Assessment of legal rights of Securities or Financial Assets in terms of its sale/ recoverability/ claims is beyond the scope of this report.
7.	There are no fixed criteria, formula or norm for the Valuation of Securities or Financial Assets. It is purely based on the individual assessment and may differ from valuer to valuer based on the practicality he/ she analyses in recoveries of the outstanding dues. Ultimate recovery depends on efforts, extensive follow-ups of the individual case by the company. So, our values should not be regarded as any judgment in regard to the recoverability of Securities or Financial Assets but should only be read in terms of analysis.



8.	For arriving at the Liquidation Value, appropriate discounting factor against each Securities or Financial Assets item is applied based on the nature of Securities or Financial Assets and level of difficulty in realization of these.
9.	This is a general assessment of the fair and liquidation value of the Securities or Financial Assets based on the data/ input/ information Corporate Debtor/ Resolution Professional could provide to me against our questions/ queries. In no manner this should be regarded as an audit activity/ report and NO micro analysis or detailed or forensic audit/ scrutiny of the financial transactions or accounts of any kind has been carried out at our end.
10.	No audit of any kind is performed by me at our end from the books of account or ledger statements. All the data/ information/ input/ details provided to me by the Corporate Debtor/ Resolution Professional are taken by me as-it-is on good faith and assumed that that these are factually correct information.
11.	The valuer has no direct/ indirect interest in the property.
12.	This report is having limited scope as per its fields <u>to provide only the general basic idea of the value of the Securities or Financial Assets which can be recovered</u> based on the analysis of the documents/ data/ information and formal & informal discussion in writing & verbally with the Corporate Debtor/ Resolution Professional.
13.	Secondary/ Tertiary costs related to asset transaction like Brokerage pertaining to the sale/ purchase/ recoverability/ transaction of any of the items lying under Securities or Financial Assets are not considered while assessing the fair and liquidation Value.
14.	Value varies with the Purpose/ Date/ Condition of the market. This report should not to be referred if any of these points are different from the one mentioned aforesaid in the Report. The Value indicated in the Valuation Report holds good only up to the period of 6 months from the date of Valuation.
15.	Analysis and conclusions adopted in the report are limited to the reported assumptions, conditions and information came to our knowledge during the course of the work.
16.	This report is prepared on the Securities or Financial Assets   Version: 2.0_2019 Valuation format as per the client requirement, charges paid and the time allotted. This report is having limited scope as per its fields to provide only the general estimated basic idea of the value of the Securities or Financial Assets based on the information provided by the client. No detailed analysis or verification of the information is carried upon pertaining to the value of the subject assets. No claim for any extra information will be entertained whatsoever be the reason. For any extra work over and above the fields mentioned in the report will have an extra cost which has to be borne by the customer.
17.	This is just an opinion report and doesn't hold any binding on anyone. It is requested from the concerned Financial Institution/ Customer who are using this report that they should consider all the different associated relevant & related factors associated with the assets before taking any business decision based on the content of this report.
18.	All Pages of the report including annexures are signed and stamped from our office. In case any paper in the report is without stamp & signature then this should not be considered a valid paper issued from this office.



19.	Defect Liability Period is <b>30 DAYS</b> . We request the concerned authorized reader of this report to check the contents, data and calculations in the report within this period and intimate us in writing if any corrections are required or in case of any other concern with the contents or opinion mentioned in the report. Corrections only related to typographical, calculation, spelling mistakes will be entertained within the defect liability period. No request for any illegitimate value revision, date change or any other change will be entertained other than the one mentioned above.
20.	Valuer encourages its customers to give feedback or inform concerns over its services through proper channel at <b>ibcvaluations@rkassociates.org</b> in writing within 30 days of report delivery. After this period no concern/ complaint/ proceedings in connection with the Valuation Services can be entertained due to possible change in situation and condition of the property.
21.	Our Data retention policy is of <b>TWO YEAR</b> . After this period, we remove all the concerned records related to the assignment from our repository. No clarification or query can be answered after this period due to unavailability of the data.
22.	This Valuation report is governed by the (1) Internal Policies, Processes & Standard Operating Procedures, (2) Valuer Quality Policy, (3) Valuation & Survey Best Practices Guidelines, (4) Information input given to me by the customer and (4) Information/ Data/ Facts given to me by the field/ office technical team. Valuer never give acceptance to any unethical or unprofessional practice which may affect fair, correct & impartial assessment and which is against any prevailing law. In case of any indication of any negligence, default, incorrect, misleading, misrepresentation or distortion of facts in the report then it is the responsibility of the user of this report to immediately or at least within the defect liability period bring all such act into notice of the valuer so that corrective measures can be taken instantly.
23.	Valuer never release any report doing alterations or modifications from pen. In case any information/ figure of this report is found altered with pen then this report will automatically become null & void.
24.	If this report is prepared for the matter under litigation in any (Indian) court, no official or employee of the valuer will be under any obligation to give in person appearance in the court as a testimony. For any explanation or clarification, only written reply can be submitted on payment of charges by the plaintiff or respondent which will be 10% of the original fees charged where minimum charges will be Rs.5000/-.
25.	Valuation is a subjective field and opinion may differ from valuer to valuer. To check the right opinion, it is important to evaluate the methodology adopted, assumptions taken and various factors/ basis considered during the course of assessment before reaching to any conclusion.
26.	At the outset, it is to be noted that Value analysis of any asset cannot be regarded as an exact science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgment. Given the same set of facts and using the same assumptions, expert opinions may differ due to the number of separate judgment decisions, which have to be made. Therefore, there can be no standard formulae to establish an indisputable exchange ratio. In the event of a transaction, the actual transaction value achieved may be higher or lower than our indicative analysis of value depending upon the circumstances of the transaction. The knowledge, negotiability and motivations of the buyers and sellers and the applicability of a discount or premium for control will also affect actual price achieved.



# SANDEEP KUMAR AGRAWAL

IBBI Regn. No.- IBBI/RV/06/2019/10705

BRAND VALUATION REPORT

M/S. COX & KINGS LIMITED

Accordingly, our indicative analysis of value will not necessarily be the price at which any agreement proceeds. The final transaction price is something on which the parties themselves have to agree. However, our Valuation analysis can definitely help the stakeholders to make them informed and wise decision about the Value of the asset and can help in facilitating the arm's length transaction.

