

## Thomas Cook to merge with Sterling Holiday for Rs 870 cr.

**The merger, which is expected to close by the fourth quarter of 2014, will give Thomas Cook access to Sterling Resorts' 19 properties in 16 holiday destinations across India.**

**T**our operator Thomas Cook (India) Ltd said on Saturday it will merge its operations with resort owner Sterling Holiday Resorts India Ltd in a deal valued at Rs 870 crore.

The deal will be structured in a multi-stage process in which 100 shares of Sterling will be swapped for 120 shares of Thomas Cook (India).

Thomas Cook, in a statement, said it will first make a preferential allotment for 23.24 percent of Sterling at about Rs 190 crore and will then purchase another 23.63 percent of Sterling for Rs 270 crore.

This will be followed by a mandatory open offer for buying up to 26 percent stake for Rs 230 crore.

Thomas Cook will also have the option to buy an additional 7.2 percent for Rs 63 crore.

The merger, which is expected to close by the fourth quarter of 2014, will give Thomas Cook access to Sterling Resorts' 19 properties in 16 holiday destinations across India.

Thomas Cook stock price On November 22, 2013, Thomas Cook (India) closed at Rs 75.00, up Rs 1.25, or 1.69 percent.

The 52-week high of the share was Rs 81.50 and the 52-week low was Rs 47.55.

The company's trailing 12-month (TTM) EPS was at Rs 1.90 per share as per the quarter ended September 2013.

The stock's price-to-earnings (P/E) ratio was 39.47.

The latest book value of the company is Rs 16.21 per share. At current value, the price-to-book value of the company is 4.63.

