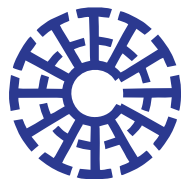


# 31st ANNUAL REPORT 2019-20



**Tourism Finance Corporation of India Limited**



**BOARD OF DIRECTORS\***



**Shri S. Ravi**  
Non-Executive Chairman  
(Independent Director)



**Shri Anirban Chakraborty**  
Managing Director & CEO



**Shri Suman Billa**  
Nominee Director, Ministry  
of Tourism, Govt. of India



**Shri Shyam Maheshwari**  
Director



**Shri Koppara Sajeev Thomas**  
Director



**Shri Ravinder Kumar Sood**  
Director



**Shri S. C. Sekhar**  
Independent Director



**Shri Bapi Munshi**  
Independent Director



**Mrs. Thankom T. Mathew**  
Independent Director



**Shri B.M. Gupta**  
Whole Time Director

\*as on June 30, 2020



## BOARD OF DIRECTORS\*

\*as on June 30, 2020

<b>Shri S.Ravi</b>	Non-Executive Chairman (Independent Director)
<b>Shri Anirban Chakraborty</b>	Managing Director & CEO
<b>Shri Suman Billa</b>	Nomine Director, Ministry of Tourism, Govt. of India
<b>Shri Shyam Maheshwari</b>	Non-Executive Director (Promoter Category)
<b>Shri Koppara Sajeve Thomas</b>	Non-Executive Director (Promoter Category)
<b>Shri R. K. Sood</b>	Non-Executive Director (Representing LIC of India)
<b>Shri B.M. Gupta</b>	Whole Time Director
<b>Shri S.C. Sekhar</b>	Independent Director
<b>Shri Bapi Munshi</b>	Independent Director
<b>Mrs. Thankom T. Mathew</b>	Independent Director

## EXECUTIVE DIRECTOR

Shri Ajit Dash Choudhury  
Shri Vasam Paulraj

## KEY MANAGERIAL PERSONNEL

Shri Anoop Bali	Chief Financial Officer
Shri Sanjay Ahuja	Company Secretary

## STATUTORY AUDITORS

M/s Suresh Chandra & Associates  
Chartered Accountants, New Delhi

## REGISTRAR AND TRANSFER AGENT

MCS Share Transfer Agent Ltd.  
F-65, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020  
Phone: +91-11-41406149/51/52 Fax: +91-11-41709881 E-mail: helpdeskdelhi@mcsregistrars.com

## REGISTERED OFFICE

4<sup>th</sup> Floor, Tower 1, NBCC Plaza, Pushp Vihar, Sector-V, Saket, New Delhi-110 017  
Phone No.: 011-47472200, 29561180 Fax: 011-29561171  
Email: ho@tfcilt.com Website: www.tfcilt.com  
CIN No.L65910DL1989PLC034812

**HIGHLIGHTS**

(₹ in Lakh)

	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	
<b>Resources</b>			
Share Capital	8072	8072	
Reserves and Surplus	67280	65619	
Secured Loans	76974	54514	
Unsecured Loans	68150	78150	
<b>Total</b>	<b>220476</b>	<b>206355</b>	
<b>Operations</b>			
	<b>Cumulative</b>	<b>2019-2020</b>	<b>2018-2019</b>
<b>Assistance sanctioned</b>			
Rupee Loan	1156779	47700	106465
Leasing	2491	—	—
Subscription to Equity/Preference Share/ Mutual Fund/Debenture	82070	—	—
Guarantee	1483	—	—
<b>Total</b>	<b>1242823</b>	<b>47700</b>	<b>106465</b>
<b>Assistance disbursed</b>			
Rupee Loan	664104	48335	49041
Leasing	1580	—	—
Subscription to Equity/Preference Share/ Mutual Fund/Debenture	75611	—	—
Guarantee	1443	—	—
<b>Total</b>	<b>742738</b>	<b>48335</b>	<b>49041</b>
<b>Earnings</b>			
Profit before tax	9745	11364	
Profit after tax	8102	8625	
Earning per share (₹)	10.04	10.69	



## NOTICE

NOTICE is hereby given that the Thirty First Annual General Meeting (AGM) of the Members of Tourism Finance Corporation of India Ltd. will be held on Monday, the 17<sup>th</sup> day of August, 2020 at 11.30 a.m., through Video Conferencing (VC)/other Audio Visual Means (OAVM) facility at 4<sup>th</sup> Floor, Tower 1, NBCC Plaza, Sector V, Pushp Vihar, Saket, New Delhi –110 017 to transact the following business:

### ORDINARY BUSINESS:

- To consider and adopt the audited financial statements of the Company including the Balance Sheet as at March 31, 2020 and the statement of Profit and Loss Account for the year ended March 31, 2020 and the report of the Board of Directors' and Auditors' thereon.
- To appoint a Director in place of Shri Koppa Sajeve Thomas (DIN: 08069585), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

- To consider and if thought fit, to pass, with or without modification(s), the following resolution, as an Ordinary Resolution:  

“**RESOLVED THAT** pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Ravinder Kumar Sood (DIN:07127966), who was appointed as an Additional Director by the Board of Directors of the Company with effect from September 30, 2019 in Non-Executive Non Independent Category and who as per the provisions of Section 161(1) of the Companies Act, 2013 holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Director of the company liable to retire by rotation under the provisions of the Articles of Association of the Company.”
- To consider and if thought fit, to pass, with or without modification(s), the following resolution, as an Ordinary Resolution:  

“**RESOLVED THAT** subject to the provisions of Sections 196, 197 and 203 read with Schedule V to the Act and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force), and Article 161 of the Articles of Association of the Company and such other approvals as may be required and such modification and conditions, if any, which the Board of Directors is hereby

authorised to accept, consent of the members, be and is hereby accorded to extend the tenure of Shri B.M.Gupta (DIN: 00065035), as Whole Time Director for a further period of 9 months i.e. from April 1, 2020 upto December 31, 2020 on the existing pay structure as under:

Subject	Pay/ Facilities
<b>Basic Pay</b>	₹1,27,500 p.m. in the pay scale of ₹1,20,500 – 3500(2)-1,27,500 (3 years) Plus additional basic pay of ₹50,000 per month plus other attendant benefits
<b>Promotional Allowance</b>	As per rules of TFCI presently ₹30,000 p.m.
<b>DA</b>	Applicable D.A. rates from time to time presently 75.90% of basic pay
<b>CAIB allowance</b>	As per rules of TFCI presently ₹7,000 p.m.
<b>HRA</b>	As per rules of TFCI presently ₹26,625 p.m.
<b>Conveyance</b>	As per rules of TFCI presently 340 litres of petrol and maintenance ₹4,000 p.m. plus Driver salary @ ₹19,000 p.m.
<b>Reimbursement of Telephone/Mobile Bills</b>	As per the rules of TFCI presently ₹12,778 p.m. on declaration basis.
<b>Newspaper/Book Grant</b>	As per the rules of TFCI presently ₹2,416 p.m. on declaration basis
<b>Electricity</b>	As per the rules of TFCI presently ₹2,560 p.m.(400 units @ ₹ 6.40 per unit) on declaration basis
<b>Personal Allowance</b>	As per rules of TFCI presently ₹550 p.m
<b>Special Compensatory Allowance</b>	As per rules of TFCI presently ₹1,500 p.m.
<b>Fixed Personal Allowance</b>	As per rules of TFCI presently ₹3,880 p.m.
<b>Household Help Reimbursement</b>	As per rules of TFCI presently ₹10,500 p.m.
<b>Travelling, Boarding and Lodging</b>	As per rules of TFCI.
<b>Medical Benefits</b>	Expenses incurred for self and dependent family members, in India as per rules of TFCI.
<b>Personal Accident Insurance</b>	As per the rules of TFCI.
<b>Leave Travel Concession</b>	As per the rules of TFCI.
<b>Entertainment Allowance</b>	As per the rules of TFCI presently ₹60,000 p.a. on declaration basis.
<b>Gratuity</b>	As per the rules of TFCI.
<b>Leave/Leave Encashment</b>	As per Staff Regulations of the Company.



<b>Performance Linked Incentive</b>	As decided by the Board of Directors/ Remuneration & Compensation Committee of Directors, from time to time.
<b>Provident Fund</b>	As per the rules of TFCL.
<b>Pension Benefits</b>	15% of pay (basic and allowances on which DA is admissible)
<b>Other perquisites</b>	House Building Advance, Conveyance/ Consumer Durable Advance, Festival Advance, Reimbursement of Briefcase, mobile, lunch subsidy, spectacles etc. as per the rules of TFCL.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profit in any financial year during his tenure, the aforesaid remuneration shall be paid as minimum remuneration subject to compliance of provision of Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment(s) thereof as in force from time to time.

**RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee constituted by the Board) be and is hereby authorized to fix, increase, alter and to vary the remuneration consisting salary, perquisites, allowance etc. within the ceiling limits in that behalf as laid down in Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be deemed necessary or desirable or to settle any question or difficulty that may arise, in such manner as it may deem fit.”

- To consider and if thought fit, to pass, with or without modification(s), the following resolution(s), as Special Resolution(s):

**“RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities), Rules 2014 and any other applicable laws, consent of the Company, be and is hereby given to the Board of Directors (hereinafter referred to as the "Board" which term shall include any Committee thereof for the time being exercising the powers conferred on the Board by this Resolution) for having made and/or making offer(s) or invitation to subscribe to securities, including but not limited to bonds and non-convertible debentures, by way of private placement in one or more tranches, on such terms and conditions as it may consider proper, upto an amount not exceeding ₹600 crore (Rupees Six Hundred Crore only) in the year commencing from the date of approval by shareholders.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all

such acts, deeds and things and give such directions as may be deemed necessary or expedient, to give effect to this Resolution.”

By order of the Board of Directors

Date : July 16, 2020  
Place : New Delhi

(Sanjay Ahuja)  
Company Secretary

Notes:

- Due to COVID-19 pandemic, social distancing is a pre-requisite and pursuant to the Circular No. 14/2020 dated April 8, 2020 and Circular No. 20/2020 dated May 5, 2020, issued by the Ministry of Corporate Affairs, physical attendance of the Members to the AGM venue is not required. Hence, Members have to attend and participate in the ensuing AGM through VC/OAVM.
- Pursuant to the Circular No. 14/2020 dated April 8, 2020 and Circular No. 20/2020 dated May 5, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting (venue voting).
- Those Shareholders whose email IDs are not registered, are requested to register their email ID with Registrar & Share Transfer Agent (R&STA) at admin@mcsregistrars.com; helpdeskdelhi@mcsregistrars.com, by providing their Name as registered with the R&STA, Address, email ID, PAN, DPID/Client ID or Folio Number and Number of shares held by them.
- The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholder's Relationship Committee, Auditors who are allowed to attend the AGM without restriction on account of first come first serve basis.
- The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- The Members will be allowed to pose questions during the course of the Meeting. The queries can also be given in advance at complianceofficer@tfcilt.com.
- The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013, setting out material facts in respect of the item no. 3 to 5 are annexed hereto.



8. All documents referred to in the Notice calling the AGM and the Explanatory Statement are available on the website of the Company for inspection by the Members.
9. In terms of Article 135 of the Articles of Association of the Company, read with Section 152 of the Companies Act, 2013, Shri Koppara Sajeeve Thomas (DIN: 08069585), retiring by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. The Board recommends his re-appointment.
10. Brief profile of the Directors proposed to be appointed/re-appointed, is set out in "Information about Directors seeking appointment/re-appointment as mandated in the SEBI (LODR) Regulation 2015" annexed to the notice.
11. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-voting agency. The facility of casting votes by a member using remote e-voting system as well as venue voting system on the date of the AGM will be provided by CDSL.
12. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.tfciltd.com](http://www.tfciltd.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of CDSL (agency for providing the Remote Voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com).
13. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 5, 2020.
14. Members holding shares in more than one folio in identical order of the names are requested to write to M/s MCS Share Transfer Agents Ltd. Registrar & Share Transfer Agent (R&TA), enclosing their share certificates to enable them to consolidate the holdings in one folio to facilitate better service. Members are requested to note that all correspondence relating to Share Transfer/Transmission etc. should be addressed to R&TA.
15. Pursuant to the provisions of Section 125 of the Companies Act, 2013 the amount of dividend remaining unclaimed and unpaid for a period of 7 years from the date of payment is required to be transferred to the Investor Education and Protection Fund (the IEPF) established by the Ministry of Corporate Affairs, Government of India.

Members who have not yet encashed their dividend warrants for the previous years, are requested to make their claims to the Company immediately. It may be noted that once the unclaimed dividend is transferred to the IEPF, no claim shall lie in respect thereof from the Company. The due date for transfer of unpaid dividend amount to IEPF for these years are:

<b>Year</b>	<b>Due Date</b>
2012-13	12.10.2020
2013-14	22.10.2021
2014-15(interim)	27.04.2022
2014-15(Final)	21.10.2022
2015-16(Interim)	29.01.2023
2015-16(Final)	28.10.2023
2016-17	25.10.2024
2017-18	10.9.2025
2018-19	9.9.2026

Those who have not yet claimed their dividend for the last seven years may apply directly to Registrar & Share Transfer Agent(R&TA), M/s MCS Share Transfer Agents Ltd. and stake their claim.

16. It is further informed to the shareholders that unclaimed dividend upto the financial year 2011-12 has already been transferred to the IEPF. Those who have not claimed their dividend for period prior to F.Y. 2011-12 may please claim their refund from IEPF Authority and log to <http://www.iepf.gov.in/IEPFA/refund.html>.
17. As per the provisions of the Companies Act, 2013, facility for making nominations is available for shareholders, in respect of shares held by them. Nomination forms can be obtained from the Registrar and Share Transfer Agents of the Company.
18. The Register of Members and Share Transfer Books for equity shares of the Company will remain closed from **Monday, August 10, 2020 to Monday, August 17, 2019** (both days inclusive).

**The instructions for shareholders for remote E-Voting are as under:**

- (i) The voting period begins on **Friday, August 14, 2020** at 9.00 a.m. (IST) and ends **Sunday, August 16, 2020** at 5.00 p.m. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **Monday, August 10, 2020**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on "Shareholders" module.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,



- c. Members holding shares in Physical Form should enter Folio Number registered with the Company. Alternatively, if you are registered for CDSL’s **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL’s **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by company / R&amp;STA or contact company / R&amp;STA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (xi) Click on the EVSN of TOURISM FINANCE CORPORATION OF INDIA LIMITED on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting The m-Voting app can be downloaded from the respective Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) If you have any queries or issues regarding attending AGM & e-voting from the e-voting system, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or Mr. Nitin Kunder (022-





23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

- (xxi) Any person, who acquires shares of the Company and becomes Member of the Company and holds shares as on the cut-off date i.e **Monday, August 10, 2020** may follow the same instructions as mentioned above for remote e-Voting.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited. (CDSL) A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

The Scrutinizer will scrutinize the remote e-voting process in a fair and transparent manner. The Scrutinizer after scrutinising the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.tfcilt.com and on the website of CDSL. The results shall simultaneously be communicated to the Stock Exchanges.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to admin@mcsregistrars.com; helpdeskdelhi@mcsregistrars.com
2. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to admin@mcsregistrars.com; helpdeskdelhi@mcsregistrars.com,

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of the Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 2 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 2 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at complianceofficer@tfcilt.com. These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM (venue voting) is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system (venue voting) available during the AGM.
3. Votes casted by the shareholders through the e-voting (venue voting) will be available only to the shareholders who will be attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**OTHER INFORMATION:**

- (A) Only those shareholders of the Company who are holding shares either in physical form or in dematerialized form, as on the cut-off date (i.e. August 10, 2020), shall be entitled to cast their vote either through remote e-voting or through venue voting through VC/OAVM at the AGM, as the case may be. Any person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
- (B) The remote e-voting period begins on August 14, 2020 at 9.00 a.m. (IST) and ends August 16, 2020 at 5.00 p.m. (IST). The remote e-voting module shall be disabled by CDSL for voting thereafter.



- (C) The shareholders can opt for only one mode of voting i.e. remote e-voting or venue voting through VC/OAVM at the AGM. In case of voting by both the modes, vote cast through remote e-voting will be considered final and e-voting through VC/OAVM at AGM will not be considered.
- (D) The Board of Directors has appointed Shri A.N.Kukreja, FCS 1070, CP 2318, Practicing Company Secretary, as Scrutiniser of M/s A.N. Kukreja and Co., New Delhi to scrutinize the remote e-voting and e-voting at the AGM in a fair and transparent manner and to submit report thereon.
- (E) The results declared along with the Scrutinizer's Report shall be placed on the Company's website at [www.tfciltd.com](http://www.tfciltd.com) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com) immediately and on the Notice Board of the Company at its registered office after the result is declared but not later than 48 hours after the conclusion of the meeting.
- (F) The Members holding equity shares in physical form are requested to intimate to the Registrar and Share Transfer Agents (R&STA), MCS Share Transfer Agent Ltd., F-65, Okhla Industrial Area, Phase - I, New Delhi - 110 020, regarding change of address, if any, at the earliest, quoting their registered folio number. Change of address in respect of shares held in dematerialized form is required to be intimated to the concerned Depository Participant.
- (G) Members holding shares in more than one folio in identical order of names are requested to write to Registrar & Share Transfer Agent enclosing their share certificates to enable them to consolidate the holdings in one folio to facilitate better service.
- (H) As per the MCA General Circular 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 5, 2020, the Notice of the AGM has been sent through electronic mode to only those Members whose email-IDs are registered with the Company/ Depository participant. Further, updation if any, will be provided on the website of the Company at [www.tfciltd.com](http://www.tfciltd.com).

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

##### **ITEM NO. 3**

During the year, the Board of Directors has appointed Shri Ravinder Kumar Sood (DIN:07127966), as an Additional Director by the Board of Directors of the Company with effect from September 30, 2019 in Non-Executive Non Independent Category and who as per the provisions of Section 161(1) of the Companies Act, 2013 holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Director of the company liable to retire by rotation under the provisions of the Articles of Association of the Company.

Brief profile(s) of Shri Ravinder Kumar Sood is set out in the "Information about Directors seeking appointment/reappointment as mandated under SEBI (LODR) Regulation 2015 which is annexed with the notice. His vast experience would be of great value to the Company.

The Board recommends the resolution set out in item no. 3 of the Notice for approval of the members of the Company.

Shri Ravinder Kumar Sood is interested in the resolution(s) as it relates to his appointment. None of other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution, except to the extent of their shareholding in the Company.

##### **ITEM NO. 4**

The Board of Directors on the recommendation of the Nomination and Remuneration Committee at its meeting held on August 9, 2019 approved to extend the tenure of Shri B. M. Gupta (DIN: 00065035), as Whole Time Director (WTD) for a further period of 6 months i.e. upto March 31, 2020 and members approved the same by passing resolution by postal ballot on November 12, 2019. Thereafter, the Board of Directors at its meeting held on March 23, 2020 on the recommendation of the Nomination and Remuneration Committee approved to extend the tenure of Shri B.M.Gupta, as Whole Time Director for a period upto December 31, 2020 subject to approval of members.

The remuneration payable to WTD is within the ceiling limits in that behalf as laid down in Schedule V to the Companies Act, 2013.

Brief profile of Shri B.M.Gupta is set out in the "Information about Directors seeking appointment/reappointment as mandated under the SEBI (LODR) Regulation 2015" which is annexed with the notice.

The Board recommends the resolution set out in item no. 4 of the Notice for approval of the members of the Company.

None of Directors or Key Managerial Personnel of the Company and their relatives except Shri B.M.Gupta is concerned or interested, financially or otherwise, in the resolution, except to the extent of their shareholding in the Company.

##### **ITEM NO. 5**

As per Section 42 of the Companies Act, 2013 read with the Rules framed thereunder, a company offering or making an invitation to subscribe to Non-Convertible Debentures ("NCDs") on a private placement basis, is required to obtain the prior approval of the Shareholders by way of a Special Resolution. Such an approval by way of special resolution can be obtained once in a year for all the offers and invitations made for such NCDs during the year.

Your Company has been raising funds for meeting its requirements for business growth through various sources including issuance of bonds/debentures. Your Company had issued non-convertible bonds in the last few years by way of private placement basis as the same was cost-effective and also offers flexibility as compared to public issues.

The approval of the Members is being sought by way of a Special Resolution under Sections 42 and 71 of the Act read



with the Rules made thereunder, to enable the Company to offer or invite subscriptions for securities, including but not limited to bonds and non-convertible debentures upto ₹ 600 crore on a private placement basis, in one or more tranches, during the period of one year ending upto the next Annual General Meeting, within the overall borrowing limits of the Company, as approved by the Members from time to time and which shall include any amount borrowed through securities offered on private placement basis and subscribed during the current financial year upto the approval of the shareholders proposed at the Resolution at Item No. 5.

The Board of Directors recommends the passing of the proposed Special Resolution as set out in item No.5 of the Notice, by members of the Company.

None of Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution, except to the extent of their shareholding in the Company.

By Order of the Board of Directors

Date : July 16, 2020

(Sanjay Ahuja)

Place : New Delhi

Company Secretary

**INFORMATION ABOUT DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AS MANDATED IN THE SEBI (LODR) REGULATION, 2015**

**Shri Koppara Sajeev Thomas**

Shri Koppara Sajeev Thomas (DIN: 08069585), age 69 years is Graduate and he is also one of the major shareholders (Promoter Group) of the Company. He is member of Executive

Committee, Nomination and Remuneration Committee, Risk Management Committee and IT Committee. He is not a director in any other company. He is holding 74,33,633 equity shares of the company.

**Shri Ravinder Kumar Sood**

Shri Ravinder Kumar Sood (DIN:07127966) age 60 years is former Executive Director of LIC of India Ltd. and currently, director on the Board of Excel Industries Ltd. He is the member of Stakeholder Relationship Committee, CSR Committee and Non-Cooperative/ Willful Defaulter Review Committee and Estate Committee of the Company. He does not hold any shares of the Company.

**Shri B. M. Gupta**

Shri B. M. Gupta (DIN: 00065035), age 62 years has about 44 years of experience in Banking, Finance, Legal, Management, Accounts and Taxation etc. Shri Gupta, after completing his B.Com (Hons) from Shri Ram College of Commerce, Delhi University, did his Masters in Commerce and M.B.A.(Finance) from Delhi University. He also holds Masters Degree in Economics from Rajasthan University besides Law Degree from Delhi University. He is an Associate of the Indian Institute of Bankers. He started his banking career with Union Bank of India in November, 1976 and joined Oriental Bank of Commerce as Probationary Officer in May, 1980. He joined Tourism Finance Corporation of India Ltd. in 1993 and has been holding the rank of Whole Time Director since January, 2019 and overseeing the overall operations of the Corporation since then. He is member of CSR Committee, Executive Committee, Risk Management and IT Committee of Directors of the Company. He is not a director in any other company. He does not hold any shares of the Company.

**Important Communication to Members**

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and issued circulars stating that the service of notice/documents including Annual Reports can be sent through e-mail to its members. To support this green initiative of the Government in full measure members who have not registered their e-mail address so far are requested to register their e-mail addresses in respect of electronic holding with the Depository through their concerned Depository Participants and in respect of holding in physical mode with the Company/Registrar and Share Transfer Agent of the Company.



# DIRECTORS' REPORT

## To the Members:

### 1. Presentation of the Annual Report

Your Directors have pleasure in presenting the Thirty First Annual Report on the business and operations of the Company and the audited accounts for the financial year 2019-20.

