

Bombay HC approves Thomas Cook India-Sterling Holiday merger

Thomas Cook India today informed the exchanges that the Bombay High Court has approved its merger with Chennai-based Sterling Holiday Resorts.

The company has already got shareholder approval for the same. In a statement, Thomas Cook said it will issue shares to shareholders of Sterling Holidays after getting it approved from relevant authorities.

Madhavan Menon, managing director, Thomas Cook (India) Ltd said that the company's strategic investment in Sterling Holiday Resorts is working well. Sterling Resorts turned profitable, declaring its first profit in 18-years of Rs 5 million in 2014-15.

"With a clear roadmap, Sterling has taken strong strides this year with upgrades of six existing resorts and opening of four new resorts to bring its network to a total of 24 resorts across the country," he said.

The new resorts will come at Corbett, Daman, Shirdi and Dindi. The company's network includes 1,767 rooms across 24 resorts in 21 holiday destinations in India.

Thomas Cook (India) Ltd is promoted by Fairfax Financial Holdings Ltd through its wholly-owned subsidiary, Fairbridge Capital (Mauritius) Ltd and its controlled affiliates.

On February 8, 2014, Prem Watsa-owned Thomas Cook India had announced the merger of Sterling Holiday in a cash and stock deal that valued Sterling at Rs 870 crore. Both companies jointly will have a market value of Rs 3,000 crore.

Sterling Holiday Resorts was trading at Rs 260 a share at BSE up by 0.70%. Thomas Cook (India) Ltd share was trading at Rs 224.5, up by 2.3%.