### 2. Financial Results

The Company's financial performance for the year ended 31<sup>st</sup> March, 2020 is summarized below:

(Amount in Crore)

Sl.No.	Particulars	2019-20	2018-19
<b>Operational Results</b>			
1	Total Income	265.66	236.30
2	Total Expenditure	144.21	122.66
3	Operational Profit before provision and taxes	121.45	113.64
4	(Provision) for doubtful debts/investment	24.00	-
5	Profit before Tax	97.45	113.64
6	Provision for Tax	16.43	27.39
7	<b>Profit After Tax</b>	<b>81.02</b>	<b>86.25</b>
8	Add: Surplus brought forward	72.63	70.98
9	Add: Reclassification of realised gain from OCI to reserve	1.07	0.96
10	Add/(Less): Remeasurement of Actuarial loss(OCI)-directly recognised in surplus	(0.42)	0.45
11	Less: Provision u/s 36(1)(vii) (c) of Income Tax Act, 1961	-	7.50
12	Less: Dividend & Dividend Distribution tax Paid	21.41	19.46
	<b>PROFIT AVAILABLE FOR APPROPRIATION</b>	<b>132.89</b>	<b>131.68</b>
13	<b>Less: Appropriation</b> Transfer to Special Reserve under - Section 36(1)(viii) of the Income Tax Act, 1961 - Section 45 IC of the RBI Act	22.50 16.21	19.80 17.25
14	Less: Transfer to General Reserve	22.00	22.00
15	<b>Balance carried to Balance Sheet</b>	<b>72.18</b>	<b>72.63</b>

### 3. Operational Performance

During 2019-20, your Company adopted a cautious approach in sanctioning and disbursing loans due to

the challenging and subdued business environment to avoid slippages and stressed assets. Further, in view of general increase in cost of borrowing and non-availability of funds, in order to maintain liquidity to meet funds requirements, fresh disbursements were reviewed and made selectively. During 2019-20, TFCI achieved sanctions of ₹ 477.00 crore as against ₹ 1064.65 crore during the previous year. The aggregate disbursements during the year were ₹ 483.35 crore as against ₹ 490.41 crore during the previous year. TFCI has major exposure in financing of tourism projects particularly hotels in 5-star and 3-star segments thereby having extra sectoral risk. In order to contain the sectoral risk TFCI proposes to have a mix of portfolio by lending to other sectors for short/medium term without compromising its focus on tourism. TFCI has been selecting tourism projects for financing diligently resulting into low stress factor on its balance sheet. TFCI recorded total operational income of ₹ 265.66 crore (PY ₹ 236.30 crore). TFCI earned Profit before tax of ₹ 97.45 crore for the year ended 31<sup>st</sup> March 2020 as against ₹ 113.64 crore during the previous year and Profit after Tax (PAT) of ₹ 81.02 crore for the year ended 31<sup>st</sup> March 2020 as against ₹ 86.25 crore during the previous year. The balance sheet size has increased to ₹ 2243.78 crore as on 31.03.2020 as compared to total assets of ₹ 2090.68 crore as on 31.03.2019 depicting growth of 7.32%.

Post Covid-19, the Board of Directors has approved a new Business Plan for your Company with a view to diversify into other related sectors without compromising on its strength as a major lender for tourism sector. TFCI is now looking forward to go beyond tourism financing and are looking at TFCI 2.0: Diversifying for Growth. TFCI will be looking at various financing options for the MSME sector, acquisition financing, structure financing and also to pursue activities to enhance the fee based income. The Company intends to grow its balance sheet size by aggressively pursuing the emerging opportunities which would enable us to leverage its capital and thereby improve return on equity.

#### 3.1. Asset Quality:

The stressed assets posed continued challenges to the banking sector during the year. The subdued macro-economic environment and tepid demand scenario in the past 7-8 years had also affected the tourism sector and thus adversely affecting TFCI's sanctions and disbursements and recovery from assisted concerns. Your Company followed strict appraisal criteria based on cash flow generating capacity of the project and adhered to the prudential norms for Non-Performing



Assets (NPAs) prescribed by the regulatory authority. During the financial year 2019-20, an aggregate amount of ₹ 55.69 crore was recovered from NPAs and ₹ 7.88 crore from written-off loan(s)/investment(s). Your company has recorded gross NPAs of ₹ 44.82 crore (1.99% of total assets) as on 31<sup>st</sup> March, 2020 despite increased stress recorded in the entire banking system. As these accounts are fully secured, your Company is confident of realising the major portion of the outstanding NPAs. TFCI has made adequate provisions to withstand any market eventuality and the Net NPAs of the company as on March 31, 2020 were ₹ 28.90 crore representing 1.29 % of the total assets.

#### 4 **Contribution to Tourism and Infrastructure Sector by TFCI**

Your Company is the only institution in the country mainly funding tourism projects with more than 30 years of existence. It has effectively played its main objective of catalysing investment in tourism sector thereby assisting the nation in creation of tourism infrastructure besides generating employment through tourism. Since inception, TFCI has been instrumental in creation and addition of 51516 hotel rooms in the country representing almost equal to 30% of the room capacity as on date. With the financial assistance provided by TFCI, the tourism related projects have provided direct employment to about 95733 persons. The assistance provided to more than 910 projects by TFCI has also led to catalysing investments to the tune of ₹ 31143 Crore in the tourism and other sectors.

#### 5. **Change in Shareholding and Open offer**

During March, 2019, Redkite Capital Pvt. Ltd. (Redkite) (Promoters) alongwith India Opportunities III Pte. Limited (PAC 1), Koppara Sajeeve Thomas (PAC 2) acquired 26% of the voting equity share capital under the Open Offer. Thereafter, the Board of Directors at their meeting held on March 15, 2019 appointed Shri Naresh T. Jain representing RCPL (Promoter); Shri Shyam Maheshwari representing India Opportunities III Pte. Ltd (PAC-1); and Shri Koppara Sajeeve Thomas (PAC-2) as Additional Non-Executive Non-Independent Director(s) in the Promoters Directors category and the same was approved by the shareholders in the 30<sup>th</sup> AGM held on August 9, 2019.

Redkite one of the promoter shareholder, during the year ended on March 31, 2020 has sold their stake and their shareholding stands reduced below 10% of total voting rights in TFCI. Shri Naresh T. Jain representing (Redkite) (Promoter) resigned from the Board of TFCI w.e.f. March 9, 2020. Your Company received an application alongwith undertaking from Redkite (Promoter) for reclassification as Public

Shareholder in terms of Regulation 31A of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015. The shareholders, at the Extra Ordinary General Meeting held on 3<sup>rd</sup> July, 2020, have since approved the resolution for reclassification of Redkite Capital Pvt. Ltd. as Public shareholder on the recommendation of the Board of Directors.

#### 6 **Resource Mobilization**

Your Company constantly monitors its resource base and taps the appropriate opportunity to minimize the weighted average cost of funds. During the year, your Company met its fund requirements for disbursement as well as repayment/redemption of borrowings out of internal accruals and by way of additional loans from banks on short term basis. TFCI has tied up with various banks for financial assistance to meet its future requirement of resources. Further, your Company proposes to raise funds through issue of long term bonds/additional bank borrowing depending upon the interest rate scenario in the market. Your Company is confident of meeting the funds requirements by raising resources at competitive rates.

The Company has not invited any deposit from the public under Section 73 and 74 of the Companies Act, 2013 during the year under review. There was no public deposit outstanding as at the beginning or end of the year ended on March 31, 2020.

#### 7. **Regulatory Compliances**

Your Company has been classified as Systemically Important Non-Deposit Accepting Non-Banking Financial Company. RBI has been issuing guidelines from time to time with regard to capital adequacy standards, income recognition, asset classification, provisioning and other related matters. The accounting policies of your Company conform to these guidelines. The capital adequacy for your Company stands at a comfortable level of 37.56% as on the March 31, 2020 as against the prescribed norm of 15%.

#### 8. **Management's Discussion and Analysis Report**

Management's Discussion and Analysis report containing Industry outlook, its environment, outlook for tourism and other details as stipulated in the SEBI (LODR) Regulation is presented in a separate section forming part of the Directors' Report.

#### 9. **Directors and Key Managerial Personnel**

Members at the 30<sup>th</sup> AGM held on August 9, 2019 approved appointment of Shri Anirban Chakraborty as MD & CEO w.e.f. April 15, 2019 for a period of 3 years and Shri B.M.Gupta, as Whole Time Director till September 30, 2019. Members also approved the re-appointment of (i) Shri Niraj Agarwal, as Non-Executive Non-Independent Director liable to retire by rotation,



(ii) Shri Naresh T. Jain, Shri Shyam Maheshwari and Shri Koppara Sajeeve Thomas as Non-Executive Non-Independent Director(s) in the Promoters Directors category liable to retire by rotation and (iii) also approved appointment of Mrs. Thankom T. Mathew as Independent Director for five consecutive years w.e.f. October 24, 2018.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee at its meeting held on August 9, 2019 approved to extend the tenure of Shri B.M.Gupta (DIN: 00065035), as Whole Time Director for a further period of 6 months i.e. upto March 31, 2020 and members approved the same by passing resolution by postal ballot on November 12, 2019. Thereafter, the Board of Directors at its meeting held on March 23, 2020 on the recommendation of the Nomination and Remuneration Committee approved to further extend the tenure of Shri B.M.Gupta, as Whole Time Director for a further period upto December 31, 2020 subject to approval of members.

During the year, Shri Rudhra Gangadharan, Dr. K.B.N. Murthy and Shri S.Sridhar, Independent Director resigned as Independent Director(s) from the Board of the Company vide their letter June 27, 2019, July 14, 2019 and July 16, 2019 respectively due to personal reasons and due to no other material cause. Shri Niraj Agarwal resigned from the Board of TFCI vide his letter dated August 13, 2020 as Non-Executive Director. Shri Naresh T. Jain representing Redkite Capital Private Ltd. (Promoter) resigned from the Board of TFCI w.e.f. March 9, 2020. Shri Ravinder Kumar Sood was appointed as Additional Non-Independent Director (Non-Executive) on the recommendation of LIC (a major shareholder) with effect from September 30, 2019 subject to approval of the shareholders in the forthcoming AGM.

The Board appreciates the contribution made by the outgoing director viz. Shri Rudhra Gangadharan, Dr. K. B. N. Murthy, Shri S.Sridhar, Shri Niraj Agarwal and Shri Naresh T. Jain. In terms of the provisions of the Companies Act read with Article 135 of the Articles of Association of the Company, Shri Koppara Sajeeve Thomas would retire by rotation at the forthcoming Annual General Meeting and is eligible for reappointment. The Board recommends appointment of Shri Ravinder Kumar Sood as Non-Independent Director (Non-Executive) and reappointment of Shri Koppara Sajeeve Thomas (liable to retire by rotation) and of Shri B.M. Gupta as Whole Time Director for a further period upto December 31, 2020 in the forthcoming AGM. The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as required

under Section 149 of the Companies Act 2013 and the SEBI (LODR) Regulation.

#### 9.1 Performance Evaluation of the Board

The Companies Act, 2013 and SEBI (LODR) Regulation stipulate the performance evaluation of the Directors including Chairperson, Board and its Committees. Accordingly, your Company has devised the process and the criteria for the performance evaluation which has been recommended by the Nomination & Remuneration Committee and approved by the Board.

The process of evaluation has been stipulated for the entire Board for its own performance and that of its committees, Independent directors and other directors based on parameters such as the attendance; participation and contribution; responsibility towards stakeholders; exercise their duties with due and reasonable care, skill and diligence and exercise of independent judgement. The Committee of Independent Directors evaluated the performance of Non-Independent Directors including Chairman, Managing Director. Similarly, the Non-Independent Directors evaluate the performance of Independent Directors. On the basis of the report of performance evaluation, it is determined whether to extend or continue the term of appointment/reappointment of the Independent and other Director(s).

#### 9.2 Director Orientation Program

The Directors on regular basis are made aware of the business models, nature of industry and its dynamism, the roles, responsibilities and liabilities of Independent Directors, etc. Further, business updates, legal updates and industry updates are made available to Independent Directors, especially to the Audit Committee members on an ongoing basis by internal teams, external consultants, statutory and internal auditors.

The details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link:<http://www.tfciltd.com/policies.html>

#### 9.3 Details of Board Meetings

During the year, 6 Board Meetings were held on May 29, 2019, July 2, 2019, August 9, 2019, November 11, 2019, January 31, 2020, and March 23, 2020. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013. The details about the meetings of Audit Committee and other Committees are provided in the report on Corporate Governance which forms part of this Directors' Report.



#### 9.4 Appointments/Resignations of the Key Managerial Personnel

During 2019-20, Shri Anirban Chakraborty Managing Director & CEO (w.e.f. April 15, 2019); Shri B.M.Gupta, Whole Time Director; Shri Anoop Bali, Chief Financial Officer and Shri Sanjay Ahuja, Company Secretary were the Key Managerial Personnel as per the provisions of the Companies Act, 2013.

#### 9.5 Company's policy on appointment and remuneration

Your Company has constituted Nomination and Remuneration Committee of Directors and the Nomination and Remuneration Policy of your Company has been formulated in compliance of new guidelines and rules. The Nomination and Remuneration Committee undertakes a process of Due Diligence based on the criteria of qualifications, technical expertise, track record, integrity etc. for appointment of Independent Directors and other Directors. The basic objective of ascertaining the fit and proper criteria is to put in place an internal supervisory process on a continuing basis and to determine the suitability of the person for appointment / continuing to hold appointment as a Director on the Board of the Company. The Nomination and Remuneration Policy may be accessed on the Company's website at the link: <http://www.tfciltd.com/policies.html>

#### Remuneration Policy

##### I. Board Level Remuneration Structure

(a) **For Managing Director/Whole-Time Director** - The remuneration is paid, as approved from time to time, subject to the approval of the Board and Shareholders as the case may be and as per the applicable provisions of Companies Act, 2013 and under any other Act/ Rules/ Regulations for the time being in force.

(b) **In case of Non-Executive / Independent Directors** - During FY2019-20 the Non-Executive Directors (except those in Government Service) were paid sitting fee of ₹ 40,000 and ₹ 20,000 (plus tax) per meeting for attending the meetings of Board and its Committees respectively. However, the new promoter directors viz. Mr. Shyam Maheshwari and Mr. Koppara Sajeev Thomas are not drawing any sitting fee from the Company.

##### II. In case of Key Managerial Personnel and other Employees

The pay structure, allowances, facilities etc. of Key Managerial Personnel and all the regular employees are as per the pay scale, allowances and other facilities etc. as may be approved by the Board and its committee from time to time in

line with the salary structure prevalent in other similar organization such as RBI/NABARD. The Performance Linked Incentives both for the Managing Director/WTD/Senior Management/ Other employees is as per the Board approved scheme. However, the Company is in the process of transforming employees remuneration on Cost to Company (CTC) basis and salaries of employees appointed after April 1, 2019 have been fixed on CTC basis.

#### 10. Directors' Responsibility Statement

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis as per the provisions of the Companies Act, 2013 and the guidelines issued by SEBI/RBI. The Ind AS are prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

In compliance of Section 134(5) of the Companies Act, 2013, your Directors confirm:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis;
- the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



**11. Dematerialization of Shares and nomination facility and listing at Stock Exchanges**

As per the Securities and Exchange Board of India (SEBI) directives, the transactions of the Company's shares must be compulsorily in dematerialized form. Your Company had entered into agreements with National Securities Depository Ltd. and Central Depository Services (India) Ltd. to facilitate holding and trading of shares in electronic form. Shareholders holding shares in physical form are requested to convert their holding into dematerialized form. Shareholders may utilize the nomination facility available by sending duly filled form prescribed to our Registrar and Share Transfer Agent, M/s MCS Share Transfer Agent Limited.

Your Company's equity shares are listed with Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE). The Company has paid the Annual Listing Fees to said Stock Exchanges for the financial year 2019-20 and 2020-21. The addresses of the said Stock Exchanges are stated elsewhere in the Annual Report.

**12. Auditors**

In terms of the provision of Section 139(1) of the Companies Act 2013, the Board of Directors on the recommendation of the Audit Committee of the Board approved appointment of M/s Suresh Chandra & Associates (SCA), Chartered Accountants as Statutory Auditors of TFCI for a period of five years effective from the financial year 2017-18 for a fee of ₹ 5 lakh plus applicable tax, subject to review every year by the Board of Directors and ratification by the members/shareholders at every Annual General Meeting of the Company. However, Companies Amendment Act, 2017 read with notification dated 7.5.2018 deleted provision of annual ratification of appointment of Auditors. As such, no resolution for approving the ratification of appointment of Statutory Auditors has been proposed in the notice.

**12.1 Auditors' Report**

The Auditors Report alongwith notes to accounts referred to in the Auditors Report is self-explanatory and there are no qualifications in the report. The Company is not required to maintain cost record u/s 148 of the Companies Act, 2013.

**12.2 Secretarial Audit**

In terms of Section 204 of the Act and Rules made there under, M/s Naveen Narang & Associates Practicing Company Secretary were appointed Secretarial Auditors of the Company for FY2019-20. The report of the Secretarial Auditors is enclosed as Annexure 4 to this report. The report is self-explanatory and do not call for any further comments. Your Company complies with all applicable mandatory Secretarial

Standards issued by The Institute of Company Secretaries of India.

**13. Particulars of Employees**

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, list of employees drawing remuneration in excess of the limits set out in the said rules is as per details in Annexure 1.

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this report as Annexure 1.

**13.1 Committee on Sexual Harassment**

Your company is fully committed to take appropriate measures against Sexual Harassment of Women at Workplace as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. No Complaints has been received in this regard during the year.

**14. Energy Conservation, Technology Absorption and Foreign Exchange Earning and outgo**

The particulars relating to energy conservation and technology absorption, as required to be disclosed under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is not required as your Company's operations do not involve manufacturing or processing activities. However, while vetting the proposals received for sanction of financial assistance, the aspect of energy conservation, in case of assisted concerns, is given due consideration. The particulars regarding Foreign Exchange earnings and outgo are as follows:

- i) Total foreign exchange outgo : Nil
- ii) Total foreign exchange earnings : Nil

**15. Transfer of amount to Investor Education and Protection Fund**

Your Company has transferred unclaimed/unpaid dividend and shares to Investor Education Protection Fund (IEPF) as required under the provision of the Companies Act, 2013 upto and including Financial Year 2011-12.

Pursuant to the provisions of the Investor Education Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has already filed the necessary form and uploaded the details of unpaid and unclaimed amounts lying with the Company, as





on the date of last AGM (i.e August 9, 2019), with the Ministry of Corporate Affairs.

## 16. Corporate Social Responsibility

Your Company has constituted Corporate Social Responsibility (CSR) Committee of Directors and the CSR Policy of your Company has been formulated for implementation in Compliance with the provision of Section 135 of the Companies Act, 2013 and Rules made thereunder. The Corporate Social Responsibility Policy (CSR Policy) may be accessed on the Company's website at the link: <http://www.tfcilttd.com/policies.html>

The Corporate Social Responsibility (CSR) policy has been approved with a philosophy:-

- To support activities aimed at development of human skills particularly needed for tourism sector.
- To support activities/projects which would promote tourism in the country including protection of national heritage of art and culture, restoration of building and sites of heritage importance, work of art, promotion and development of traditional art, handicraft etc.
- To support activities which help cleaner, greener and healthier environment and thereby enhancing TFCI's perception as a socially responsible entity.

Your Company during the year under review has undertaken CSR activities/projects during the year 2019-20 amounting ₹ 213 lakh (2% of the average net profit of the last three years) in compliance with CSR objectives and Policy of the Company and the total CSR approved amount of ₹ 213 lakh was spent. The detailed report on the CSR contribution made during the year 2019-20 is annexed as Annexure 2.

## 17. Corporate Governance and other disclosures

Your Directors reaffirm their continued commitment to good corporate governance practices and endorse Corporate Governance practice in accordance with the provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. Your company has complied with all the mandatory requirements of the said clause. The Report on the Corporate Governance as stipulated under SEBI (LODR) Regulation forms part of the Annual Report as Annexure A. The requisite Certificate from M/s Naveen Narang & Associates, Practicing Company Secretary confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid SEBI (LODR) regulation form part of this report.

### 17.1 Vigil mechanism

Pursuant to the requirement of the Companies Act 2013 and SEBI (LODR) Regulation, the Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of

Conduct. The reportable matters may be disclosed to the Audit Committee. Employees may also report directly to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee. The policy on vigil mechanism and Whistle Blower Policy may be accessed on the Company's website at the link: <http://www.tfcilttd.com/policies.html>

### 17.2 Related party transactions

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis.

There were no materially significant related party transactions entered by the Company with Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company during the year. The Company's related party transactions are generally with its Associates. The related party transactions are entered into based on synergy in operations, long-term strategy for sectoral investments and profitability. All related party transactions are on an arms length basis, and are intended to further the Company's interests. Your Directors draw attention of the members to Note 39 to the financial statement which sets out related party disclosures.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Audit Committee and the Board may be accessed on the Company's website at the link: <http://www.tfcilttd.com>

### 17.3 Extract of Annual Return

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return may be accessed on the Company's website at the link: <http://www.tfcilttd.com>. and attached as Annexure-3.

### 17.4 Statement containing salient features of financial statements of subsidiaries

Your Company has promoted a subsidiary company TFCI Capital Ltd. which is yet to start operations and statement containing salient features of financial statements of subsidiary in attached as Annexure 3A.

### 17.5 Documents placed on the Website

Pursuant to the provisions of the Companies Act, 2013, SEBI (LODR) Regulations, the Company is required to place various Policies/Documents/ Details on the Website of the Company. The Company has a functional website and all the requisite information is being uploaded thereat.

### 17.6 Risk Management Policy

The Company has developed and implemented the Risk Management Policy and Asset Liability Management



Policy and the Risk Management Committee of the Board reviews the same periodically. Your Company has also constituted ALM Committee and Risk Management Committee for reviewing/implementing ALM policies and for managing the liquidity risk as well as interest-rate and other risks. ALCO meets every month and reviews the cash flows as well as the prevailing interest rate scenario, its likely impact on the profitability and the steps to be initiated for effectively meeting the liabilities on the due dates. ALCO is also responsible for ensuring adherence of limits set by the Board as well as deciding business strategies of TFCI in line with the overall budget and risk management policy. The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its planned objectives. The Company's management systems, structures, processes, standards, code of conduct and behaviours together form the system that governs how it conducts the business of the Company and manages associated risks.

**17.7 Significant and material orders passed by the regulators**

During the year under review, no significant and/or material orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations. Your Company is registered with RBI as NBFC-ND-SI and not registered with any other financial sector regulators. No adverse order or penalties were levied during FY2019-20 by any regulators.

**17.8 Internal financial controls**

The Company has in place set of standards, processes and structure which enable to implement internal control system and ensure that same are adequate and operating effectively.

**17.9 Particulars of Loans given, Investments made, Guarantees given and Securities provided**

Your Company is a specialised financial institution registered as Non-Banking Finance Company (NBFC-ND-SI) with RBI. It provides financial assistance to tourism related/other projects in the ordinary course of business against the mortgaged security. The details particulars may be referred to in the financial statements.

**17.10 Segment Reporting**

Indian Accounting Standard 108 regarding Segment-wise Reporting does not apply to your Company

since revenues are primarily derived from only one segment i.e. financing of projects by way of loan or investments.

**17.11 Material Changes and Commitment Affecting Financial Position of the Company**

There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year of the Company i.e. March 31, 2020 and the date of the Directors' report i.e. July 16, 2020. Post Covid-19, the Board of Directors has approved new Business Plan for your Company with a view to diversify into other related sectors without compromising on its strength as a major lender for tourism sector. TFCI is now looking forward to go beyond tourism financing and are looking at TFCI 2.0: Diversifying for Growth. TFCI will be looking at various financing options for the MSME sector, acquisition financing, structure financing and also to pursue activities to enhance the fee based income. The Company intends to grow its balance sheet size by aggressively pursuing the emerging opportunities which would enable us to leverage its capital and thereby improve return on equity.

**18. Acknowledgements**

The Board expresses and places on record their gratitude for the consistent support and guidance given by the promoter and other shareholders and Banks. Your Directors wish to place on record their sincere gratitude to valued customers, bankers, investors and members for their continued patronage.

The Board also acknowledges and appreciates the guidance and co-operation extended by the Ministry of Finance, Ministry of Tourism, Government of India, and Reserve Bank of India, Securities & Exchange Board of India, Stock Exchanges and Depositories.

The Board also appreciates and acknowledges the contribution made by the employees whose concerted efforts and dedicated services contributed to sustained growth and performance of the Company.

For and on behalf of the Board of Directors

**S. Ravi**                      **Anirban Chakraborty**  
**(Chairman)**                **(Managing Director & CEO)**

Date : July 16, 2020

Place : New Delhi



## Management's Discussion and Analysis

### 1. Business and Economic Environment

India, despite subdued global economy, emerged as one of the fastest growing major economy in the world. India, driven by consumption and investment demand, registered GDP growth of over 7% for four years in succession upto 2017-18. However during 2019-20, the Indian economy registered somewhat slower growth to 4.8% as some drivers of growth, notably investment and exports, slowed down. The Central Government, has introduced several programmes over the past year, including ones to augment the ease of doing business, encourage digitalization, reduce skill insufficiencies, foster entrepreneurship and boost urban development. Furthermore, other institutional reforms such as the Goods and Services Tax (GST), the four Labour codes and the Arbitration and Conciliation Act, are significant contributors to the country's economic growth going forward. The acceleration of investment friendly policies, structural reforms and low commodity prices has provided a strong impetus for growth. India, backed by its strong democracy and partnerships, is expected to be among the top four economic powers of the world by 2023.

Presently economies across the world have been adversely impacted on account of severe acute respiratory syndrome coronavirus-2 (SARS CoV 2 or COVID-19) outbreak which has been declared a world health emergency by The World Health Organization (WHO) in January'20. Various Governments have taken measures viz. restrictions on travel, business activity and individual movement etc. to curtail the rapid spread of virus, to ensure safety of the residents and continuity of businesses. The pandemic is having an adverse impact on global economic growth with possible de-growth of 3.0% in CY2020 (as per IMF), if current conditions persist. Further WTO has forecasted that global trade could fall by 13% to 32%, depending on the depth and extent of the global economic downturn.

### 2. Industry Structure and Development

The Global Travel & Tourism Industry contributed 8.81 trillion USD to the global economy in 2018 (~10.3% of Global GDP). Directly and indirectly, the travel and tourism industry accounted for ~319 million jobs worldwide in 2018, equivalent to 10 per cent of total global employment. The market size of global Hotel industry was 600.49 billion USD in 2018. Though the pandemic and steps taken to control the same have adversely impacted majority of the sectors, most adverse impact is being witnessed by the Global Travel & Tourism Industry. We have analyzed the immediate impact of COVID-19 on hotel industry in key global economies i.e. China, United States and European region. All regions have witnessed a similar trend of drastic decline in key operating metrics viz. ARR, Occupancy & RevPar in the hotel industry.

COVID-19 virus was first diagnosed in China in December'19 and Chinese Govt. started imposing countrywide restrictions from January'20. As a result, the overall occupancy levels of hotels dropped from 70% in January'20 first week to 10% by end of January'20 and

ARR also declined by ~16% y-o-y by end of February'20. However, with gradual opening up of economy from mid of March'20, the hotels occupancy levels improved to ~36% by the end of April'20. It has been observed that the gradual increase in occupancy was primarily driven by domestic travellers with occupancy at certain locations such as business hotels near industrial park/high tech zones, leisure hotels located closer to cities etc. reaching as high as 40-50%.

Based on China's experience it is expected that countries that have a significant base of domestic tourism demand such as India etc. are expected to recover faster post-lockdowns. For the same reason, demand within the EU (mainly dependent on inbound travel) is expected to return more slowly as the pandemic plays out on a different scale and timeline in each country and each one takes its own decisions on reopening borders.

India's hospitality industry has observed promising and consistent growth in the recent years with improving ARR's and Occupancy levels. However, 2020 commenced on a sombre note with communal unrest in the country on back of introduction of the Citizenship Amendment Act and thereafter global outbreak of the novel coronavirus (COVID-19) prohibited travel across business and leisure sectors. Hotel owners and operators in India are facing challenges as they grapple with plummeting occupancy (near zero in most of the cases), Average Room Rate (ARR), Revenue per available room (RevPAR) and are seeking solutions to mitigate the impact on operating margins.

Since the situation is still evolving, it is hard to determine the true impact of the pandemic until the virus is completely contained in the World and within India. However, based on the past global incidents and the demand improvement in China post lock-down, we have plotted three scenarios for expected recovery of Hospitality industry in India as briefed below:

1. Best Case Scenario – Assuming that the spread of virus is contained to a large extent by end of July'20, and occupancies begin building-up from August'20. In this scenario, it is assumed that ~15% occupancy levels will be observed in August'20 and the previous year occupancy levels (m-o-m) will be reached by December'20. Overall average occupancies of hotels are expected to reduce by ~36% and RevPAR is expected to reduce by ~45% in FY21.
2. Moderate Scenario – In case, time for containing the spread of virus is extended by another 2-3 months, then demand pick-up is only expected from October'20 onwards. In this scenario, it is assumed that ~20% occupancy levels will be observed in October'20 and the previous year occupancy levels (m-o-m) will be reached by February'21. Overall average occupancies of hotels are expected to reduce by ~58% and RevPAR is expected to reduce by ~68% in FY21.



3. Worst Case scenario - The highly contagious nature of the virus may lead to prolonged containment measures by Government and there is a possibility of relapse of the virus in case of delay in successful development of vaccine. Such a situation will lead to prolonged slowdown in the economy with the Hotel industry being most affected. In such a scenario the duration of the event and the economic impact is difficult to quantify and recovery in demand may take more than 1.5-2.0 years.

Going forward hotels are likely to witness the emergence of a newer customer, whose daily behaviour and thinking will differ from what it was before the COVID-19 outbreak. The hospitality, travel and tourism industry will have to adapt to sweeping changes in customer behaviour and buying patterns which would be met through personalized delivery of low-touch services, shift towards curated minimalism, niche travel experiences, digital access control systems & guest room automation, digital display systems etc. Overall, the hotel industry is likely to re-engineer their operating model to this new normal of social distancing. Branded hotels are expected to witness a faster recovery in comparison to standalone hotel properties due to their marketing & operating efficiencies.

TFCI in its three decades of existence has played a catalytic role in building the tourism infrastructure of the country and has major exposure in financing of tourism projects particularly hotels viz. 5-Star, 4-Star and 3-Star segments. As on 31.03.2020, TFCI has total exposure to Hospitality sector (73% of the total outstanding) and residual exposure (27% of total outstanding) comprises of Manufacturing, Education, Healthcare and NBFC/FIs. Further the assisted accounts have been classified into MSME/ Non-MSME as per the revised guidelines announced by the Government and eligibility for individual accounts under various schemes as part of the stimulus package by Finance Minister (viz. Emergency Credit Line Guarantee Scheme (ECLGS), Subordinate Debt for NPA/stressed MSMEs and Equity infusion through fund of funds) has been identified.

### 3. Opportunities and threats

The Indian tourism and hospitality industry has emerged as one of the key drivers of growth among the service 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 which facilitates India to offer a diverse portfolio of niche tourism products – MICE, cruises, adventure, medical, wellness, sports, eco-tourism, film, rural and religious tourism.

India's travel and tourism industry has huge growth potential. India is a large market for travel and tourism. India has been recognised as a destination for spiritual tourism for domestic and international tourists.

Concludingly, the demand-supply gap in India is very real and there is need for more hotels. The shortage is especially true within the budget hotels and the mid-

market hotels segment as travelers look for safe and affordable accommodation. Various domestic and international brands have made significant inroads into this space and more are expected to follow as the potential for this segment of hotels becomes more obvious.

### 3.1 Tourism Sector

#### Government Initiatives for Tourism Sector Development:

As per the Travel and Tourism Competitiveness Index released by the World Economic Forum in April 2017, India is ranked 40 among 136 economies across the world, up 12 places since 2015. In the last five years, the government has launched several key projects to boost the travel and tourism sector. Among its top initiatives are Swachh Bharat Campaign, electronic visa (E-visa), digital application and Ude Desh Ka Aam Nagrik Scheme (UDAN), Swadesh Darshan, PRASAD, revamping existing schemes such as Hunar se Rozgar tak, among others. Initiatives such as sanctioning visa on arrival (VoA) and extending electronic travel authorisation (ETA) to more countries, developing a mobile application for tourists and introducing the Incredible India multilingual tourist helpline, have definitely helped in progress and socio-economic growth. The Government of India is working to achieve 1% share in world's international tourist arrivals by 2020 (20 million foreign tourists) and 2% share by 2025. In union budget 2019-20, the government allotted ₹1160 crore (US\$160.78 million) for development of tourist circuits under Swadesh Darshan. Under Swadesh Darshan scheme, 15 thematic circuits in the country have been selected for development of tourism infrastructure. A five-year tax holiday has been offered for 2, 3 and 4 star category hotels located around UNESCO World Heritage sites (except Delhi & Mumbai).

### 3.2 Other Sectors:

**(a) Infrastructure Sector:** Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. Infrastructure sector includes power, bridges, dams, roads and urban infrastructure development. As per World Bank's Logistics Performance Index (LPI) 2018, India rank 44<sup>th</sup> amongst 160 countries. In the Union Budget 2019-20, the Government of India has given a massive push to the infrastructure sector by allocating ₹5.97 lakh crore (US\$ 92.22 billion) for the sector. Increased impetus to develop infrastructure in the country is attracting both domestic and international players. Private sector is emerging as a key player across various infrastructure segments, ranging from roads and communications to power, airports and other urban infrastructure.

### 4. Performance

Your Company has been having satisfactory operational performance and financial indicators despite depressed



market conditions for the last few years as detailed in para 3 of the Directors' Report.

Post COVID-19, the Board of Directors has approved new Business Plan for your Company. TFCI is now looking forward to go beyond tourism financing and are looking at TFCI 2.0: Diversifying for Growth. TFCI will be looking at various financing options for the MSME sector, Acquisition financing and also set up a separate subsidiary to pursue Investment Banking activities to enhance the fee based incomes.

The Company intends to grow its balance sheet size by aggressively pursuing the emerging opportunities which would enable us to leverage its capital and thereby improve return on equity.

**4.1 Events occurring after Balance Sheet date**

There were no significant events that occurred between the end of the financial year and date of the Board's report.

**4.2 Key financial ratios**

In accordance with the SEBI (Listing Obligations and Disclosure Requirements 2018) (Amendment) Regulations, 2018 the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key sector-specific financial ratios. The Company has identified the following ratios as key financial ratios:

Particulars (₹ Crores)	FY20	FY19	Y-o-Y
Net Interest Income	119.29	106.98	11.51%
Net Interest Margin (%)	5.51%	5.21%	20%
Interest Coverage Ratio	1.81 times	2.09 times	
Net Profit (PAT)	81.02	86.25	-6.06%
Debt Equity Ratio	1.88: 1	1.78:1	
RoAA	3.74%	4.20%	-10.95%
RoAE	10.98%	12.34%	-11.02%
Net worth	₹746.47	729.68	2.30%
Borrowings (Long term)-	1401.24	1296.24	8.10%
EPS(₹)	10.04	10.69	6.08%
Book value per share (₹)	92.48	90.40	2.30%

The net profit was ₹ 81.02 crore during 2019-20 as against previous year ₹ 86.25 crore. There has been no significant changes in the key sector specific financial ratios.

**5. Outlook**

India is today one of the fastest growing major economy in the world. With economy expected to grow with the government's support to the tourism sector, the demand for hotels and other tourism infrastructure projects is expected to improve considerably in mid-term. The growth in India's tourism, infrastructure, industrial/manufacturing, real-estate and services sectors is expected to result in opportunities for TFCI to expand its business at a steady rate in near future.

With hospitality business gaining an organised form with the advent of aggregators in the budget and economy space, the industry players are unanimous in their opinion that it will be technology that will be

playing a major role in customer acquisition going forward. It is incumbent on the hotels to keep pace with the latest technology trends and new marketing tools on the online space. Despite all the trials and tribulations in the socio-political and economic spheres in the country, the hospitality players are not overly concerned but rather hold faith in the future opportunities in the India market. They rest their confidence on the rapid urbanisation, improvements in the physical infrastructure, demographic changes, and above all the promises and policies of the government.

**6. Risks and concerns:**

The risk management philosophy and policy of the company is an embodiment of the Company's approach to understand, measure and manage risk and aims at ensuring sustained growth of healthy asset portfolio. This would entail adopting leadership approach in products and segments well understood by the Company. An innovative approach is undertaken in high-risk areas by taking limited exposure and optimizing return. The Company has robust credit risk framework which provides a scientific method for assessing credit risk rating of a client. Further, the mapping of internal rating grades vis-à-vis external rating agencies' grades has been undertaken. The output of the rating models is used in the decision making. TFCI regularly monitors portfolio distribution in terms of Low Risk, Medium Risk and High Risk categories. TFCI has been managing the following risk effectively:

**Credit risk:** Credit risk occurs when borrower(s), as a counter party, fails to meet its contractual obligations. Credit risk applies not only to loans, but also to other on and off-balance sheet exposure such as guarantees, acceptances and investments in securities. Project lending involves certain inherent risks in a developing economy where long-term macro-economic adjustments towards stability are still in progress. Projects under implementation are prone to time and cost overruns, sometimes due to factors beyond the control of the borrower. Project failure may also occur due to adverse market situations and/or mismanagement. Your Company is making all efforts to identify such risks and factors by constantly reviewing and improving appraisal techniques, sensitivity analysis as well as other factors i.e. Project's ability to withstand changes, expertise and experience of the borrowers to cope with the adverse situations. Your Company continues to give utmost priority to its credit appraisal, intense monitoring and supervision of the projects on a continuous basis.

**Interest-rate risk:** Interest-rate risks arise out of mismatches between interest-rate-sensitive assets and liabilities. The Company manages such risks by fixing lending interest rates at a level linked to its average cost of borrowings and by constantly monitoring the maturity pattern of its assets and liabilities.

**Liquidity risk:** Liquidity risk arises out of lack of adequate funds in its day-to-day operations. The Company manages the liquidity risk through prudent resource planning to ensure the availability of adequate funds at



all times to meet its obligations on its liabilities as well as disbursements on due dates.

**7. Discussion on financial performance/ Internal control systems and their adequacy:**

The Financial and other operational performance of the Company under review has been discussed in detail in the Director's Report.

**8. Material Developments in human resources/industrial relations front, including number of people employed**

Financial Services sector is a knowledge intensive sector where employees' skills form a critical aspect in proper service delivery. The nature of your Company's business requires trained employees. In pursuance of the Company's commitment to develop and retain the best available

talent, the Company had been regularly sponsoring the employees for training programmes organized by professional institutions for upgrading the skill and knowledge in different functional areas. Your company has offices in Delhi and Mumbai to provide effective & prompt service to the clients and also for constant follow-up with assisted units in these regions. With a view to take the new approved Business Plan ahead, your Company has strengthened the staff. The work force strength of your Company as on March 31, 2020 was 39. The Mumbai office of the company has started full fledged operations and have contributed significantly in soliciting business opportunities and creating marketing eco-system prior to Covid lockdown in March 2020.



## CORPORATE GOVERNANCE REPORT

### Company's Philosophy on Corporate Governance

Corporate Governance refers to the blends of laws, regulations and voluntary practices by which companies are directed and controlled to enhance their wealth generation capacity whereby stakeholders' aspiration and societal expectations are met. It is the application of best management practices, compliance of laws and adherence to ethical standards to achieve the organisational goal of enhancing stakeholder value. The cardinal principles such as independence, accountability, responsibility, transparency, trusteeship & disclosures serve as means of implementing the philosophy of corporate governance. The Corporate Governance philosophy of your company is structured to institutionalize policies and procedures that enhance the efficacy of the Board and inculcate a culture of accountability, self discipline, transparency and integrity across the Company. While we go beyond the mandatory provisions of Corporate Governance, the report on statutory compliances in this regard is set forth below:

#### 1. Board of Directors:

The constitution of the Board aims at ensuring Directors commitment to participate in the affairs of the Company with understanding and competence to deal with current and emerging business issues.

The primary role of the Board is that of trusteeship to protect and enhance shareholder's value through supervision. The Board of Directors of your Company represents the interests of the Company's shareholders in optimising long term value by guiding the management. As trustees, the Board ensures that the Company has clear goals relating to shareholders value and its growth. The Board sets strategic goals and seeks accountability for their fulfillment. The Board also provides directions and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholder's aspirations as well as societal expectations. The responsibilities of the Board include formation of policies, new initiatives, performance review, control and sanction of cases falling beyond the powers delegated to functionaries of the Company. The Board has also constituted committees and delegated powers for different functional areas. The Board as well as its committees meet at periodical intervals.

The Board consists of 10 Directors as on March 31, 2020 including MD&CEO, WTD, Nominee Director representing Ministry of Tourism, Govt. of India, Director representing LIC and two Promoter Directors and four Independent Directors. The Board confirmed that the independent directors fulfill the conditions specified in SEBI (LODR) Regulations and are independent of the management. The information regarding Independent director(s) who had resigned before the expiry of his/her tenure during FY 2019-20 has been provided to Stock Exchange(s).

The Company follows a structured process of decision making by the Board and its Committees. The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director/Committee member and in exceptional cases tabled at the Meeting with the approval of the Board/Committee member. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company vis-à-vis the budgets/targets. The Board has complete access to all the relevant information of the Company.

During the year, 6 Board Meetings were held on May 29, 2019, July 2, 2019, August 9, 2019, November 11, 2019, January 31, 2020, and March 23, 2020. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and SEBI (LODR) Regulations.

Details regarding the category of Directors, their attendance at Board Meetings and the last Annual General Meeting, number of other Directorships and Committee positions held by them in companies as on March 31, 2020, are given below:-

Sl. No.	Name of Director	Category of Directorship	No. of Board Meeting Attended	Attendance at Last AGM	No. of other Directorships/ Committee Chairmanships/ Other Memberships*			
					Directorship in		Committee	
					Public Co.	Pvt. Co	Member	Chairman
1	Shri S.Ravi	NEID (Chairman)	6	Yes	3	3	5	5
2	Shri Anirban Chakraborty%	MD & CEO	6	Yes	-	-	1	-
3	Shri Suman Billa	Nominee-NEID	1	NO	-	-	-	-
4.	Shri Niraj Agarwal *	NED	3	Yes	-	-	1	1
5	Shri S.Sridhar \$	NEID	2	NA	6	4	8	5
6	Shri S.C.Sekhar	NEID	6	NO	2	-	2	-
7	Shri K.B.Nagendra Murthy &	NEID	1	NA	3	-	4	-
8.	Shri Rudhra Gangadharan ^	NEID	0	NA	-	-	1	-
9.	Shri Bapi Munshi	NEID	6	NO	2	-	2	1
10	Mrs. Thankom T.Mathew	NEID	6	Yes	1	-	2	-
11	Shri B.M.Gupta	WTD	6	Yes	-	-	-	-
12	Shri Naresh T. Jain #	NED	2	NO	-	5	1	-
13	Shri Shyam Maheshwari	NED	5	NO	-	-	-	-
14	Shri Koppara Sajeev Thomas	NED	6	NO	-	-	-	-
15	Shri R. K. Sood@	NED	3	NA	2	-	1	-

%appointed w.e.f. 15.4.2019

\$ resigned w.e.f. 16.7.2019

^ resigned w.e.f. 27.6.2019

NED : Non-Executive Director

NEID : Non-Executive Independent Director

MD & CEO : Managing Director & Chief Executive Officer

WTD : Whole Time Director

\* resigned w.e.f. 13.8.2019

& resigned w.e.f. 14.7.2019

# resigned w.e.f. 9.3.2020

@appointed w.e.f. 30.9.2019



Notes:

1. Other directorship includes directorship held in Private Companies and alternate directorship.
2. Committee positions of only two committees namely Audit Committee and Stakeholder Relationship Committee in only Indian Public Limited Company, whether listed or not, have been considered pursuant to the SEBI (LODR) Regulation.
3. None of Board member is relative of any other director of the Company.

**Board Directorships**

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes, if any, during the year. The Composition of the Board as on March 31, 2020 and other Directorships in Listed companies as per disclosure filed by Directors is as under:

DETAILS OF DIRECTORSHIP IN LISTED ENTITY			
Sl No	Name of Director	Name of Listed Entity	Nature of Directorship
1	Shri Anirban Chakraborty	1.Tourism Finance Corporation of India Ltd.	Managing Director & CEO
2	Shri Shyam Maheshwari	1.Tourism Finance Corporation of India Ltd.	Non-Executive Non-Independent Director
3	Shri Koppa Sajeve Thomas	1.Tourism Finance Corporation of India Ltd.	Non-Executive Non-Independent Director
4	Shri Bapi Munshi	1. Tourism Finance Corporation of India Ltd	Independent Director
5	Shri Suman Billa	1. Tourism Finance Corporation of India Ltd.	Non-Executive Non-Independent Director(Nominee Director- Ministry of Tourism)
6	Shri S. Ravi	1. Tourism Finance Corporation of India Ltd.	Independent Director (Chairman)
7	Shri R.K.Sood	1. Tourism Finance Corporation of India Ltd	Non-Executive Non-Independent Director
8	Mrs. Thankom T. Mathew	1. Tourism Finance Corporation of India Ltd	Independent Director (Woman)
		2.STCI Finance Ltd.	Independent Director
9	Shri S.C. Sekhar	1. Tourism Finance Corporation of India Ltd	Independent Director
		2. International Travel House Ltd.	Independent Director
10	Shri B.M. Gupta	1. Tourism Finance Corporation of India Ltd	Whole Time Director

**Key Board qualifications, expertise and attributes**

The Board of Directors of your Company comprises qualified members who bring required skill, competence and expertise that allow them to make effective contribution to the Board and its committees. The Board has identified the following skill set with reference to its Business and Industry which are available with the Board:

Sl No	Name of Director	Skill, competence and expertise
1	Shri Anirban Chakraborty	Project Finance, Banking, Advisory, Risk Management and Administration

2	Shri Shyam Maheshwari	Deal Sourcing, Credit Analysis, Investment across Sectors, Audit, and Risk Management
3	Shri Koppa Sajeve Thomas	Banking and Risk Management
4	Shri Bapi Munshi	Project Finance, Banking and Risk Management
5	Shri Suman Billa	Administration
6	Shri S. Ravi	Accounts, Audit, Finance
7	Shri R.K.Sood	Administration
8	Mrs. Thankom T. Mathew	HR and Communication
9	Shri S.C. Sekhar	Accounts, Audit and Project Finance
10	Shri B.M. Gupta	Project Finance, Banking, Accounts/Taxes, Advisory, Risk Management, Administration and Legal

**2. Board Committee Meetings and Procedures**

The Company currently has the following committees in compliance of the SEBI (LODR) Regulation:

**(A) Audit Committee:**

**i) Constitution and Composition:**

The Audit Committee of the Board comprised of 3 Independent Directors. The Chairman of the Committee was an Independent Director. The Chairman of the Committee attended the last AGM. The Committee met 5 times on May 29, 2019, July 2, 2019, August 9, 2019, November 11, 2019 and January 31, 2020. The attendance of the Members at the meetings was as follows:

Sl. No.	Name of member	Status	No. of Meetings Attended
1.	Shri S. Ravi	Chairman (ID)	5
2.	Shri S. C. Sekhar	Independent Director	5
3	Mrs. Thankom T. Mathew#	Independent Director	3
4.	Shri K.B.N. Murthy &	Independent Director	1
5.	Shri Naresh T. Jain @	NED (Non ID)	3

#appointed as member w.e.f. 26.7.2019

& resigned as director w.e.f. 14.7.2019

@ resigned as director w.e.f. 9.3.2020

The Whole Time Director, CFO, Statutory Auditors and Internal Auditors are invited to attend the Audit Committee Meetings and the Company Secretary acts as the Secretary of the Committee. The Minutes of the meetings of the Audit Committee are placed before the Board of Directors for the information.





### Terms of Reference

The terms of reference of the Audit Committee are as under:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision.

### (B) Nomination and Remuneration Committee

#### (i) Composition:

During the year under report, the Nomination and Remuneration Committee of the Board comprised of 4 members (2 Independent Director (ID) and 2 Non-Executive Non-ID). The Chairman of the Committee is Independent Director. The Committee met 4 times during the year on May 29, 2019, July 2, 2019, August 9, 2019 and



March 17, 2020. The names of the members and attendance are as follows:

Name of Member	Status	No. of Meetings Attended
1. Shri S.C.Sekhar #	Chairman (ID)	2
2. Shri K.B.N.Murthy @	Chairman (ID)	1
3. Shri S.Ravi	Independent Director	4
4. Shri Rudhra Gangadharan*	Independent Director	-
5. Shri Naresh T. Jain \$	NED (Non ID)	1
6. Shri Koppara Sajeeve Thomas	NED (Non ID)	4
7. Shri Shyam Maheshwari \$\$	NED (Non ID)	-

@ resigned as director w.e.f. 14.7.2019

#appointed as Chairman/member w.e.f. 26.7.2019

\* resigned as director w.e.f. 27.6.2019

\$resigned as director w.e.f. 9.3.2020

\$\$appointed as member w.e.f. 23.3.2020

**(ii) Terms of reference:**

The terms of reference of the Nomination and Remuneration Committee are as under:

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) devising a policy on diversity of board of directors;
- (4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- (5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- (6) recommend to the board, all remuneration, in whatever form, payable to senior management.

**(iii) Selection of Independent Directors and other Directors**

Considering the requirement of skill sets on the Board, individuals having an independent standing in their respective field/profession, and who can effectively contribute to the Company's

business and policy decisions are considered by the Nomination and Remuneration Committee of directors, for appointment, as Independent Directors on the Board. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons in accordance with the Company's Policy for Selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation, and takes appropriate decision.

**(iv) Remuneration Policy:**

Remuneration of employees consists of basic remuneration, perquisites and performance-linked incentive. The components of total remuneration vary for different cadres and are governed more or less by the structure prevalent in other All-India Financial Institutions/RBI. However, the company is in the process of transforming employees remuneration on Cost to Company (CTC) basis and fresh recruitments are being made accordingly. Your Company adopts policies with the objective to motivate employees to excel in their performance and to recognize their contribution.

**(v) Details of remuneration paid to Directors for the year 2019-20:**

- (i) Shri Anirban Chakraborty, Managing Director & CEO was paid remuneration of ₹2,08,51,625 during FY2019-20.
- (ii) Shri B.M.Gupta, Whole Time Director was paid remuneration of ₹70,46,824 during FY2019-20 including incentive of ₹9,05,313.
- (iii) No severance pay was payable on termination of appointment.
- (iv) No Stock Appreciation Rights (SARs) were granted.

**(vi) Details of remuneration paid to Non-Executive Directors**

Remunerations by way of sitting fee for attending the meetings of the Board/Committees thereof were paid as follows:

Name of the Director	Amount (in ₹)
Shri Niraj Agarwal	1,88,800
Shri R. K. Sood	1,65,200
Shri Bapi Munshi	4,24,800
Shri S.Ravi	5,19,200
Shri S. Sridhar	1,88,800
Shri S. C. Sekhar	6,60,800
Shri K. B. Nagendra Murthy	94,400
Mrs. Thanktom T. Mathew	4,48,400



During the year under report, the Company has not paid any remuneration to Non-Executive Directors except by way of Sitting Fee which was paid ₹ 40,000 and ₹ 20,000 (plus tax) per meeting for attending the meetings of Board and its Committees respectively.

**(vii) Details of Number of Shares and Convertible Instruments Held by Executive/Non-Executive Directors as on March 31, 2020:**

Shri S.C. Sekhar and Shri Koppa Sajeve Thomas, Director(s) were holding 500 and 4035633 equity shares of the company respectively as on 31<sup>st</sup> March, 2020. None of the other Executive/Non-Executive Director held shares/convertible instruments of the Company as on 31<sup>st</sup> March, 2020.

**(C) Stakeholder Relationship Committee:**

i) **Composition:** During the year under report, the Stakeholder Relationship Committee of the Board comprised of 3 Directors including 1 Independent Directors(Chairman of the meeting), 1 Non-Executive Director and MD&CEO. During the financial year 2019-2020, the Committee met once. The names and the attendance of the members at the meeting were as follows:

Name of Member	Status	No. of Meetings Attended
1. Shri Niraj Agarwal@	Chairman (Non-Executive Director)	-
2. Shri Bapi Munshi #	Chairman (Independent Director)	1
3. Shri Rudhra Gangadharan\$	Independent Director	-
4. Shri Anirban Chakraborty	Managing Director & CEO	1
5. Shri R. K. Sood^	Non-Executive Director	1

@ resigned as director w.e.f. 13.8.2019  
 #appointed as Chairman w.e.f. 13.8.2019  
 \$resigned as director w.e.f. 27.6.2019  
 ^appointed as member w.e.f. 11.11.2019

ii) **Terms of reference:**

The role of the committee shall inter-alia include the following:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non - receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory Notices by the shareholders of the company.

During the year, 112 complaints were received from the shareholders and were replied/solved to the satisfaction of the shareholders. As on March 31, 2020, no request for transfer/transmission was pending.

**(D) Corporate Social Responsibility Committee**

i) **Composition**

During the year under report, the Corporate Social Responsibility Committee of the Board comprised of 4 Directors including 1 Independent Director, 2 Non-Executive Directors and Whole Time Director. The Chairman of the Committee is an Independent Director. The Committee met 3 times during the year on July 2, 2019, November 11, 2019 and January 31, 2020. The names of the members and attendance are as under:

Name of Member	Status	No. of Meetings Attended
1. Shri S. Sridhar@	Chairman (Independent Director)	1
2. Mrs. Thankom T. Mathew &	Chairman (Independent Director)	3
3. Shri Suman Billa	Non-Executive Director	0
4. Shri Rudhra Gangadharan \$	Independent Director	0
5. Shri Naresh T. Jain *	NED (Non ID)	1
6. Shri B. M. Gupta	Whole Time Director	3
7. Shri R.K.Sood^	Non-Executive Director	0

@ resigned as director w.e.f. 16.7.2019  
 &appointed as Chairman w.e.f. 26.7.2019  
 \$resigned as director w.e.f. 27.6.2019  
 \*resigned as director w.e.f. 9.3.2020  
 ^appointed as member w.e.f. 23.3.2020



ii) **Terms of reference:**

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;
2. Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
3. Monitor the Corporate Social Responsibility Policy of the company from time to time

**(E) Risk Management Committee**

The Risk Management Committee was constituted adhering to the requirements of the Companies Act, 2013 and the SEBI (LODR) Regulations. The Committee's prime responsibility is to implement and monitor the risk management plan and policy of the Company. The Committee's constitution meets with the requirements of the SEBI (LODR) Regulations. The Role and Responsibilities of the Committee includes periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes, overseeing implementation of Risk Management Plan and Policy Monitoring of Risk Management. Four meetings of the Committee were held during the year on May 29, 2019, July 2, 2019, November 11, 2019 and January 31, 2020 detailed as under:

Name of Member	Status	No. of Meetings Attended
Shri Bapi Munshi (Chairman)^	Independent Director	4
Shri Anirban Chakraborty	Managing Director & CEO	4
Shri B.M.Gupta	Whole Time Director	4
Shri S. Sridhar (Chairman)#	Independent Director	2
Shri Shyam Maheshwari	NED (Non ID)	3
Shri Koparra Sajeeve Thomas	NED (Non ID)	4

^appointed as chairman w.e.f.26.7.2019

#resigned as director w.e.f.16.7.2019

**(F) Committee Meetings of Independent Directors**

The Committee of Company's all Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meeting are

conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views. One meeting of Independent Directors was held during the year 2019-20.

The independent directors in the meeting shall, inter-alia:

- i. reviewed the performance of non-independent directors and the Board as a whole;
- ii. reviewed the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- iii. assessed the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**3. Other Committees**

**Share-Transfer Committee**

The Company has constituted Share-Transfer Committee to approve transfer/transmission of shares issued by the Company. It also approves issue of duplicate certificates after split/consolidation/renewal and also monitors the investors' grievances. At present, the Share Transfer Committee comprises Whole Time Director/ Managing Director, CFO and Company Secretary. During the year, the Committee had met 12 meetings. Report on the meetings of Share Transfer Committee is placed before the Board for information.

In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Regulations, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued. However, as per SEBI Notification dated June 8, 2018 and further amendment November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) had not be processed from April 1, 2019 unless the securities are held in the dematerialised form with the depositories. Therefore, Shareholders holding physical shares are requested to take action to dematerialize the Equity Shares of the Company, promptly.

**4. Functional Committees**

The Board is authorized to constitute one or more Functional Committees delegating powers and duties with respect to specific purposes. Meeting of such Committees are held as and when the need arises. Time schedule for holding the meetings of such functional committees are finalized in consultation with the committees members.

**Procedure at Committee Meetings**

The Company's guidelines relating to Board Meeting are applicable to Committee meetings as far as



practicable. Each Committee has the authority to engage outside experts, advisor and counsels to the extent it considers appropriate to assist in its works. Minutes of the proceedings of the Committee meetings are placed before the Board meetings for perusal and noting.

**5. General Body Meeting:**

(A) Location and time where last three Annual General Meetings were held as under;

Financial Year	Date	Time	Location
2018-19	August 9, 2019	11.00 a.m.	Little Theatre Group Auditorium, Mandi House, 1, Copernicus Marg, New Delhi -110001
2017-18	August 10, 2018	11.00 a.m.	IFCI Tower, 61 Nehru Place, New Delhi
2016-17	September 25, 2017	3.00 p.m.	IFCI Tower, 61 Nehru Place, New Delhi

**(B) Details of Special resolution passed in the previous three Annual General Meetings:**

AGM Date	Relevant provisions of the Companies Act 2013	Particulars of Special Resolutions
9.8.2019	Section 42,71	Issue of Bonds/ Debentures
10.8.2018	Section 42,71 Section 149,152 Section 149,152 Section 14	Issue of Bonds/ Debentures Re-appointment of Shri S. C. Sekhar Independent Director Re-appointment of Dr. KBN Murthy Independent Director Alteration of Articles of Association
25.9.2017	Section 42,71 Section 149,152 Section 149,152	Issue of Bonds/ Debentures Re-appointment of Shri S. Ravi Independent Director Re-appointment of Shri S. Sridhar Independent Director

**6. Disclosures**

(A) Shri S.C. Sekhar and Shri Shri Koppa Sajeve Thomas, Directors were holding 500 and 4035633 equity shares of the company respectively as on 31<sup>st</sup> March, 2020. None of the other Executive/ Non-Executive Director held any shares/convertible Instruments of the Company as on 31<sup>st</sup> March, 2020.

(B) There was no case of non-compliance by the Company of any matter related to capital market during the last three years. There were no strictures

or penalties, imposed on the Company by Stock Exchanges or SEBI or any other statutory authority for non compliance of any matter related to the Capital market.

**(C) Related Party Transactions**

Related party transactions during the year have been disclosed in note No. 39 to the financial statement in accordance with “IND AS”. There was no transaction of material nature with the directors or the management or their subsidiaries or relatives during the year. None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company except remuneration and sitting fees.

**(D) Disclosure of Accounting Treatment**

In the preparation of financial statements, the Company has followed the Company (Accounting Standards) Rules, 2006 and the guidelines issued by Reserve Bank of India from time to time to the extent applicable. The significant accounting policies have been set out in the Notes to the Accounts.

**(E) Disclosure on Risk Management**

Business Risk Evaluation and Management is an ongoing process within the Company. The Company has framed the Risk Management Policy and risk mitigation procedure, which is periodically reviewed.

(F) The Company has complied with the mandatory requirements of the SEBI (LODR) Regulations.

**(G) Means of Communication:**

Quarterly results are published in leading English and Hindi newspapers viz. Business Standard/ Financial Express, Jansatta etc.

**Other information**

(h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).- Not Applicable

(i) A Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority has been obtained and Attached as Annexure 4B.

(j) During the year, no instances were reported where the board had not accepted any recommendation of any committee of the board which is mandatorily required.

(k) Total fees for all services to the statutory auditor: M/s Suresh Chandra & Associates, Statutory Auditors were paid fee of ₹5.90 lakh during 2019-20 (PY ₹5.90 lakh).

**6.1 Rating**

The bond issues, bank borrowings and commercial papers of TFCI are rated by CARE Ratings Ltd. (CARE), Brickwork Ratings India (P) Ltd. (BWR)



and Acuite Rating & Research Ltd. (erstwhile SMERA Ratings Ltd.). The details of the same are as follows:

Rating Agency	Date of receipt of letter	Rating (Amount – ₹ in crore)		Rating Action
		Long-term Bonds	Bank Borrowings	
CARE	08.05.2020	A+ Outlook: Negative (681.50)	-	Reaffirmed
Brickwork	28.05.2020	BWR A+ Outlook: Negative (841.24)	BWR A+ Outlook: Negative (1150.00)	R a t i n g Downgraded
ACUITE (erstwhile SMERA Ratings Ltd)	09.12.2019	AA- Outlook: Negative (300.00)	-	Reaffirmed

## 7. Reconciliation of Share Capital Audit

A Qualified Practicing Company Secretary carried out quarterly Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital of the Company. The audit confirmed that the total issued/paid up capital of the company was in agreement with the aggregate of the total number of shares in physical form and dematerialized forms with NSDL and CDSL.

## 8. Code of Conduct

The Board has formulated a code of conduct for the Board Members and Senior Management Personnel of the Company. The same has also been posted on the website of the Company. The code has been circulated to all the members of the Board and Senior Management Personnel and the compliance of the same is affirmed by them annually. All Board Members and Senior Management Personnel have affirmed their compliance with the code.

### 8.1 Prohibition of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended and Companies Act, 2013. The Code is applicable to Promoters, Member of Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Code requires pre-clearance for dealing in the Company's shares beyond threshold limits. Further, it prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. This Code is displayed on the Company's website viz. www.tfciltd.com

## 8.2 Whistle Blower policy

The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee. This policy is displayed on the Company's website viz. www.tfciltd.com

## 9. General Shareholders' Information company Registration Details

The Company is registered in the State of Delhi. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L65910DL1989PLC034812.

9.1 ANNUAL GENERAL MEETING is proposed to be held on **August 17, 2020 at 11.30 a.m.** through Video Conferencing (VC)/other Audio Visual Means (OAVM) facility at 4<sup>th</sup> Floor, Tower 1, NBCC Plaza, Sector V, Pushp Vihar, Saket, New Delhi –110 017

### 9.2 Financial calendar (tentative)

Financial Year: April 1, 2020 to March 31, 2021

Results for the quarter ending:

June 30, 2020	-	July/August 2020
September 30, 2020	-	October/ November 2020
December 31, 2020	-	January/February 2021
March 31, 2021	-	April/May 2021
Annual General Meeting	-	August/ September, 2021

### 9.3 Date of Book Closure

Monday, August 10, 2020 to Monday, August 17, 2020

### 9.4 Dividend Payment

No dividend has been declared for the FY 2019-20.

### 9.5 Listing on Stock Exchanges

- Bombay Stock Exchange Ltd.,  
PhirozeJeejeebhoy Towers,  
Dalal Street, Mumbai- 400 001.
- National Stock Exchange of India Ltd.  
Exchange Plaza, Bandra-KurlaComplex,  
Bandra (E), Mumbai - 400 051



**9.6 Stock-Market price data for the year 2019-2020**

TFCI Share Price (in ₹)

Month & Year	BSE		NSE	
	High	Low	High	Low
Apr-19	124.40	112.65	124.40	112.10
May-19	124.40	106.00	124.40	110.05
Jun-19	119.50	109.00	120.05	109.00
Jul-19	110.00	58.50	109.85	58.75
Aug-19	87.00	55.55	87.75	56.50
Sep-19	87.95	76.00	88.25	75.75
Oct-19	86.65	74.50	86.80	74.75
Nov-19	89.00	76.30	90.45	75.00
Dec-19	84.00	70.20	83.70	72.00
Jan-20	75.80	59.25	76.00	59.00
Feb-20	84.50	65.00	84.50	64.05
Mar-20	66.15	29.00	66.50	33.30

Stock code: BSE: 526650, NSE: TFCILTD

Demat ISIN code: INE305A01015

**9.7 Performance in comparison to broad-based indices: TFCI's share-price performance relative to NSE Nifty and BSE sensx during the year 2019-20**

	(% change)	(% change)	(% change)
	Index	TFCI's share Price	TFCI relative to index
BSE Sensex	-26.59%	-71.43%	-44.84%
NSE Nifty	-26.03%	-71.51%	-45.48%

**9.8 Registrar and Share-Transfer Agent:**

The Company has engaged MCS Share Transfer Agent Ltd., a SEBI registered Share-Transfer Agent, as Registrar and Share Transfer Agent (RTA) for processing the transfer of securities issued by the Company located at F-65, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-I, New Delhi-110020. RTA acknowledges and executes transfer of securities, arranges for issue of dividend/interest warrants. RTA also accepts, deals with and resolves complaints of shareholders and bondholders.

**9.9 Share-Transfer System:**

All the transfers are processed by the Registrar and Share Transfer Agents and are approved by the Share Transfer Committee. Pursuant to the SEBI (LODR) Regulations certificates on half year basis have been issued by a Company Secretary-In-Practice for due compliance of share transfer formalities by the Company. Pursuant to SEBI (Depositories and Participants) Regulations, 1996, certificates have also been received from a Company Secretary-in Practice for timely dematerialization of the shares of the Company and for conducting Secretarial Audit on a quarterly basis for re-conciliation of the share capital of the Company.

**9.10 Distribution of Shareholding as on March 31, 2020**

Range	Shares	Folios	Percent Shares	Percent Holders
1 - 500	5875024	46650	7.27	89.17
501 - 1000	2299317	2751	2.84	5.26
1001 - 2000	1945322	1249	2.41	2.38
2001 - 3000	1334625	510	1.65	0.98
3001 - 4000	846979	234	1.04	0.45
4001 - 5000	1103465	233	1.36	0.45
5001 - 10000	2547822	346	3.15	0.66
10001 - 50000	5638970	255	6.98	0.49
50001 - 100000	2375931	32	2.94	0.06
And Above	56749293	54	70.30	0.10
Total	80716748	52314	100.00	100.00

**9.11 Categories of Shareholders as on March 31, 2020**

TOURISM FINANCE CORPORATION OF INDIA LIMITED		
SHAREHOLDING PATTERN	AS ON 31-3-2020	
Name of Shareholder	No. of Equity Shares Held	In %
<b>I. Promoters/Promoters Group</b>		
(i) Redkite Capital Pvt. Ltd.	7955382	9.86
(ii) India Opportunities III Pte. Ltd	8061597	9.99
(iii) Koppara Sajeev Thomas	4035633	5.00
(iv) Life Insurance Corporation of India	2960644	3.66
(v) The Oriental Insurance Co. Ltd	861527	1.07
(vi) Tamaka Capital (Mauritius) Limited	2421502	3.00
<b>Total Promoters Holding</b>	<b>2,62,96,285</b>	<b>32.58</b>
<b>II. Non Promoters Shareholders</b>		
1. Mutual Fund	2000	0.00
2. Alternate Investment Fund	4110861	5.09
3. Other Banks/Financial institutions	151681	0.19
4. Foreign Portfolio Investors	8430239	10.44
5. Govt of India-IEPF Account	803335	1.00
6. Bodies Corporates	8754273	10.85
7. Individual Shareholding (General Public)	29280588	36.27
8. Trust & Cooperative Society	25550	0.03
9. NRI	2861470	3.55
10. NBFC	466	0.00
<b>Total Public shareholding</b>	<b>5,44,20,463</b>	<b>67.42</b>
	<b>8,07,16,748</b>	<b>100.00</b>

**9.12 Dematerialization of Shares**

Sl. No.	Electronic/physical	Mode of holding %
1	NSDL	79.67%
2	CDSL	18.66%
3	Physical	1.67%
	TOTAL	100.00%

Trading in Equity Shares of the Company is permitted only in dematerialized form. As on March 31, 2020, 98.33% of Company's total equity shares representing 7,93,66,240 Equity Shares were held in dematerialized form and the balance shares were in physical form.

**9.13 Outstanding GDR/ADR/Warrants or any Convertible instruments: Nil**

**9.14 Plant Location:** Not applicable. TFCI is a financial institution having its registered & corporate office at Delhi and branch/liason office at Mumbai.

**9.15 Address for correspondence:**

The Company's registered office is situated at:  
4<sup>th</sup> Floor, Tower 1,  
NBCC Plaza, Sector V, Pushp Vihar, Saket,  
New Delhi – 110 017  
Phone No.: 011-47472200 Fax:011-29561171  
Email: ho@tfciltd.com, Website: www.tfciltd.com  
Designated Email-id for investors' queries:  
complianceofficer@tfciltd.com

The Company's other office is situated at:  
607, 6<sup>th</sup> Floor, Lodha Supremus,  
Senapati Bapat Marg,  
Opp Kamla Mills,  
Lower Parel,  
Mumbai - 400013  
Phone: 022-40591106

Shareholders' correspondence should be addressed to:

MCS Share Transfer Agent Ltd.,  
Registrar and Transfer Agent,  
F-65, 1<sup>st</sup> Floor, Okhla Industrial Area Phase I, New  
Delhi-110 020  
Phone: 011-41406149/51/52, Fax:011-41709881  
Email: helpdeskdelhi@mcsregistrars.com

Shareholders holding shares in electronic mode should address their entire correspondence to their respective Depository Participants (DP).

Debenture Trustee:  
IDBI Trusteeship Services Limited  
Asian Building, Ground Floor,  
17, R. Kamani Marg, Ballard Estate,  
Mumbai – 400 001  
T: 022-40807012

**10. Review of Directors' Responsibility Statement**

The Board, in its Report, has confirmed that the annual accounts for the year ended March 31, 2020 have been prepared as per applicable accounting standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

**11. Compliance Certificate of the Auditors**

The Secretarial Auditors have issued certificate confirming compliance with the conditions of Corporate Governance as stipulated the SEBI (LODR) Regulations. The same is attached to the Directors' Report forming part of the Annual Report.

**12. Management Discussion and Analysis**

Management's Discussion & Analysis forms part of the annual report.

**13. Managing Director/CFO Certification**

The Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of SEBI (LODR) Regulation. The Managing Director and the Chief Financial Officer of the Company also give quarterly certification on financial results while placing financial results before the Board in terms of the SEBI (LODR) Regulation.





**Annexure 1**

The ratio of the remuneration of each director to the median employee’s remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

<b>Sr. No.</b>	<b>Requirements</b>	<b>Disclosure</b>										
1	The ratio of the remuneration of each director to the median remuneration* of the employees for the financial year	Shri Anirban Chakraborty, MD & CEO 9.70:1 Shri B.M.Gupta, WTD 3.28:1										
2	The percentage increase* in remuneration of each director, CFO, CEO, CS in the financial year	Shri Anirban Chakraborty, MD & CEO N.A Shri B.M.Gupta, WTD +21.44% Shri Anoop Bali, CFO -8.25%* Shri Sanjay Ahuja, CS -3.63%* (*Reduction is due to availment of LTC facility in previous year.)										
3	The percentage increase* in the median remuneration of employees in the financial year	The median remuneration of the employees in the financial year was increased by 15.05%. The calculation of 15.05% increase in Median Remuneration is done based on comparable employees.										
4	The number of permanent employees on the rolls of the Company	There were 39 employees as on March 31, 2020										
5	The explanation on the relationship between average increase in remuneration and Company performance	The Company follows fixed pay structure for the all the permanent employees which are comparable with other public sector financial institutions. The performance linked incentives are based on the financial performance of the Company.										
6	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	During FY 2019-20, KMPs were paid remuneration approximately 4.51 % of the net profit for the year.										
7	Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current FY and previous FY and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer	The Market capitalization of the Company has decreased from ₹ 959.32 Crores as of March 31, 2019 to ₹273.22 Crores as of March 31, 2020. Over the same period, the price to earnings ratio moved from 11.12 to 3.37.  TFCI stock price as at March 31, 2020 has decreased by 71.43% to ₹33.85 over the last year 31.3.2019 price of Rs118.85.										
8	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Not Applicable.										
9	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company	The comparison of remuneration of each of the Key Managerial personnel against the performance of the Company is as under :  <table border="1" style="margin-left: 20px;"> <thead> <tr> <th><b>Particulars</b></th> <th><b>% of Net Profit for FY 2019-20</b></th> </tr> </thead> <tbody> <tr> <td>MD &amp; CEO</td> <td>2.57%</td> </tr> <tr> <td>WTD</td> <td>0.87%</td> </tr> <tr> <td>CFO</td> <td>0.61%</td> </tr> <tr> <td>CS</td> <td>0.46%</td> </tr> </tbody> </table>	<b>Particulars</b>	<b>% of Net Profit for FY 2019-20</b>	MD & CEO	2.57%	WTD	0.87%	CFO	0.61%	CS	0.46%
<b>Particulars</b>	<b>% of Net Profit for FY 2019-20</b>											
MD & CEO	2.57%											
WTD	0.87%											
CFO	0.61%											
CS	0.46%											



Sr. No.	Requirements	Disclosure
10	The key parameters for any variable component of remuneration availed by the directors	During the year under report, the Company has not paid any remuneration to Non-Executive Directors except by way of Sitting Fee which was paid ₹ 40,000 and ₹ 20,000 (plus service tax) per meeting to Non-Executive Directors (except Government Servants) for attending the meetings of Board and its Committees respectively. The promoter directors are not drawing any sitting fee from the Company.
11	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	Nil
12	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, the remuneration paid to the Employees is as per the remuneration policy of the company, approved by the Board.
13.	Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	

The details of permanent employees (those in receipt of remuneration not less than One Crore two lakh rupees per annum or If employed for a part of the financial year, was in receipt of remuneration not less than Eight lakh Fifty Thousand rupees per month) is as under:

Name	Age	Designation	Remuneration (as per Form 16)	Qualifications	Experience (Years)	Date of Commence of Employment	Previous Employment/ Position Held	Whether any such employee is a relative of any director or manager / share held
1. Shri Anirban Chakraborty	49	Managing Director & CEO	2,08,51,625	B.Tech, PGDBM (Financial Management)	26 years	15.4.2019	Dy. CEO Axis Capital Ltd.	N.A
2. Shri Ajit Dash Choudhury	45	Executive Director	85,12,185	C.A	21 years	29.8.2019	Country Head (Mid Corporate) Axis Bank	N.A
3. Shri Vasanth Paulraj	54	Executive Director	96,55,476	C.A	29 years	12.6.2019	MD Axis Capital Ltd.	N.A

**General Notes**

- (1) Remuneration in case of MD/WTD is as per the terms of appointment approved by the Board and Shareholders.
- (2) The Remuneration for the purpose of this table is defined as per the Form 16.



**REPORT ON CSR ACTIVITIES/ INITIATIVES**  
**[Pursuant to Section 135 of the Act & Rules made thereunder]**

**1. A brief outline of the company's CSR policy, including overview of the projects or programmes proposed to be undertaken**

**Vision Statement**

To promote and create additional employment opportunities particularly in Tourism Sector by enhancing vocational skill specially among the children, women, young entrepreneurs, by undertaking livelihood enhancement projects as a key contributor to the growth of India and support sustainable development activities aimed at creating a cleaner, greener and healthier environment. To support project which would promote tourism in the country by preservation/protection/enhancement of tourism products of the country.

**Objective**

- To support activities aimed at development of human skills particularly needed for tourism sector.
- To support activities/projects which would promote tourism in the country including protection of national heritage of art and culture, restoration of building and sites of heritage importance, work of art, promotion and development of traditional art, handicraft etc.
- To support activities which help cleaner, greener and healthier environment and thereby enhancing TFCI's perception as a social responsible entity.

**Web-link to the CSR policy**

<http://www.tfcilt.com/policies.html>

**2. The composition of the CSR Committee**

During the year under report, the Corporate Social Responsibility Committee of the Board comprised of 4 Directors including 1 Independent Director, 2 Non-Executive Directors and Whole Time Director. The Chairman of the Committee is an Independent Director. The Committee met 3 times during the year on July 2, 2019, November 11, 2019 and January 31, 2020. The names of the members and attendance are as under:

Name of Member	Status	No. of Meetings Attended
1. Shri S.Sridhar@	Chairman(Independent Director)	1
2. Mrs. Thankom T. Mathew &	Chairman (Independent Director)	3
3. Shri Suman Billa	Non-Executive Director	0
4. Shri Rudhra Gangadharan \$	Independent Director	-
5. Shri Naresh T. Jain *	NED (Non ID)	1
6. Shri B.M.Gupta	Whole Time Director	3
7. Shri R.K.Sood^	Non-Executive Director	-

@ resigned as director w.e.f. 16.7.2019  
 &appointed as Chairman w.e.f. 26.7.2019  
 \$resigned as director w.e.f. 27.6.2019  
 \*resigned as director w.e.f. 9.3.2020  
 ^appointed as member w.e.f. 23.3.2020

3. Average Net Profit of the company for last 3 financial years: ₹ 1,06,50,04,527
4. Prescribed CSR expenditure (2% of amount) ₹ 2,13,00,091
5. Details of CSR activities/projects undertaken during the year:
- a) total amount to be spent for Financial Year: ₹ 2,13,00,091
- b) amount un-spent, if any Nil



c) manner in which the amount spent during financial year, is detailed below:

1	2	3	4	5	6	7	8
Sr. No	CSR project/ activity identified	Sector in which the Project is covered	Projects/Program 1. Local area/others- 2. Specify the state /district (Name of the District/s, State/s where project/program was undertaken	Amount outlay (budget) project/ programme wise (₹ in lakh)	Amount spent on the project/ program (₹ in lakh) Sub-heads: 1.Direct expen. on project/ program 2.Overheads:	Cumulative spend upto to the reporting period (₹ in lakh)	Amount spent: Direct/ through implementing agency (₹ in lakh)
1.	Contribution for part funding for education	Education	ARYA KANYA SADAN towards contribution for part funding for education expenses of girl students in Faridabad, Haryana.	5,00,000	5,00,000	5,00,000	Through Implementing Agency
2.	Contribution for mid day meal of students	Malnutrition	AKSHAYA PATRA FOUNDATION for mid day meal of students studying in Government School at Delhi/ Jaipur.	7,70,000	7,70,000	7,70,000	Through Implementing Agency
3	Contribution for mid day meal of students	Malnutrition	ISKCON Food Relief Foundation for purchase of one vehicle for transporting meals to children under mid-day meal project in Gurgaon.	5,75,000	5,75,000	5,75,000	Through Implementing Agency
4	Literacy programmes	Education	PARIVAR EDUCATION SOCIETY towards contribution for supporting education, nutritional and overall development of destitute and needy children.	10,15,000	10,15,000	10,15,000	Through Implementing Agency
5	Literacy programmes	Education	Bharat Lok Siksha Parishad (under the ages of Ekal Abhiyan or one village one school) towards contribution for supporting 25 Ekal Vidyalas.	5,50,000	5,50,000	5,50,000	Through Implementing Agency
6	Renovation/ upgradation of existing Sulabh Toilet Complex	Sanitation	Sulabh Sanitation Mission Foundation for Renovation/ upgradation of existing Sulabh Toilet Complex at N.M.Joshi Lower Parel, Mumbai	18,00,000	18,00,000	18,00,000	Through Implementing Agency
7	Contribution to Prime Minister's National Relief Fund	Prime Minister's National Relief Fund	Contribution to Prime Minister's National Relief Fund.	1,60,90,100	1,60,90,100	1,60,90,100	Direct
			<b>Total</b>	<b>2,13,00,100</b>	<b>2,13,00,100</b>	<b>2,13,00,100</b>	

**RESPONSIBILITY STATEMENT**

The Responsibility Statement of the Corporate Social Responsibility Committee of the Board of Directors of the Company is reproduced below:

The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.

Date : July 16, 2020

Place : New Delhi

Sd/-  
(Director)

Sd/-  
(Chairman of CSR Committee)



# TOURISM FINANCE CORPORATION OF INDIA LIMITED

Annexure 3

**Form No. MGT-9**  
EXTRACT OF ANNUAL RETURN  
as on the financial year ended on 31<sup>st</sup> March 2020 of  
**TOURISM FINANCE CORPORATION OF INDIA LIMITED**

[Pursuant to Section 92(1) of the Companies Act 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- |  |  |
|--|--|
| i) CIN   | L65910DL1989PLC034812  |
| ii) Registration Date  | 27.1.1989  |
| iii) Name of the Company   | Tourism Finance Corporation of India Limited   |
| iv) Category/Sub-Category of the Company   | Company having Share Capital   |
| v) Address of the Registered Office and contact details                            | 4 <sup>th</sup> Floor, Tower 1, NBCC Plaza, Pushp Vihar, Sector V, Saket, New Delhi 110017<br>Phone: 01129561180 Fax:01129561171 |
| vi) Whether listed company   | Yes  |
| vii) Name Address and contact details of Registrar & Transfer Agents (RTA), if any | MCS Share Transfer Agent Ltd.<br>F-65 Okhla Ind Area Phase I New Delhi 110020<br>Phone: 011-41406149/51/52 Fax: 011-41709881     |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Financial Services	-	100%

**III. PARTICULARS OF HOLDING SUBSIDIARY AND ASSOCIATE COMPANIES -**

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of shares held	Applicable Section
1	TFCI Capital Ltd. 4 <sup>th</sup> Floor, Tower 1 NBCC Plaza Pushp Vihar, Sector V, Saket New Delhi 110017 Phone: 01129561180 Fax:01129561171	U74999DL- 2019PLC352536	Subsidiary	100%	2(87)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**(i) Category-wise shareholding**

Category code	Category of shareholder	No of shares held at the beginning of the year 31/03/2019				No of Shares held at the end of the year 31/03/2020				percentage Change during the Years		
		Number of shareholders	Number of shares held in Dematerialised form	Number of shares held in Physical form	Total number of shares	Total shareholding as a percentage of total number of shares	Number of shareholders	Number of shares held in Dematerialised form	Number of shares held in Physical form		Total number of shares	Total shareholding as a percentage of total number of shares
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>											
<b>(1)</b>	<b>Indian</b>											
(a)	Individuals/ HUF	0	0	0	0	0.00	0	0	0	0.00		
(b)	Central Government/ State Government(s)	0	0	0	0	0.00	0	0	0	0.00		
(c)	Financial Institutions/ Banks	3	4660877	0	4660877	5.77	2	3822171	0	3822171	4.74	-1.03
(d)	Any Other (specify)	1	26480434	1064	26481498	32.81	1	7955382	0	7955382	9.86	-22.95
	<b>Sub-Total (A)(1)</b>	4	31141311	1064	31142375	38.58	3	11777553	0	11777553	14.59	-23.99
<b>(2)</b>	<b>Foreign</b>								0			0.00
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	1	4035633	0	4035633	5.00	1	4035633	0	4035633	5.00	0.00
(b)	Institutions	0	0	0	0	0.00	0	0	0	0	0.00	0.00
(c)	Foreign Portfolio Investor	1	6456670	0	6456670	8.00	1	8061597	0	8061597	9.99	1.99
(d)	Any Other (specify)	0	0	0	0	0.00	1	2421502	0	2421502	3.00	3.00
	<b>Sub-Total (A)(2)</b>	2	10492303	0	10492303	13.00	3	14518732	0	14518732	17.99	4.99
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	6	41633614	1064	41634678	51.58	6	26296285	0	26296285	32.58	-19.00
<b>(B)</b>	<b>Public shareholding</b>								0			
<b>(1)</b>	<b>Institutions</b>											
(a)	Mutual Funds/ UTI	4	1391458	2000	1393458	1.73	1	0	2000	2000	0.00	-1.73



Category code	Category of shareholder	No of shares held at the beginning of the year 31/03/2019					No of Shares held at the end of the year 31/03/2020					percentage Change during the Years
		Number of shareholders	Number of shares held in Dematerialised form	Number of shares held in Physical form	Total number of shares	Total share-holding as a percentage of total number of shares	Number of shareholders	Number of shares held in Dematerialised form	Number of shares held in Physical form	Total number of shares	Total share-holding as a percentage of total number of shares	
(b)	Financial Institutions/ Banks	6	826988	1600	828588	1.03	6	150081	1600	151681	0.19	-0.84
(c)	Central Government/ State Government(s)/ (IEPF Authority)	1	738313	0	738313	0.91	0	0	0	0	0.00	-0.91
(d)	Venture Capital Funds/Alternate Investment Fund	0	0	0	0	0.00	1	4110861	0	4110861	5.09	5.09
(e)	Insurance Companies	0	0	0	0	0.00			0			0.00
(f)	Foreign Portfolio Investors	24	3411387	0	3411387	4.23	20	8430239	0	8430239	10.44	6.21
(g)	Foreign Venture Capital Investors	0	0	0	0	0.00	0	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0	0.00	0	0	0	0	0.00	0.00
(i)	Any Other	0	0	0	0	0.00	0	0	0	0	0.00	0.00
	<b>Sub-Total (B)(1)</b>	<b>35</b>	<b>6368146</b>	<b>3600</b>	<b>6371746</b>	<b>7.90</b>	<b>28</b>	<b>12691181</b>	<b>3600</b>	<b>12694781</b>	<b>15.73</b>	<b>7.83</b>
<b>(2)</b>	<b>Non-institutions</b>											
(a)	Bodies Corporate	603	7932652	24201	7956853	9.86	495	8730172	24101	8754273	10.85	0.99
(b)	Individuals -											
	i. Individual shareholders holding nominal share capital up to ₹ 1 lakh.	51915	14989953	1302987	16292940	20.19	49678	14691683	1220913	15912596	19.71	-0.48
	ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	91	6756370	132447	6888817	8.53	110	13266098	101894	13367992	16.56	8.03
	NBFC Registered with RBI	1	466		466	0.00	1	466	0	466	0.00	0.00
(c)	Qualified Foreign Investor	0	0	0	0	0.00	0	0	0	0	0.00	0.00
(d)	Any Other											0.00
I	Trust & Foundations	2	2685	0	2685	0.00	1	50		50	0.00	0.00
ii	Cooperative Societies	1	20000	0	20000	0.02	1	25500	0	25500	0.03	0.01
iii	Educational Institutions	0	0	0	0	0.00	0	0	0	0	0.00	0.00
iv	Non Resident Individual	650	1548563		1548563	1.92	580	2861470	0	2861470	3.55	1.63
v	Foreign Companies	0	0	0	0	0.00			0			0.00
vi	OCBs	0	0	0	0	0.00			0			0.00
vii	IEPF Authority (Central Govt)						1	803335	0	803335	1.00	+1.00
	<b>Sub-Total (B)(2)</b>	<b>53263</b>	<b>31250689</b>	<b>1459635</b>	<b>32710324</b>	<b>40.52</b>	<b>50867</b>	<b>40378774</b>	<b>1346908</b>	<b>41725682</b>	<b>51.69</b>	<b>11.17</b>
	<b>Total Public Share-holding (B)= (B)(1)+(B)(2)</b>	<b>53298</b>	<b>37618835</b>	<b>1463235</b>	<b>39082070</b>	<b>48.42</b>	<b>50895</b>	<b>53069955</b>	<b>1350508</b>	<b>54420463</b>	<b>67.42</b>	<b>19.00</b>
	<b>TOTAL (A)+(B)</b>	<b>53304</b>	<b>79252449</b>	<b>1464299</b>	<b>80716748</b>	<b>100</b>	<b>50901</b>	<b>79366240</b>	<b>1350508</b>	<b>80716748</b>	<b>100</b>	
(C)	Shares held by Custodians and against which Depository Receipts have been issued			0					0			
(1)	Promoter and Promoter Group	0	0	0	0	0.00	0	0	0	0	0.00	
(2)	Public	0	0	0	0	0.00	0	0	0	0	0.00	
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>53304</b>	<b>79252449</b>	<b>1464299</b>	<b>80716748</b>	<b>100</b>	<b>50901</b>	<b>79366240</b>	<b>1350508</b>	<b>80716748</b>	<b>100</b>	



**TOURISM FINANCE CORPORATION OF INDIA LIMITED**

**(ii) Shareholding of Promoters**

Sl. No.		Shareholding at the beginning of the year (1.4.2019)			Cumulative Shareholding during the year (1.4.2019 to 31.3.2020)			% change in share holding during the year
		No. of shares	% of total shares of the company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of Shares Pledged / encumbered to total shares	
(i)	Redkite Capital Pvt. Ltd.	26481498	32.81	17.60	7955382	9.86	9.77	-22.95
(ii)	India Opportunities III Pte. Ltd	6456670	8.00		8061597	9.99		1.99
(iii)	Koppara Sajeeve Thomas	4035633	5.00		4035633	5.00		0.00
(iv)	IFCI Ltd.	786170	0.97		NIL	NIL		-0.97
(v)	Life Insurance Corporation of India	3013180	3.73		2960644	3.66		-0.07
(vi)	The Oriental Insurance Co. Ltd	861527	1.07		861527	1.07		0.00
(vii)	Tamaka Capital (Mauritius) Limited	NIL	NIL		2421502	3.00		3.00
	<b>Total Promoters Holding</b>	<b>41634678</b>	<b>51.58</b>	<b>17.60</b>	<b>26296285</b>	<b>32.58</b>		<b>-19.00</b>

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

S. No	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (31-03-19 to 31-03-20)	
		No of Shares at the Beginning (31-03-19) /end of the Year (31-03-20)	% of total shares of the Company				Shares	% of total shares of the Company
1	Redkite Capital Private Limited	26481498	32.81	20190330				
				20190816	-400000	Sale	26081498	32.32
				20190823	-2850000	Sale	23231498	28.79
				20190830	-1350000	Sale	21881498	27.11
				20190913	-3621502	Sale	18259996	22.63
				20190920	-298614	Sale	17961382	22.26
				20190927	-115000	Sale	17846382	22.11
				20191227	-2400000	Sale	15446382	19.14
				20191231	-1041000	Sale	14405382	17.85
				20191231	-1450000	Sale	12955382	16.05
				20200207	-2000000	Sale	10955382	13.57
				20200214	-3000000	Sale	7955382	9.86
		7955382	9.86	20200331				
2	Life Insurance Corporation of India	3013180	3.73	20190330				
				20191227	-16239	-16239	2996941	3.71
				20191231	-9236	-9236	2987705	3.7
				20200103	-27061	-27061	2960644	3.66
		2960644	3.66	20200331				
3	The Oriental Insurance Company Limited	861527	1.07	20190330				
		861527	1.07	20200331	NIL	NIL		
4	India Opportunities III PTE. Limited	6456670	8.00	20190330				
				20190823	471983	Purchase	6928653	8.58
				20190830	811264	Purchase	7739917	9.59
				20190906	259680	Purchase	7999597	9.91
				20190913	62000	Purchase	8061597	9.99
		8061597	9.99	20200331				
5	Koppara Sajeeve Thomas	4035633	5.00	20190330				
		4035633	5.00	20200331	NIL	NIL		
6	Tamaka Capital (Mauritius) Limited	NIL	NIL	20190330	2421502	Purchase	2421502	3.00
		2421502	3.00	20200331	NIL	NIL		



**TOURISM FINANCE CORPORATION OF INDIA LIMITED**

7	IFCI LTD	786170	0.97	20190330				
				20190920	-244479	Sale	541691	0.67
				20191004	-86843	Sale	454848	0.56
				20191122	-128561	Sale	326287	0.4
				20191129	-43225	Sale	283062	0.35
				20191206	-98003	Sale	185059	0.23
				20200103	-107431	Sale	77628	0.1
				20200221	-77628	Sale	Nil	Nil
		Nil	Nil	20200331				

(vi) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S.No	Name	Shareholding		Date (YY/MM/DD)	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (31-03-19 to 31-03-20)	
		No of Shares at the Beginning (31-03- 19) /end of the Year (31-03-20)	% of total shares of the Com- pany				Shares	% of total shares of the Company
1	Varanium Dynamic Trust	367023	0.45	20190330				
				20190823	200000	Purchase	567023	0.7
				20190906	30426	Purchase	597449	0.74
				20190913	23228	Purchase	620677	0.77
				20191101	5000	Purchase	625677	0.78
				20191108	40232	Purchase	665909	0.83
				20191122	10000	Purchase	675909	0.84
				20191129	40000	Purchase	715909	0.89
				20200327	3394952	Purchase	4110861	5.09
		4110861	5.09	20200331				
2	Varanium India Opportunity Ltd	1100867	1.36	20190330				
				20190823	475000	Purchase	1575867	1.95
				20190830	1340685	Purchase	2916552	3.61
				20191011	50000	Purchase	2966552	3.68
				20191108	20000	Purchase	2986552	3.7
				20191122	10000	Purchase	2996552	3.71
				20191129	10000	Purchase	3006552	3.72
				20191206	10000	Purchase	3016552	3.74
				20191213	10000	Purchase	3026552	3.75
				20191220	28751	Purchase	3055303	3.79
				20191227	46500	Purchase	3101803	3.84
				20191231	20000	Purchase	3121803	3.87
				20200103	20000	Purchase	3141803	3.89
				20200110	26000	Purchase	3167803	3.92
				20200117	25898	Purchase	3193701	3.96
				20200124	-39998	Sale	3153703	3.91
				20200228	10000	Purchase	3163703	3.92
				20200313	20000	Purchase	3183703	3.94
				20200320	572500	Purchase	3756203	4.65
		3756203	4.65	20200331				
3	The Indiaman Fund (Mauritius) Limited.	90825	0.11	20190330				
				20200103	2488013	Purchase	2578838	3.19
		2578838	3.19	20200331				





**TOURISM FINANCE CORPORATION OF INDIA LIMITED**

S.No	Name	Shareholding		Date (YY/MM/DD)	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (31-03-19 to 31-03-20)	
		No of Shares at the Beginning (31-03- 19) /end of the Year (31-03-20)	% of total shares of the Com- pany				Shares	% of total shares of the Company
4	Alpana Mundra	0	0	20190330				
				20190913	400000	Purchase	400000	0.5
				20190927	93840	Purchase	493840	0.61
				20190930	4365	Purchase	498205	0.62
				20191004	57406	Purchase	555611	0.69
				20191011	139673	Purchase	695284	0.86
				20191018	128329	Purchase	823613	1.02
				20191025	160660	Purchase	984273	1.22
				20191108	40000	Purchase	1024273	1.27
				20191122	54585	Purchase	1078858	1.34
				20191129	150000	Purchase	1228858	1.52
				20191206	247149	Purchase	1476007	1.83
				20191227	400000	Purchase	1876007	2.32
				20200103	300000	Purchase	2176007	2.7
				20200214	400000	Purchase	2576007	3.19
		2576007	3.19	20200331				
5	Vivek Mundra	0	0	20190330				
				20190705	127543	Purchase	127543	0.16
				20190920	164427	Purchase	291970	0.36
				20191206	200000	Purchase	491970	0.61
				20200214	1100000	Purchase	1591970	1.97
		1591970	1.97	20200331				
6	Vivek Mundra	627543	0.78	20190330				
				20190913	-227543	Sale	400000	0.5
				20190920	566904	Purchase	966904	1.2
				20190927	100000	Purchase	1066904	1.32
				20191227	500000	Purchase	1566904	1.94
		1566904	1.94	20200331				
7	Avro Commercial Company Private Limited	0	0	20190330				
				20191227	1200000	Purchase	1200000	1.49
		1200000	1.49	20200331				
8	DOVETAIL INDIA FUND CLASS 6 SHARES	0	0	20190330				
				20200207	1072000	Purchase	1072000	1.33
		1072000	1.33	20200331				
9	Anjana Projects Private Limited	0	0	20190330				
				20191122	50000	Purchase	50000	0.06
				20200110	50000	Purchase	100000	0.12
				20200207	772000	Purchase	872000	1.08
				20200214	156000	Purchase	1028000	1.27
		1028000	1.27	20200331				
10	Anirudh Damani	0	0	20190330				
				20200221	619542	Purchase	619542	0.77
				20200228	159080	Purchase	778622	0.96
				20200306	139186	Purchase	917808	1.14
				20200313	9692	Purchase	927500	1.15
		927500	1.15	20200331				



(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year 1.4.2019		Cumulative Shareholding during the year 1.4.2019 to 31.3.2020 end of the year 31.3.2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Shri S.Ravi	Nil	Nil	Nil	Nil
2	Shri Anirban Chakraborty%	Nil	Nil	Nil	Nil
3	Shri Suman Billa	Nil	Nil	Nil	Nil
4.	Shri Niraj Agarwal *	Nil	Nil	Nil	Nil
5	Shri S.Sridhar \$	Nil	Nil	Nil	Nil
6	Shri S.C.Sekhar	500	0.00	500	0.00
7	Shri K.B.Nagendra Murthy &	Nil	Nil	Nil	Nil
8.	Shri Rudhra Gangadharan ^	Nil	Nil	Nil	Nil
9.	Shri Bapi Munshi	Nil	Nil	Nil	Nil
10	Mrs. Thankom T.Mathew	Nil	Nil	Nil	Nil
11	Shri B.M.Gupta	Nil	Nil	Nil	Nil
12	Shri Naresh T. Jain #	Nil	Nil	Nil	Nil
13	Shri Shyam Maheshwari	Nil	Nil	Nil	Nil
14	Shri Koppa Sajeve Thomas	4035633	5%	4035633	5%
15	Shri R. K. Sood@	Nil	Nil	Nil	Nil
16.	Shri Anoop Bali, CFO	Nil	Nil	Nil	Nil
17.	Shri Sanjay Ahuja, CS	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in share holding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/sweat equity etc)	Nil	Nil	Nil	Nil

%appointed w.e.f. 15.4.2019

\* resigned w.e.f. 13.8.2019

\$ resigned w.e.f. 16.7.2019

& resigned w.e.f. 14.7.2019

^ resigned w.e.f. 27.6.2019

# resigned w.e.f. 9.3.2020

@appointed w.e.f. 30.9.2019

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in crore)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	545.14	781.50	NIL	1,326.64
ii) Interest due but not paid	Nil	Nil	NIL	Nil
iii) Interest accrued but not due	5.27	14.91	NIL	20.18
<b>Total (i+ii+iii)</b>	<b>550.41</b>	<b>796.41</b>	<b>NIL</b>	<b>1346.82</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	300.00	NIL	NIL	300.00
• Reduction	75.00	(100.00)	NIL	100.00
<b>Net Change</b>	<b>224.60</b>	<b>(100.00)</b>	<b>0.00</b>	<b>124.60</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	769.74	681.50	NIL	1451.24
ii) Interest due but not paid	Nil	Nil	NIL	Nil
iii) Interest accrued but not due	7.30	14.97	NIL	22.27
<b>Total (i+ii+iii)</b>	<b>777.04</b>	<b>696.47</b>	<b>NIL</b>	<b>1473.51</b>

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	(Amount in ₹)		
		Shri Anirban Chakraborty, Managing Director & CEO	Shri B.M.Gupta, Whole Time Director	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	19186139	5111903	24298042
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961		57402	57402
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	0	0	0
2	Stock Option	NIL	NIL	NIL



**TOURISM FINANCE CORPORATION OF INDIA LIMITED**

3	Sweat Equity	NIL	NIL	NIL
4	Commission	NIL	NIL	
	- as % of profit			
	- others, specify...			
5	Others - PLI	0	905313	905313
	- Medical	0	110692	110692
	- LFC			0
	- Leave Encashment	0	213237	213237
	- Household Reimb.	0	121000	121000
	- Contribution to PF	1107200	527277	1634477
	- Misc	558286		558286
	<b>Total</b>	<b>20851625</b>	<b>7046824</b>	<b>27898449</b>
	Ceiling as per the Act	5% of net profits of the Company Calculated as per section 198 of the Companies Act 2013		

**B. Remuneration to other Directors:**

Particulars of Remuneration	Name of Directors						Total Amount
	Shri S. Ravi	Shri S. Sridhar	Shri S.C. Sekhar	Shri K.B Nagendra Murthy	Shri Bapi Munshi	Mrs. Thanktom T. Mathew	
Independent Directors							
• Fee for attending board /committee meetings	5,19,200	1,88,800	6,60,800	94,400	4,24,800	4,48,400	23,36,400
• Commission	NIL	NIL	NIL	NIL	NIL	NIL	NIL
• Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Total (1)</b>	<b>5,19,200</b>	<b>1,88,800</b>	<b>6,60,800</b>	<b>94,400</b>	<b>4,24,800</b>	<b>4,48,400</b>	<b>23,36,400</b>
Other Non-Executive Directors	Shri Niraj Agarwal	Shri R.K.Sood					
• Fee for attending board / committee meetings	1,88,800	1,65,200					3,54,000
• Commission	NIL	NIL					NIL
• Others, please specify	NIL	NIL					NIL
<b>Total (2)</b>	<b>1,88,800</b>	<b>1,65,200</b>					<b>3,54,000</b>
<b>Total (B)=(1+2)</b>	<b>7,08,000</b>	<b>3,54,000</b>	<b>6,60,800</b>	<b>94,400</b>	<b>4,24,800</b>	<b>4,48,400</b>	<b>26,90,400</b>
<b>Total Managerial Remuneration</b>							
Ceiling as per the Act	1% of net profits of the Company Calculated as per section 198 of the Companies Act 2013						

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Shri Anoop Bali	Shri Sanjay Ahuja	Total Amount
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3636243	2811994	6448237
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	40000	71485	111485
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL
	- as % of profit			
	- others, specify...			
5	Others - PLI	525898	321782	847680
	- Medical	47743	57417	105160
	- LFC			
	- Leave Encashment	144515	110634	255149
	- Household Reimb	121000	87000	208000
	- Contribution to PF	365621	285657	651278
	- Arrears	21000	21000	42000
	- Misc			0
	<b>Total</b>	<b>4902020</b>	<b>3766969</b>	<b>8668989</b>
	Ceiling as per the Act	Not Applicable		



**C. REMUNERATION TO TOP TEN EMPLOYEES**

Sl. No.	Particulars of Remuneration	Shri Ajit Dash Choudhury	Shri Vasan Paulraj	Shri Anoop Bali	Ms. Charu Singh	Shri Rajiv Singh	Ms. Avantika Dhar	Shri Sanjay Ahuja	Shri N. Ramachandran	Shri A. Balaji	Mr. Parveen Ahuja	Total Amount
1	Gross salary											
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7870323	8902163	3636243	3275660	2632137	2824940	2811994	2612546	2403482	2392571	42837546
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961			40000	69137	89184	43509	71485	264825	67352	55314	700806
	(c) Profits in lieu of salary u/s 17(3) of Income Tax Act, 1962	-	-	-	-	-	-	-	-	-	-	-
2	Stock Option	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL		NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL		NIL	NIL
4	Commission	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL		NIL	NIL
	- as % of profit											
	- others, specify...											
5	Others - PLI			525898	429843	333789	290565	321782	3,21,782	206757	230531	2660947
	- Medical			47743	33372	0	87862	57417	0	73668	67154	367216
	- LFC											0
	- Leave Encashment			144515	126304	104593	116853	110634	1,12,523	92580	94645	902647
	- Household Reimb			121000	87000	87000	87000	87000	87000	58000	58000	672000
	- Contribution to PF	454165	513727	365621	330414	263385	279848	285657	285647	233874	243837	3468893
	- Arrears.	0	0	21000	42000	21000	42000	21000	0	42000		189000
	- Misc	187697	239586									515250
	<b>Total</b>	<b>8512185</b>	<b>9655476</b>	<b>4902020</b>	<b>4393730</b>	<b>3531088</b>	<b>3772577</b>	<b>3766969</b>	<b>3684323</b>	<b>3177713</b>	<b>3142052</b>	<b>52314305</b>
	Ceiling as per the Act	Not Applicable										

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD/NCLT / COURT]	Appeal made, if any (give Details)
<b>A.COMPANY/B.DIRECTORS/ C.OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL



**Form AOC-1**  
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
**Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures**  
**Part "A": Subsidiaries**  
(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	Sl. No.	1
2.	Name of the subsidiary	TFCI CAPITAL LIMITED (CIN: U74999DL2019PLC352536)
3.	The date since when subsidiary was acquired	12 <sup>th</sup> July, 2019
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period (Financial year ending on March 31, 2020)	From 12/07/2019 To 31/03/2020
5.	Reporting currency and Exchange rate as the last date of Financial year	Indian Rupees
6.	Share capital	₹ 500,000
7.	Reserves & surplus	--
8.	Total assets	₹ 500,000
9.	Total Liabilities	₹ 500,000
10.	Investments	--
11.	Turnover	--
12.	Profit/ (Loss) before taxation	--
13.	Provision for taxation	--
14.	Profit/ (Loss) after taxation	--
15.	Proposed Dividend	--
16.	Extent of shareholding (In percentage)	100%

**Notes:**

- Names of subsidiaries which are yet to commence operations : **TFCI CAPITAL LIMITED**
- Names of subsidiaries which have been liquidated or sold during the year: N.A.

(Anirban Chakraborty)  
Managing Director & CEO

(S.Ravi)  
Non-Executive Chairman

Date : June 04, 2020  
Place : New Delhi

(Sanjay Ahuja)  
Company Secretary

(Anoop Bali)  
Chief Financial Officer

(B.M. Gupta)  
Whole Time Director

**Form No. MR-3****Annexure 4****SECRETARIAL AUDIT REPORT****For the financial year ended 31<sup>st</sup> March, 2020**

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9  
of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To,  
The Members,  
**Tourism Finance Corporation of India Limited**  
4<sup>th</sup> Floor, Tower-1, NBCC Plaza, PushpVihar,  
Sector-5, Saket, New Delhi-110017

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Tourism Finance Corporation of India Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **Tourism Finance Corporation of India Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Tourism Finance Corporation of India Limited for the financial year ended on **31<sup>st</sup> March, 2020** according to the provisions of:

- The Companies Act, 2013 (the Act) and the rules made there under;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;



- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period)**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) (Amendment) Regulations, 2016; **(Not applicable to the Company during the Audit Period)** and
  - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**
- (vi) Having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:
  - (a) Recovery of Debts to Banks and Financial Institutions Act, 1993.
  - (b) The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.
  - (c) RBI Act, 1934 and the Rule & Regulations made thereunder.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, (erstwhile Listing Agreement) entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the Company obtained consent of shareholders by way of Special resolution in its Annual General meeting in respect of following matter:

- (i) Under Section 42, 71: For approval of invitation to subscribe to securities, including but not limited to bonds and non-convertible debentures, by way of private placement.

For NAVEEN NARANG & ASSOCIATES  
COMPANY SECRETARIES

(NAVEEN NARANG)

Place : Delhi  
Date : 10.07.2020

FCS: 6193

CP: 6621

UDIN: F006193B000438812

This report is to be read with our letter of even date, which is annexed as Annexure A and forms an integral part of this report.

**TOURISM FINANCE CORPORATION OF INDIA LIMITED****Annexure A**

To,  
The Members,  
**Tourism Finance Corporation of India Limited**  
4<sup>th</sup> Floor, Tower-1, NBCC Plaza, PushpVihar,  
Sector-5, Saket, New Delhi-110017

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis of our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Naveen Narang & Associates**  
Company Secretaries

(Naveen Narang)  
Proprietor

Membership No. 6193  
C.P. No. 6621

Place: Delhi  
Date: 10.07.2020

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015

**Annexure 4B**

To  
The Members,  
Tourism Finance Corporation of India Limited  
4<sup>th</sup> Floor, Tower-1, NBCC Plaza, PushpVihar,  
Sector-5, Saket, New Delhi-110017

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Tourism Finance Corporation of India Limited** having CIN L65910DL1989PLC034812 and having registered office at 4<sup>th</sup> Floor, Tower-1, NBCC Plaza, Pushp Vihar, Sector-5, Saket, New Delhi-110017 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31<sup>st</sup> March, 2020** has been debarred or disqualified from being appointed or continuing as Director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India or any such other Statutory Authority.

SR. NO.	NAME OF DIRECTOR	DIN	DATE OF APPOINTMENT IN COMPANY
1.	Mr. Sethurathnam Ravi	00009790	06/11/2013
2.	Mr. S. C. Sekhar	00024780	18/03/2015
3.	Mr. Suman Billa	00368821	15/03/2016
4.	Mr. Bapi Munshi	02470242	01/02/2018
5.	Mrs. Thankom T Mathew	00025326	24/10/2018
6.	Mr. Brij Mohan Gupta	00065035	25/01/2019
7.	Mr. Shyam Maheshwari	01744054	15/03/2019
8.	Mr. Koppara Sajeeve Thomas	08069585	15/03/2019
9.	Mr. Anirban Sudarshan Chakraborty	08402393	15/04/2019
10.	Mr. Ravinder Kumar Sood	07127966	30/09/2019

**For NAVEEN NARANG & ASSOCIATES**  
**COMPANY SECRETARIES**

(NAVEEN NARANG)  
FCS: 6193  
CP: 6621

Place : Delhi  
Date : 10.07.2020

UDIN: F006193B000438790



## MANAGING DIRECTOR & CEO / CHIEF FINANCIAL OFFICER CERTIFICATION

We, Anirban Chakraborty, Managing Director & CEO (MD & CEO) and Anoop Bali, Chief Financial Officer (CFO) of Tourism Finance Corporation of India Limited, certify to the Board that:

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- B. There are, to the best of our knowledge and belief, no transactions entered into by the company which are fraudulent, illegal or violative of the company's code of conduct.
- C. We accept the responsibility for establishing and maintaining internal controls for financial reporting 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:
- significant changes in internal control over financial reporting during the year;
  - significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - instances of significant fraud of which they 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.

Place : New Delhi  
Date : June 3, 2020

Sd/-  
**(Anoop Bali)**  
Chief Financial Officer

Sd/-  
**(Anirban Chakraborty)**  
Managing Director & CEO

## DECLARATION BY THE MANAGING DIRECTOR UNDER SEBI (LODR) REGULATIONS, 2015

I hereby confirm that all Board Members and Senior Management Personnel have confirmed compliance with Code of Conduct for Directors and Senior Management Personnel for the Financial Year ended March 31, 2020.

Place : New Delhi  
Date : June 04, 2020

**Anirban Chakraborty**  
Managing Director & CEO

## CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of  
**Tourism Finance Corporation of India Limited**

We have examined the compliance of conditions of Corporate Governance by Tourism Finance Corporation of India Limited for the year ended 31<sup>st</sup> March, 2020, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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. 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 according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 **NAVEEN NARANG & ASSOCIATES**  
**COMPANY SECRETARIES**

Place : New Delhi  
Date : July 10, 2020

(NAVEEN NARANG)  
FCS: 6193  
CP: 6621  
UDIN: F006193B000438801





## APPENDIX TO DIRECTORS' REPORT

### TYPE OF PROJECTWISE CLASSIFICATION OF FINANCIAL ASSISTANCE SANCTIONED

(₹ In Lakh)

Purpose	New		Expansion		Ren./Eq. Finance		Exp/Reno/ Acq./Restr.		Total	
	No	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
5 STAR HOTEL	0	0	0	0	0	0	4	20000	4	20000
	97	211875	17	18476	18	13208	52	152079	184	395638
4 STAR HOTEL	0	0	0	0	0	0	1	3500	1	3500
	61	110976	8	11857	6	2395	14	28990	89	154218
3 STAR HOTEL	2	2050	0	0	0	0	3	8000	5	10050
	286	206572	27	19862	14	5283	54	51697	381	283414
2 STAR HOTEL	0	0	0	0	0	0	1	1500	1	1500
	26	12568	1	388	1	90	3	1823	31	14869
HERITAGE	0	0	0	0	0	0	0	0	0	0
	17	3764	3	1030	2	425	2	586	24	5805
UNCLASSIFIED	0	0	0	0	0	0	0	0	0	0
	3	2710	0	0	1	24	3	7481	7	10215
AMUSEMENT PARK/ SHOPPING COMPLEX-CUM-ENT. CENTRE/ WATER PARK/MULTIPLEX/ ACTIVITY CENTRE/ INTIGRATED/ ROPEWAY/ CONVENTION CENTRE	0	0	0	0	1	150	0	0	1	150
	35	35483	5	2490	1	150	6	9692	47	47815
RESTAURANT	0	0	0	0	0	0	0	0	0	0
	17	6174	3	1835	4	509	2	1805	26	10323
TOURIST CARS/ COACHES	0	0	0	0	0	0	0	0	0	0
	2	241	7	17826	2	600	1	5000	12	23667
RTDC/PALACE ON WHEELS	0	0	0	0	0	0	0	0	0	0
	2	2150	0	0	1	1000	1	500	4	3650
OTHERS	0	0	0	0	0	0	0	0	0	0
	38	57835	21	50950	3	5273	28	72315	90	186373
INFRASTRUCTURE PROJECTS	1	5500	0	0	0	0	1	7000	2	12500
	10	36180	1	3000	0	0	4	14270	15	53450
TOTAL	3	7550	0	0	1	150	10	40000	14	47700
	594	686528	93	127714	53	28957	170	346238	910	1189437

Normal - Current Year (2019-2020)

**Highlighted - Cumulative**



# INDEPENDENT AUDITORS' REPORT

**To the Members of  
Tourism Finance Corporation of India Limited**

## **Report on the Financial Statements**

### **Opinion**

We have audited the financial statements of Tourism Finance Corporation of India Limited ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2020, and the statement of Profit and Loss, (statement of changes in equity) and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit, (changes in equity) and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of Matter**

We draw attention to Note 50 (11) to the financial statements, which describes the grant of moratorium benefit to its borrowers, which were SMA/overdue but standard as on 29<sup>th</sup> February, 2020 per Notifications on COVID-19 Regulatory Package dated 27<sup>th</sup> March, 2020 and 17<sup>th</sup> April, 2020 issued by Reserve Bank of India.

As further described in Note 59 to the financial statements, the extent to which the COVID -19 pandemic will have an impact on Company's performance is dependent on future developments, which are highly uncertain.

Our opinion on the financial statements is not modified in respect of the above matters.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in

India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure-A** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and 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 it appears from our examination of those books
- c) The Balance Sheet, the 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 aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts to the financial statements;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For **Suresh Chandra & Associates**  
Chartered Accountants  
Firm Reg. No: 001359N

**(Madhur Gupta)**  
Partner

Place: New Delhi  
Date : June 04, 2020

M.No.: 090205  
UDIN: 20090205AAAAAF7139



**Annexure- A**

The Annexure referred to in our Independent Auditors Report to the members of **Tourism Finance Corporation of India Limited** on the financial statements for the year ended 31<sup>st</sup> March 2020, we report that:

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Company has a regular system of physical verification of its fixed assets every year. Accordingly, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of immovable properties are held in the company's name.
- ii. The nature of the company's business/activities/transactions does not require it to hold inventories. Hence, the provisions of Clause 3(ii) of the Order are not applicable to the company.
- iii. The company has not granted any loan, secured or unsecured, to the companies, firms, and limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, the provisions of Clause, 3(iii) (a), (b) & (c) of the Order are not applicable to the Company.
- iv. There is no transaction during the year which attracts the provision of Section 185 & 186 of the companies Act, 2013.
- v. The Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and rules framed there under are not applicable to the Company.
- vi. According to Information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Companies Act, 2013 in respect of business carried out by the Company. Therefore, provisions of Clause 3(vi) of the Order are not applicable to the Company.
- vii. (a) The Company has been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, Income tax, service tax, cess and any other statutory dues as applicable to it with appropriate authorities.
- (b) According to the Information and explanations given to us, dues of Income tax, which have not been deposited on account of a dispute as at 31<sup>st</sup> March, 2020 are as follows:

Name of Statute	Assessment Year	Amount (In ₹)	Forum where the dispute Is pending
Income Tax	2008-09	1,38,51,455	ITAT, Delhi
Income Tax	2017-18	13,60,312	CIT (Appeal), Delhi

- viii. The Company has not defaulted in repayment of loans or borrowings to any financial institution/bank, Government or dues of debenture holders.
- ix. The company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised.
- x. To the best of our knowledge and according to the information and explanation given to us, no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year;
- xi. In our opinion and according to the information and explanation given to us, the company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act 2013
- xii. Since the company is not a Nidhi Company, therefore, provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. In our opinion and according to the information and explanation give to us, all the transactions with the related parties entered into by the company are in compliance with Sections 177 and 188 of Companies Act, 2013 and the details of which have been disclosed in the financial statements etc., as required by the applicable accounting standards;
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review;
- xv. The company has not entered into any non-cash transactions with directors or persons connected with him;
- xvi. The company is registered under section 45-IA of the Reserve Bank of India Act, 1934 as NBFC-SI-ND vide Registration No.:B.14.00005 dated 08.05.2009.

For **Suresh Chandra & Associates**  
Chartered Accountants  
Firm Reg. No: 001359N

**(Madhur Gupta)**

Partner

M.No.: 090205

UDIN: 20090205AAAAAF7139

Place: New Delhi  
Date : June 04, 2020



**"Annexure B" to the Independent Auditor's Report on the Financial Statements of Tourism Finance Corporation of India Ltd. Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph (f) of 'Report on Other Legal and Regulatory Requirements' section**

We have audited the internal financial controls over financial reporting of Tourism Finance Corporation of India Ltd ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the

Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2020, based on the reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Suresh Chandra & Associates**  
Chartered Accountants  
Firm Reg. No: 001359N

**(Madhur Gupta)**

Partner

M.No.: 090205

UDIN: 20090205AAAAAF7139

Place: New Delhi  
Date : June 04, 2020



**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2020**

(₹ in lakh)

Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
<b>ASSETS</b>					
<b>(1) Financial Assets</b>					
(i) Cash and cash equivalents	3	18,837.43		4,958.81	
(ii) Bank balances other than (i) above	4	223.14		219.51	
(iii) Receivables	5				
- Other Receivables		23.76		9.22	
(iv) Loans & Advances	6	1,76,188.60		1,64,670.15	
(v) Investments	7	21,854.41		31,807.17	
(vi) Other financial assets	8	2,167.61	2,19,294.95	2,643.22	2,04,308.08
<b>(2) Non-Financial Assets</b>					
(i) Current tax assets (Net)	9	1,792.84		1,830.58	
(ii) Deferred tax assets (Net)	10	704.89		723.38	
(iii) Property, Plant and Equipment	11	1,461.21		1,435.03	
(iv) Right of Use Assets	12	288.85		-	
(v) Other non-financial assets	13	304.58	4,552.37	240.00	4,228.99
<b>(3) Assets classified as held for sale</b>			530.99		530.99
<b>TOTAL ASSETS</b>		<b>2,24,378.31</b>		<b>2,09,068.06</b>	
<b>LIABILITIES AND EQUITY</b>					
<b>(1) Financial Liabilities</b>					
(i) Payables					
- Other Payables	14	457.10		144.85	
total outstanding dues of creditors other than micro enterprises and small enterprises					
(ii) Debt Securities	15	83,938.64		83,901.21	
(iii) Borrowings (Other than Debt Securities)	16	60,756.06		38,459.84	
(iv) Subordinate Liabilities	17	-		9,999.92	
(v) Other financial liabilities	18	3,627.59	1,48,779.39	2,653.53	1,35,159.35
<b>(2) Non-Financial Liabilities</b>					
(i) Provisions	19	170.47		156.71	
(ii) Other Non-financial liabilities	20	76.27	246.74	60.79	217.50
<b>(3) Equity</b>					
(i) Equity Share Capital	21	8,071.67		8,071.67	
(ii) Other Equity	22	67,280.51	75,352.18	65,619.54	73,691.21
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>2,24,378.31</b>		<b>2,09,068.06</b>	

The Notes No. 1 to 59 are integral part of these financial statements

for and on behalf of the Board

As per our report of even date  
for Suresh Chandra & Associates  
(Chartered Accountants)  
Firm Reg. No: 001359N

(Anirban Chakraborty)  
Managing Director & CEO

(S.Ravi)  
Non-Executive Chairman

(Madhur Gupta)  
Partner  
M.No.90205

(Sanjay Ahuja)  
Company Secretary

(Anoop Bali)  
Chief Financial Officer

(B.M. Gupta)  
Whole Time Director

Date : June 04, 2020  
Place : New Delhi

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020

(₹ in lakh)

Particulars	Note No.	Year Ended 31 March 2020	Year Ended 31 March 2019
<b>I. Revenue from Operations</b>			
(a) Interest income	23	24,022.53	21,160.09
(b) Dividend income	24	35.70	24.77
(c) Fees & commission income	25	1,049.09	474.20
(d) Net gain/(loss) on fair value changes	26	532.85	460.81
(e) Other operating income	27	635.00	875.00
		26,275.17	22,994.87
<b>II. Other Income</b>	28	290.80	634.75
<b>III. Total Income (I + II)</b>		<b>26,565.97</b>	<b>23,629.62</b>
<b>Expenses</b>			
(a) Finance costs	29	12,071.55	10,435.13
(b) Employee benefit expenses	30	1,409.50	1,063.32
(c) Depreciation	31	64.32	36.92
(d) Other expenses	32	875.30	730.34
(e) Provision for bad & doubtful debts/write off/impairment of investment"		2,400.00	-
<b>IV. Total Expenses</b>		<b>16,820.67</b>	<b>12,265.71</b>
V. Profit before exceptional items and tax (III - IV)		9,745.30	11,363.91
VI. Exceptional Items		-	-
VII. Profit/(loss) before tax (V-VI)		9,745.30	11,363.91
<b>VIII. Tax expense:</b>			
(a) Current Tax		1,625.00	2,450.00
(b) Deferred Tax		18.49	288.76
		1,643.49	2,738.76
<b>IX. Profit/(Loss) from continuing operations (VII - VIII)</b>		<b>8,101.81</b>	<b>8,625.15</b>
X. Profit/(Loss) from discontinuing operations		-	-
XI. Tax expense of discontinuing operations		-	-
<b>XII. Profit/(Loss) from Discontinuing operations (after tax) (X-XI)</b>		<b>-</b>	<b>-</b>
<b>XIII. Profit/(Loss) for the period (IX + XII)</b>		<b>8,101.81</b>	<b>8,625.15</b>
<b>XIV. Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plans		(42.17)	44.93
Less: Deferred Tax on above		-	-
(ii) Items that will be reclassified to profit or loss			
-Gain /(Loss) on change in fair valuation of investments in equity shares/debt instrument		179.62	(55.93)
<b>Other Comprehensive Income</b>		<b>137.45</b>	<b>(11.00)</b>
<b>XV. Total Comprehensive Income for the period (XIII + XIV)</b>		<b>8,239.26</b>	<b>8,614.15</b>
<b>XVI. Earnings per equity share :</b>			
(1) Basic		10.04	10.69
(2) Diluted		10.04	10.69

The Notes No. 1 to 59 are integral part of these financial statements

for and on behalf of the Board

As per our report of even date  
for Suresh Chandra & Associates

(Chartered Accountants)

Firm Reg. No: 001359N

(Anirban Chakraborty)  
Managing Director & CEO(S.Ravi)  
Non-Executive Chairman

(Madhur Gupta)

Partner  
M.No.90205(Sanjay Ahuja)  
Company Secretary(Anoop Bali)  
Chief Financial Officer(B.M. Gupta)  
Whole Time Director

Date : June 04, 2020

Place : New Delhi



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

(₹ in lakh)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax	9,745.30	11,363.91
<b>Adjustment for :</b>		
Gain/(Loss) under OCI Section	137.45	(11.00)
Depreciation & Amortisation	64.32	36.92
(Profit)/Loss On Sale of Assets	-	(0.18)
<b>Operating Cash before working capital changes</b>	<b>9,947.07</b>	<b>11,389.65</b>
<b>Adjustment for :</b>		
Decrease/(Increase) in Loans & Advances	(11,518.45)	(14,258.41)
Decrease/(Increase) in Investments	9,952.76	(1,662.98)
Decrease/(Increase) in Receivables	(14.54)	11.62
Decrease/(Increase) in Other Financial Assets	475.61	(228.67)
Decrease/(Increase) in Other Non-Financial Assets	(64.58)	(7.91)
Increase/(Decrease) in Payables	312.25	(4.55)
Increase/(Decrease) in Debt Securities	37.43	34.30
Increase/(Decrease) in Borrowings	22,296.22	1,957.35
Increase/(Decrease) in Subordinate Liabilities	(9,999.92)	11.57
Increase/(Decrease) in Other Financial Liabilities	974.06	(315.13)
Increase/(Decrease) in Provisions	13.76	(302.54)
Increase/(Decrease) in Other Non-Financial Liabilities	15.48	98.84
<b>Cash Generated from Operation</b>	<b>22,427.15</b>	<b>(3,276.86)</b>
Direct Tax Paid	(1,587.25)	(2,152.87)
<b>Net Cash Flow from Operating Activities</b>	<b>20,839.90</b>	<b>(5,429.73)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(62.74)	(2.74)
Acquisition of Right to Use Assets	(316.62)	-
Sale of Fixed Assets	-	0.18
<b>Net Cash used in Investing Activities</b>	<b>(379.36)</b>	<b>(2.74)</b>
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
Share Capital and Reserves	-	-
Payment of Dividend and Dividend Distribution Tax	(2,140.78)	(1,946.16)
Amortisation of Bond Issue Exp through Security Premium	(37.51)	(45.84)
Write-off by Utilisation of Reserve u/s 36(1)(viii) of Income Tax Act	(4,400.00)	-
<b>Net Cash used in Financing Activities</b>	<b>(6,578.29)</b>	<b>(1,992.00)</b>
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	13,882.25	(7,424.47)
Cash and Cash Equivalent at the Beginning of the Year	5,178.32	12,602.79
Cash and Cash Equivalent at the End of the Year	<b>19,060.57</b>	<b>5,178.32</b>
<b>COMPONENTS OF CASH AND CASH EQUIVALENTS</b>		
Cash in hand	0.31	0.08
Balance with Banks		
- Current Accounts	380.70	17.67
- Deposit Accounts (Bank Deposits & CD)	18,456.42	4,941.06
- Unclaimed Dividend Accounts	223.14	219.51
<b>Total Cash and Cash Equivalents (Note No. 3 &amp; 4)</b>	<b>19,060.57</b>	<b>5,178.32</b>

for and on behalf of the Board

As per our report of even date  
for Suresh Chandra & Associates  
(Chartered Accountants)  
Firm Reg. No: 001359N

(Madhur Gupta)  
Partner  
M.No.90205

Date : June 04, 2020  
Place : New Delhi

(Anirban Chakraborty)  
Managing Director & CEO

(Sanjay Ahuja)  
Company Secretary

(Anoop Bali)  
Chief Financial Officer

(S.Ravi)  
Non-Executive Chairman

(B.M. Gupta)  
Whole Time Director





STATEMENT OF CHANGES IN EQUITY

(₹ in lakh)

1 Equity Share Capital

Particulars	As at 31 March 2020	As at 31 March 2019
Balance at Beginning of the Year	8,071.67	8,071.67
Issued During year	-	-
Bought Back During year	-	-
Balance at End of the Year	8,071.67	8,071.67

2 Other Equity

Particulars	Reserve & Surplus						Equity Instruments through OCI	Total as at 31 March 2020	Total as at 31 March 2019
	Retained Earnings	Capital Reserve	Securities Premium Reserve	Special Reserve u/s 36(1) (viii) of the Income Tax Act 1961	Special Reserve u/s 45IC of RBI Act, 1934	General Reserve			
<b>Balance as at 01 April 2019</b>	7,262.68	11.55	6,308.94	20,605.33	11,756.07	18,920.04	754.93	65,619.54	59,747.39
Profit for the year	8,101.81	-	-	-	-	-	-	8,101.81	8,625.15
Other Comprehensive Income	(42.17)	-	-	-	-	-	179.62	137.45	(11.00)
<b>Total Comprehensive Income for the year</b>	<b>15,322.32</b>	<b>11.55</b>	<b>6,308.94</b>	<b>20,605.33</b>	<b>11,756.07</b>	<b>18,920.04</b>	<b>934.55</b>	<b>73,858.80</b>	<b>68,361.54</b>
<b>Add: Transfer to reserve during the period</b>	-	-	-	2,250.00	1,621.00	2,200.00	-	6,071.00	5,905.00
<b>Add: Reclassification of Realised gain from OCI to reserves</b>	106.99	-	-	-	-	-	(106.99)	-	-
<b>Less: Appropriations</b>									
- Transfer to general Reserve	(2,200.00)	-	-	-	-	-	-	(2,200.00)	(2,200.00)
- Transfer to Special Reserve under Section 36(1)(viii) of the Income Tax Act 1961	(2,250.00)	-	-	-	-	-	-	(2,250.00)	(1,980.00)
- Provision Under Section 45 IC of RBI Act, 1934	(1,621.00)	-	-	-	-	-	-	(1,621.00)	(1,725.00)
- Payment of Dividend (incl tax thereon)	(2,140.78)	-	-	-	-	-	-	(2,140.78)	(1,946.16)
- Provision u/s 36(1)(viii)(c) of the Income Tax Act 1961	-	-	-	-	-	-	-	-	(750.00)
<b>Less: Adjustments/withdrawal</b>									
- Amortisation of transaction cost of bonds	-	-	(37.51)	-	-	-	-	(37.51)	(45.84)
- Utilised/Withdrawn from Reserve u/s 36(1)(viii)	-	-	-	(4,400.00)	-	-	-	(4,400.00)	-
<b>Balance as at 31 March 2020</b>	<b>7,217.53</b>	<b>11.55</b>	<b>6,271.43</b>	<b>18,455.33</b>	<b>13,377.07</b>	<b>21,120.04</b>	<b>827.56</b>	<b>67,280.51</b>	<b>65,619.54</b>

for and on behalf of the Board

As per our report of even date for Suresh Chandra & Associates

(Chartered Accountants)

Firm Reg. No: 001359N

(Madhur Gupta)

Partner

M.No.90205

Date : June 04, 2020

Place : New Delhi

(Anirban Chakraborty)  
Managing Director & CEO

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Company Secretary

(Anoop Bali)  
Chief Financial Officer

(S.Ravi)  
Non-Executive Chairman

(B.M. Gupta)  
Whole Time Director

**NOTES FORMING PART OF FINANCIAL STATEMENTS****Financial Statements for Year Ended 31 March 2020****1 Corporate Information**

Tourism Finance Corporation of India Ltd.(TFCI) has been set-up as an All-India Financial Institution, pursuant to the recommendations of “National Committee on Tourism” set-up under the aegis of Planning Commission in 1988. TFCI provides financial assistance by way of rupee term loan, corporate loan and subscription to debentures/equity mainly to tourism sector comprising hotels, resorts, restaurants, food courts, amusement parks, ropeways, multiplexes, etc. and in a limited way to other sectors such as infrastructure, manufacturing, real-estate etc., within the scope of its activities.

**2. Significant Accounting Policies****2.1 Functional and Presentation Currency**

These financial statements are presented in Indian Rupees, the national currency of India, which is the functional currency of the Company.

**2.2 Basis of adoption of Financial Statements**

The financial statements are prepared effective from FY 2018-19 in accordance with Indian Accounting Standards (Ind-AS) notified under Companies (Indian Accounting Standards) Rules, 2015 and as amended further. The Financial Statements are prepared under historical cost convention from the books of accounts maintained on accrual basis except for certain financial instruments (refer note 2.11) which are measured at fair value. Further, the Company continues to follow the Reserve Bank of India (RBI) Directions issued for Non-Banking Financial Companies (NBFC) with respect to preparation & presentation of accounts.

The company has adopted all the Ind-AS standards and the adoption was carried out for the first time in accordance with Ind-AS 101 (first time adoption of Indian Accounting Standard) for the year ended March 31, 2019. The company prepared its financial statements in accordance with IGAAP, including Accounting Standards notified under the company (Accounting Standards) rules 2016 as amended, since incorporation and including the year ended 31<sup>st</sup> March 2018. The transition was carried out for the first time by preparing the financial statements for the year ending March 31, 2019 as per Ind-AS.

**2.3 Use of Estimation, Assumption and Judgement**

The key assumption, judgement and estimation at the reporting date, that have significant risk, causing the material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The

company based its assumption, judgement and estimation on parameters available on the date when financial statement were prepared. Existing circumstances and assumption about future development, however, may change due to the market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumption when they occur. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

**2.4 Exceptions****Derecognition of financial assets and liabilities**

The Company has applied Para B2, which permit first-time adopter to apply de-recognition requirements in Ind-AS 109 prospectively for transactions occurring on or after the date of transition to Ind-AS.

**Classification & measurement of financial assets:**

The Company has followed classification and measurement of financial assets in accordance with Ind-AS 109 and classification of Financial Instruments have been made on the basis of facts and circumstances that existed at the date of transition to Ind-AS.

**Estimates**

The Company made estimates for following items in accordance with Ind-AS:

- Investment in equity instruments carried at FVTPL or FVTOCI;
- Investment in debt instruments carried at FVTPL; and
- Impairment of financial assets based on expected credit loss model

**2.5 Cost for Property, Plant & Equipment and Intangible Assets**

The company has availed exemption under para D7AA of appendix D to Ind-AS 101 which permits a first time adopter to continue with the carrying values for its PPE and intangible assets as at date of transition to Ind-AS measured as per previous IGAAP.

The cost of an item of **Property, Plant & Equipment**, comprises its purchase price, including import duties and non-refundable taxes after deducting trade discounts/rebates and including any directly attributable expenditure to bring the PPE to the location and making it ready for its intended use. Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the items will flow to the entity



and the cost of the item can be reliably measured. Gains or losses arising from de-recognition of items of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized. Major repairs and/or renovation expenditure are capitalized under IndAS-16 as replacement costs.

An **Intangible Asset** is recognized where it is probable that the future economic benefits attributable to the asset will flow to the company. Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. These assets are amortized on the basis of Straight Line Method over a period of 10 years or its useful life, whichever is lower

## 2.6 Revenue Recognition

For recognition of revenue, the Company adopts the accrual basis except where there is uncertainty as to collection. Revenue is measured at fair value of the consideration received or receivable. Interest income is recognized on a time proportion basis, using the effective interest rate method (EIR) except in case of income on 'Non-Performing Assets' which is recognized on realization basis.

Dividend Income is recognized on right to receive basis. Consultancy Income is recognized on actual receipt basis.

Revenue from lease rentals are recognised on a time proportion basis from the commencement date, as prescribed in the lease agreement entered with the lessee.

## 2.7 Depreciation

The depreciable amount of an item of PPE is allocated on a straight line basis over its useful life as prescribed under Schedule II to the Companies Act, 2013.

Each part of an item of PPE with a cost that is significant in relation to the total cost of the asset and useful life of that part is different from remaining part of the asset; such significant part is depreciated separately.

Depreciation on additions to/deductions from PPE during the year is charged on pro-rata basis from the month of such addition or as the case may be up to the month in which such PPE is sold, discarded, demolished or destroyed.

## 2.8 Assets held for Sale

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for

sale' when all of the following criteria's are met:

- Decision has been made to sell,
- The assets are available for sale in its present condition,
- The assets are being actively marketed, and
- Sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortized.

## 2.9 Impairment - PPE and Intangible Assets

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized immediately in statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recoverable amount is the higher of fair value less costs of disposal or value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

At the end of each reporting year, the company reviews the carrying amounts of its tangible, intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

## 2.10 Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). All of the Company's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties.

Investment properties are measured initially at cost, including transaction costs. After initial recognition, the company measures investment property at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties to be depreciated in accordance to the class of asset that it belongs and



the life of the asset shall be as conceived for the same class of asset by the Company.

Though investment property is measured using cost model, the fair value of investment property is disclosed in the notes to accounts.

## 2.11 Financial instruments

### 2.11.1 Financial Assets

The Company shall classify financial assets measured at amortized cost, fair value through other comprehensive income (FVTOCI) or fair value through Statement of Profit and Loss(FVTPL) on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument and are initially recognised at fair value and directly attributable transaction costs towards acquisition or issue of the financial asset are added to or deducted from the fair value on initial recognition except for financial assets which are recognised at fair value through profit and loss.

For the purposes of subsequent measurement financial assets are classified in the following categories:

- Amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest
- Fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and/or interest but also from the sale of such assets.
- Fair value through profit or loss (FVTPL), where the financial assets are not classified either at amortized cost or FVTOCI.

Financial Assets include Investments in equity/preference share, Bonds/debentures or Security receipts, Loans, Security Deposits, Cash & cash equivalents etc.

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired.

In case of short-term financial assets, carrying value is considered to be its fair value.

### 2.11.2 Impairment

The Company as permitted by Ind-AS 101, has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk as at the year end.

The Company at each reporting year end tests a financial asset or a group of financial assets (other than financial assets held at fair value through profit or loss) for impairment based on evidence or information that is available without undue cost or effort. Expected credit loss (ECL) is assessed and impairment loss recognized if the credit risk of the financial asset is significantly increased.

The impairment losses and reversals are recognized in statement of profit and loss.

Impairment model under IndAS-109 applies to financial instruments as listed below:

- Financial assets that are debt instruments measured at Amortized Cost (AC)
- Equity investments are measured at Fair Value Through Other Comprehensive Income (FVTOCI)
- Loan commitments not measured at FVTPL (Fair Value Through Profit and Loss)
- Financial guarantee contracts issued in the scope of Ind AS 109 not measured at FVTPL
- Lease receivables in the scope of Ind AS 17.

However, investments in equity shares and financial instruments measured at FVTPL are out of the scope of ECL.

The Company shall at each reporting year test loans given to companies for impairment as per Ind AS- 109 and Impairment Loss/ECL if any shall be charged to Profit & Loss Account. The company can however utilize the provision made under section 36(i)(viii) to write off/ provide for impairment loss. All credit exposures shall be grouped into 3 categories namely Stage-1, Stage-2



and Stage-3 exposures as enumerated below:

Loan Category (As per Ind-AS 109)	Category	Description of category	Basis for recognition of expected credit loss provision on Category of Loan
Stage 1	Standard Assets (with no overdue or default upto 30 days)	Assets where there has been no significant increase in credit risk since initial recognition.	Stage 1 ECL
Stage 2	- Standard Assets (with overdue between 31 days to 90 days)	Assets where there has been a significant increase in credit risk since initial recognition	12 months ECL
Stage 3	- Non-Performing Assets - Non-Performing Restructured Assets	Impaired Asset with increased credit risk	Lifetime ECL

Wherever relaxations in contractual terms have been granted pursuant to regulatory guidelines, such amendment in terms of original sanction would be outside the scope of restructuring.

ECL shall be calculated based on past ten years' data as follows:

$ECL = \text{Exposure at Default at various stages (EAD)} \times \text{Probability of Default (PD)} \times \text{Loss given Default (LGD)}$

All credit exposure shall also be classified into performing and non-performing assets as per RBI guidelines applicable to Non-Banking Financial Companies (NBFCs). The company shall also compute general provision for standard asset and specific provision for sub-standard, doubtful & loss assets as per applicable guidelines and compared the same with Impairment Loss/ECL as per Ind-AS. In case, Impairment Loss is lower than provisions required as per RBI guidelines then difference shall be appropriated from PAT to a separate Impairment Reserve, which shall not be reckoned for regulatory capital.

### 2.11.3 Derecognition

Financial assets are derecognized when the contractual right to receive cash flows from the financial assets expires, or transfers the contractual rights to receive the cash flows from the asset. However, the company can also derecognize the asset in case the management feels that the chances of recovery are fairly remote.

### 2.11.4 Financial Liability

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. The subsequent measurement of financial liabilities depends on their classification, as described below:

Amortized costs, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

- Fair value through statement of Profit and loss, include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through Statement of Profit and Loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

The carrying value of financial liability is considered to be its fair value in case of Short Term.

## 2.12 Employee Benefits

### 2.12.1 Defined Contribution Plan Employees Provident Fund:

In terms of the Employees Provident and Miscellaneous Provisions Act, 1952,



TFCI contributes at the rate of 12% of PF applicable salary (consisting basis salary, dearness allowance & other retaining allowances) payable to each employee covered under the scheme. An equal & matching contribution is payable by each employee. Both employer & employees contributions are deposited with EPFO within the prescribed time period on monthly basis. The entire employer contribution deposited with EPFO is recognized in the financial statement as Employees Benefit Expenses.

#### 2.12.2 Defined Benefit Plan

##### **Gratuity:**

TFCI's gratuity policy provides for 15 days salary for each completed year or part thereof in excess of six months on separation of any employee from TFCI, on retirement or otherwise, after completion of 5 years of continuous services. However, in case of completion of minimum service of 10 years, the gratuity shall be payable @ one month salary for each completed year or part thereof in excess of six months limited to maximum ₹20.00 lakh or maximum amount provided under the Payment of Gratuity Act whichever is higher. Further, in case of employment for more than 20 years in TFCI, in addition to above, gratuity shall also be admissible to a sum equal to half month's salary in respect of each year of service or part thereof in excess of six months of service over & above 20 years. As per actuarial valuation, the expense has been recognized in the financial statement as Employees Benefit Expenses.

##### **Leave Encashment:**

TFCI's policy provides for accrual of 1 day of ordinary leave for each 11 days of duty rendered by him/her subject to accumulation of maximum 300 days (ten months). No further ordinary leave can be earned by an employee after he/she has credit of maximum number of the leave. TFCI's ordinary leave policy also provides for encashment of 15 days of such leave in year which is fully taxable. As per actuarial valuation, the expense has been recognized in the financial statement as Employees Benefit Expenses.

Gains/losses due to actuarial revaluation have been shown as other comprehensive income.

#### 2.13 Taxation

Tax expense for the period comprises current tax and deferred tax. Tax recognised in statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity in which case the tax is also recognised in other comprehensive income or equity.

##### 2.13.1 Current Tax

Current tax is the expected tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provision of the Income Tax Act, 1961 and the other applicable tax laws.

##### 2.13.2 Deferred Tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding amounts used for taxation purpose, at the end of the year.

#### 2.14 Lease

In compliance with Ind AS-116 effective from 1<sup>st</sup> April 2019 as notified by MCA, the Company assesses at the time of contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right of use of an identified asset for a period of time in exchange for consideration, the same is considered as lease.

##### 2.14.1 Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets which are charged to Profit on straight line basis. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### (i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any re-measurement of lease



liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the estimated useful lives of the assets. The right-of-use assets are also subject to impairment.

**(ii) Lease liabilities**

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in

an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

**(iii) Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to those leases that have a lease term of 12 months or less. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. The underlying asset is considered of low value if the lessee can benefit from use of the asset on its own or together with other available resources and the underlying asset is not highly dependent on, or highly inter-related with, other assets. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

**2.14.2 Company as a lessor**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership of the Company is classified as a finance lease.

Lease income from operating leases is recognized in income on a straight-line basis over the lease term of relevant lease.

**2.15 Cash and cash equivalents**

Cash comprises of cash on hand, demand deposits with banks. The Company considers cash equivalents as all short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

**2.16 Borrowing Costs**

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset that necessarily takes a substantial period of time to get ready for its intended use



or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

## **2.17 Provisions, Contingent Liabilities and Contingent Assets**

### **2.17.1 Provisions**

A provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are determined based on the best estimate required to settle the obligation at the Balance Sheet date.

### **2.17.2 Contingent Liabilities**

Contingent liabilities are not recognized but disclosed in Notes when the company has possible obligation due to past events and existence of the obligation depends upon occurrence or non-occurrence of future events not wholly within the

control of the company. Contingent liabilities are assessed continuously to determine whether outflow of economic resources have become probable. If the outflow becomes probable, then relative provision is recognized in the financial statements.

### **2.17.3 Contingent Assets**

Contingent Assets are not recognized but disclosed in Notes which usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits.

Contingent assets are assessed continuously to determine whether inflow of economic benefits becomes virtually certain, then such assets and the relative income will be recognized in the financial statement.

## **2.18 Earnings per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.





NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	As at 31 March 2020		As at 31 March 2019	
<b>3</b>	<b>Cash and Cash Equivalents</b>				
	Cash in hand		0.31		0.08
	Balances with Banks				
	- Current Account		380.70		17.67
	- Deposit Account (remaining maturity less than 3 months)		18,456.42		-
	Certificate of Deposits		-		4,941.06
	<b>TOTAL</b>		<b>18,837.43</b>		<b>4,958.81</b>
<b>4</b>	<b>Bank balances other than (I) above</b>				
	Balance in unclaimed dividend accounts		223.14		219.51
	<b>TOTAL</b>		<b>223.14</b>		<b>219.51</b>
<b>5</b>	<b>Receivables</b>				
	Other Receivables		23.76		9.22
	<b>TOTAL</b>		<b>23.76</b>		<b>9.22</b>
<b>6</b>	<b>Loans &amp; Advances</b>	<b>As at 31 March 2020</b>		<b>As at 31 March 2019</b>	
	<b>I. Secured (Considered Good)</b> (Secured by Mortgage/Hypothecation of Assets)				
	(a) Loan to Companies/LLP.	1,79,354.14		1,69,381.62	
	Less: unamortised Upfront fee received	(374.09)	1,78,980.05	(315.03)	1,69,066.59
	(b) Loan to Employees	403.33		500.19	
	Less: Deferred Employee Benefit Cost	(159.50)	243.83	(206.86)	293.33
	<b>II. Unsecured (Considered Good)</b>				
	(a) Loan to Employees		40.52		35.76
	<b>III. Gross Loans &amp; Advances (I + II)</b>		<b>1,79,264.40</b>		<b>1,69,395.68</b>
	<b>IV. Impairment loss allowance (Expected Credit Loss)</b>				
	- On standard loans (Stage 1 & Stage 2)	1,483.80		774.00	
	- On sub-standard/ Doubtful loans (Stage 3)	1,592.00	3,075.80	3,951.53	4,725.53
	<b>V. Net Loans &amp; Advances (III - IV)</b>		<b>1,76,188.60</b>		<b>1,64,670.15</b>
	<b>Breakup of Gross Loans &amp; Advances (at III above)</b>				
	Loans Within India				
- Public Sector		-		-	
- Others		1,79,264.40		1,69,395.68	
Less: Impairment loss allowance (as per IV above)		3,075.80		4,725.53	
Total - Net (as per V above)		1,76,188.60		1,64,670.15	



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

	Investments	Face Value	As at 31 March 2020					As at 31 March 2019						
			No's	Amortised Cost	At Fair Value		Cost	Total	No's	Amortised Cost	At Fair Value		Cost	Total
					Through OCI	Through P/L					Through OCI	Through P/L		
7	<b>Investments</b>													
	<b>I. Debt securities:-</b>													
	<b>a) Investment in bonds/debentures (measured at amortised cost)</b>													
	8.76% IFCI Ltd - Tax Fee Bonds - Series I	10,00,000	500	5,000.50	-	-	-	5,000.50	500	5,000.50	-	-	-	5,000.50
	9.40% IFCI Ltd - Bonds (NCD) - Series III	1,000	150000	1,500.00	-	-	-	1,500.00	150000	1,500.00	-	-	-	1,500.00
	10.49% Bank of Baroda (Vijaya Bank) Series(IV) Perpetual Bonds	10,00,000	250	2,527.61	-	-	-	2,527.61	250	2,527.61	-	-	-	2,527.61
	11.25% Canara Bank (Syndicate Bank) Perpetual Bonds	10,00,000	250	2,594.04	-	-	-	2,594.04	250	2,594.04	-	-	-	2,594.04
	10.99% Union Bank of India (Andhra Bank) Series(III) Perpetual Bonds	10,00,000	200	2,054.86	-	-	-	2,054.86	200	2,054.86	-	-	-	2,054.86
	10.90% Punjab & Sind Bank Perpetual Bonds	10,00,000	100	-	-	-	-	-	100	3,488.07	-	-	-	3,488.07
	10.00% Cox & Kings Ltd	10,00,000	500	1,650.00	-	-	-	1,650.00	500	5,000.00	-	-	-	5,000.00
	<b>b) Investment in bonds/debentures (measured at fair value through P&amp;L)</b>													
	8.95% Food Corporation Of India 2029	-	-	-	-	-	-	-	200	-	-	2,038.10	-	2,038.10
	9.10% Power Finance Corporation 2029	-	-	-	-	-	-	-	200	-	-	2,007.50	-	2,007.50
	8.97% REC Ltd 2029	-	-	-	-	-	-	-	100	-	-	1,002.50	-	1,002.50
	<b>c) Investment in mutual funds (measured at fair value through P&amp;L)</b>													
	Tata Mutual Fund	-	-	-	-	62.00	-	62.00	-	-	-	-	-	-
	<b>Sub total-I</b>			<b>15,327.01</b>	<b>-</b>	<b>62.00</b>	<b>-</b>	<b>15,389.01</b>		<b>22,165.08</b>	<b>-</b>	<b>5,048.10</b>	<b>-</b>	<b>27,213.18</b>
	<b>II. Equity &amp; Preference shares:-</b>													
	<b>a) Investment in Equity instruments (measured at fair value through OCI)</b>													
	Cross Country Hotels Ltd.	10	250000	-	24.63	-	-	24.63	250000	-	24.63	-	-	24.63
	Balaji Hotels Ltd.	-	-	-	-	-	-	-	170000	-	255.00	-	-	255.00
	Hotel Parag Ltd.	-	-	-	-	-	-	-	726258	-	72.63	-	-	72.63
	Assets Care & Reconstruction Enterprise Ltd.	10	2856000	-	473.28	-	-	473.28	2856000	-	473.28	-	-	473.28
	Shell Inn International Limited	10	6741064	-	674.11	-	-	674.11	8667064	-	866.71	-	-	866.71
	<b>b) Investment in Equity instruments (measured at fair value through P&amp;L)</b>													
	Viceroy Hotels Ltd.	10	200000	-	-	200.00	-	200.00	200000	-	-	200.00	-	200.00
	Punjab Woolcombers Ltd.	10	2500	-	-	0.22	-	0.22	2500	-	-	0.22	-	0.22
	<b>c) Investment in Subsidiary (measured at cost)</b>													
	TFCI Capital Ltd (100% Subsidiary)	10	50000	-	-	-	5.00	5.00	0	-	-	-	-	-
	<b>Subtotal-II</b>			<b>-</b>	<b>1,172.02</b>	<b>200.22</b>	<b>5.00</b>	<b>1,377.24</b>		<b>-</b>	<b>1,692.25</b>	<b>200.22</b>	<b>-</b>	<b>1,892.47</b>



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Investments	Face Value	As at 31 March 2020						As at 31 March 2019					
		No's	Amortised Cost	At Fair Value		Cost	Total	No's	Amortised Cost	At Fair Value		Cost	Total
				Through OCI	Through P/L					Through OCI	Through P/L		
<b>III. Other approved securities:-</b>													
<b>a) Investment in Security Receipts (measured at fair value through P&amp;L)</b>													
Assets Care & Reconstruction Enterprise Ltd 2014-15 - V - Trust Security Receipts (In case of Loan of Kamath Hotels Ltd)	1,00,000	2393	-	-	2,393.00	-	2,393.00	2618	-	-	2,618.00	-	2,618.00
Assets Care & Reconstruction Enterprise Ltd- 93 Trust (in case of assigned loan of Adlabs Entertainment Ltd)	1	349027521	-	-	3,490.27	-	3,490.27		-	-	-	-	-
<b>Subtotal-III</b>			-	-	<b>5,883.27</b>	-	<b>5,883.27</b>		-	-	<b>2,618.00</b>	-	<b>2,618.00</b>
<b>Gross Investments (Subtotal I+II+III).... (A)</b>			<b>15,327.01</b>	<b>1,172.02</b>	<b>6,145.49</b>	<b>5.00</b>	<b>22,649.52</b>		<b>22,165.08</b>	<b>1,692.25</b>	<b>7,866.32</b>	-	<b>31,723.65</b>
(i) Investment outside India			-	-	-	-	-		-	-	-	-	-
(ii) Investment in India			15,327.01	1,172.02	6,145.49	5.00	22,649.52		22,165.08	1,692.25	7,866.32	-	31,723.65
<b>Total Gross (B)</b>			<b>15,327.01</b>	<b>1,172.02</b>	<b>6,145.49</b>	<b>5.00</b>	<b>22,649.52</b>		<b>22,165.08</b>	<b>1,692.25</b>	<b>7,866.32</b>	-	<b>31,723.65</b>
<b>Add: Appreciation in value of investments:-</b>													
Assets Care & Reconstruction Enterprise Ltd.			-	352.96	-	-	352.96		-	273.44	-	-	273.44
Shell Inn International Limited.			-	474.57	-	-	474.57		-	481.45	-	-	481.45
Tata Mutual Fund			-	-	0.23	-	0.23		-	-	-	-	-
8.95% Food Corporation Of India 2029			-	-	-	-	-		-	-	0.30	-	0.30
9.10% Power Finance Corporation 2029			-	-	-	-	-		-	-	0.70	-	0.70
8.97% REC Ltd 2029			-	-	-	-	-		-	-	0.70	-	0.70
<b>Sub total (A)</b>			-	<b>827.53</b>	<b>0.23</b>	-	<b>827.76</b>		-	<b>754.89</b>	<b>1.70</b>	-	<b>756.59</b>
<b>Less: Allowance for Impairment loss</b>													
Cross Country Hotels Ltd.			-	24.62	-	-	24.62		-	24.62	-	-	24.62
Balaji Hotels Ltd.			-	-	-	-	-		-	255.00	-	-	255.00
Hotel Parag Ltd.			-	-	-	-	-		-	72.63	-	-	72.63
Assets Care & Reconstruction Enterprise Ltd 2014-15 - V - Trust Security Receipts			-	-	358.95	-	358.95		-	-	130.90	-	130.90
Assets Care & Reconstruction Enterprise Ltd- 93 Trust			-	-	1,040.80	-	1,040.80		-	-	-	-	-
Viceroy Hotels Ltd.			-	-	198.28	-	198.28		-	-	189.70	-	189.70
Punjab Woolcombers Ltd.			-	-	0.22	-	0.22		-	-	0.22	-	0.22
Debt Oriented Mutual Funds			-	-	-	-	-		-	-	-	-	-
<b>Sub total (B)</b>			-	<b>24.62</b>	<b>1,598.25</b>	-	<b>1,622.87</b>		-	<b>352.25</b>	<b>320.82</b>	-	<b>673.07</b>
<b>Total Investment - Net</b>				<b>15,327.01</b>	<b>1,974.93</b>	<b>4,547.47</b>	<b>5.00</b>	<b>21,854.41</b>		<b>22,165.08</b>	<b>2,094.89</b>	<b>7,547.20</b>	<b>31,807.17</b>

Note1: - Fair value of unquoted equity investment in Assets Care & Reconstruction Enterprise Ltd is based on its last published book value discounted @15%.

Note2: - Fair value of project related unquoted equity investment in Shell Inn International Limited is based on DSV of fixed assets net of outstanding debt discounted @15%.

Note3: - Investment in NCD of Cox & Kings Ltd is Net of Write-off of ₹3,350.00 Lakh as on 31 March 2020.



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	As at 31 March 2020		As at 31 March 2019	
<b>8</b>	<b>Other Financial Assets</b>				
	Interest accrued on investment		377.92		1,016.25
	Interest & Other Charges accrued and due on loans and advances		746.93		719.58
	Interest accrued but not due on loans and advances		996.73		888.19
	Legal Charges Recoverable		17.45		14.73
	Security Deposits	38.17		4.47	
	Less:- Fair value adjustment	(9.59)	28.58	-	4.47
	<b>TOTAL</b>		<b>2,167.61</b>		<b>2,643.22</b>
<b>9</b>	<b>Current Tax Assets (Net)</b>				
	Advance Income Tax & TDS (Net of Provision for Taxation)		1,792.84		1,830.58
	<b>TOTAL</b>		<b>1,792.84</b>		<b>1,830.58</b>
	<b>Yearwise details of Current Tax Assets</b>				
	Advance Tax & TDS				
	- F.Y. 1994-95		609.04		609.04
	- F.Y. 1995-96		934.32		934.32
	- F.Y. 1996-97		761.17		761.17
	- F.Y. 1997-98		655.12		655.12
	- F.Y. 1998-99		432.18		432.18
	- F.Y. 1999-00		454.88		454.88
	- F.Y. 2000-01		522.97		522.97
	- F.Y. 2001-02		237.85		237.85
	- F.Y. 2002-03		542.76		600.74
	- F.Y. 2003-04		285.32		285.32
	- F.Y. 2004-05		394.35		394.35
	- F.Y. 2005-06		87.88		103.42
	- F.Y. 2006-07		188.18		386.63
	- F.Y. 2007-08		893.05		893.05
	- F.Y. 2008-09		1,256.90		1,256.90
	- F.Y. 2009-10		1,051.56		1,492.75
	- F.Y. 2010-11		1,969.78		1,969.78
	- F.Y. 2011-12		1,232.80		1,232.80
	- F.Y. 2012-13		1,872.73		1,872.73
	- F.Y. 2013-14		2,392.89		2,392.89
	- F.Y. 2014-15		2,033.01		2,117.92
	- F.Y. 2015-16		2,080.48		2,080.48
	- F.Y. 2016-17		2,451.72		2,458.19
	- F.Y. 2017-18		2,645.26		2,724.25
	- F.Y. 2018-19		2,553.67		2,139.95
	- F.Y. 2019-20		2,057.07		
	Less: Provison for Taxation				
	- F.Y. 1994-95		(644.62)		(644.62)
	- F.Y. 1995-96		(767.27)		(767.27)
	- F.Y. 1996-97		(520.96)		(520.96)
	- F.Y. 1997-98		(668.44)		(668.44)
	- F.Y. 1998-99		(252.74)		(252.74)



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	As at 31 March 2020		As at 31 March 2019	
	- F.Y. 1999-00		(509.40)		(509.40)
	- F.Y. 2000-01		(301.48)		(301.48)
	- F.Y. 2001-02		(134.27)		(134.27)
	- F.Y. 2002-03		(215.66)		(215.66)
	- F.Y. 2003-04		(358.49)		(358.49)
	- F.Y. 2004-05		(121.67)		(121.67)
	- F.Y. 2005-06		(201.93)		(201.93)
	- F.Y. 2006-07		(342.00)		(342.00)
	- F.Y. 2007-08		(822.25)		(822.25)
	- F.Y. 2008-09		(1,244.93)		(1,244.93)
	- F.Y. 2009-10		(1,449.49)		(1,449.49)
	- F.Y. 2010-11		(1,701.00)		(1,701.00)
	- F.Y. 2011-12		(1,235.00)		(1,235.00)
	- F.Y. 2012-13		(1,887.00)		(1,887.00)
	- F.Y. 2013-14		(2,381.50)		(2,381.50)
	- F.Y. 2014-15		(1,870.00)		(1,870.00)
	- F.Y. 2015-16		(1,807.00)		(1,807.00)
	- F.Y. 2016-17		(2,622.00)		(2,622.00)
	- F.Y. 2017-18		(2,670.00)		(2,670.00)
	- F.Y. 2018-19		(2,450.00)		(2,450.00)
	- F.Y. 2019-20		(1,625.00)		-
	<b>Total (Net)</b>		<b>1,792.84</b>		<b>1,830.58</b>
<b>10</b>	<b>Deferred Tax Assets/Liability (Net)</b>				
	<b>Deferred Tax Assets</b>				
	a) Allowance for doubtful debts and advances		614.00		789.09
	b) Allowance for diminution in value of investments		323.92		148.96
	<b>Deferred Tax Liabilities</b>				
	a) Depreciation		(233.03)		(214.67)
	<b>TOTAL</b>		<b>704.89</b>		<b>723.38</b>

Note

No.

**11 Property, Plant and Equipments as at 31 March 2020**

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Gross Carrying Value as at 01/04/2019	Addition	Disposal / Adjustments	Gross Carrying Value as at 31/03/2020	As at 01/04/2019	Addition for the Period	Disposal / Adjustments	As at 31/03/2020	Net Carrying Value as at 31/03/2020	Net Carrying Value as at 31/03/2019
Building (NBCC Plaza)	1,457.32	-		1,457.32	52.89	26.49		79.38	1,377.94	1,404.43
Furniture & Fixture	23.22	7.74		30.96	16.23	0.75		16.98	13.98	7.00
Office Equipment	4.77	32.36		37.13	1.24	2.87		4.11	33.02	3.53
Electricals	22.12	5.96		28.08	16.77	1.39		18.16	9.92	5.35
Computers	10.56	16.68		27.24	5.92	2.50		8.42	18.82	4.64
Vehicles	15.19	-		15.19	5.11	2.55		7.66	7.53	10.08
<b>Total</b>	<b>1,533.18</b>	<b>62.74</b>	<b>-</b>	<b>1,595.92</b>	<b>98.16</b>	<b>36.55</b>	<b>-</b>	<b>134.71</b>	<b>1,461.21</b>	<b>1,435.03</b>



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	As At 31 March 2020		As At 31 March 2019	
12	<b>Right to use assets</b>				
	Assets Acquired on Lease		316.62		-
	Less: Depreciation charged for the period		(27.77)		-
	<b>Balance as at 31 March 2020</b>		<b>288.85</b>		<b>-</b>
13	<b>Other Non-Financial Assets</b>				
	Loans to Staff (Employee benefit cost at fair value)		159.50		206.86
	Prepaid Expenses (including upfront fee on unavailed borrowings)		135.49		33.14
	Deferred cost- (Fair Valuation of Security deposit)		9.59		-
	<b>TOTAL</b>		<b>304.58</b>		<b>240.00</b>
14	<b>Payables</b>				
	I. Trade Payables		-		-
	II. Other Payables (including retention towards DSRA)		457.10		144.85
	<b>TOTAL</b>		<b>457.10</b>		<b>144.85</b>
15	<b>Debt Securities (At Amortised Cost)</b>				
	<b>- Secured</b>				
	(Secured By Hypothecation of Book Debts/future receivables)				
	<b>8.81% Bonds (2025) (Series MB 2015-01)</b>				
	15974 Nos of 8.81% Bonds of ₹1,00,000/- each Redeemable at par on 09 November 2025	15,974.00		15,974.00	
	Less- Unamortised Issue Expenses	(77.19)	15,896.81	(87.55)	15,886.45
	Sub-Total				
	<b>- Un Secured</b>				
	<b>8.90% Bonds (2020) (Series MB XXXX)</b>				
	500 Nos of 8.90% Bonds of ₹10,00,000/- each Redeemable at par on 29 November 2020	5,000.00		5,000.00	
	Less- Unamortised Issue Expenses	(1.27)	4,998.73	(3.89)	4,996.11
	<b>10.15% Bonds (2021) (Series MB XLI)</b>				
1000 Nos of 10.15% Bonds of ₹10,00,000/- each Redeemable at par on 01 September 2021	10,000.00		10,000.00		
Less- Unamortised Issue Expenses	(7.85)	9,992.15	(12.77)	9,987.23	
<b>10.20% Bonds (2021) (Series MB XLII)</b>					
1000 Nos of 10.20% Bonds of ₹10,00,000/- each Redeemable at par on 16 November 2021	10,000.00		10,000.00		
Less- Unamortised Issue Expenses	(6.11)	9,993.89	(9.88)	9,990.12	



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	As at 31 March 2020		As at 31 March 2019	
	<b>9.65% Bonds (2022) (Series MB XLIII)</b> 565 Nos of 9.65% Bonds of ₹10,00,000/- each Redeemable at par on 19 April 2022 Less- Unamortised Issue Expenses	5,650.00 (5.58)	5,644.42	5,650.00 (8.19)	5,641.81
	<b>9.95% Bonds (2022) (Series MB XLIV)</b> 750 Nos of 9.95% Bonds of ₹10,00,000/- each Re- deemable at par on 01 July 2022 Less- Unamortised Issue Expenses	7,500.00 (8.94)	7,491.06	7,500.00 (12.37)	7,487.63
	<b>9.95% Bonds (2022) (Series MB XLV)</b> 750 Nos of 9.95% Bonds of ₹10,00,000/- each Re- deemable at par on 21 August 2022 Less- Unamortised Issue Expenses	7,500.00 (9.08)	7,490.92	7,500.00 (12.51)	7,487.49
	<b>9.50% Bonds (2023) (Series MB XLVI-A)</b> 500 Nos of 9.50% Bonds of ₹10,00,000/- each Redeemable at par on 25 February 2023 Less- Unamortised Issue Expenses	5,000.00 (8.95)	4,991.05	5,000.00 (11.54)	4,988.46
	<b>9.60% Bonds (2028) (Series MB XLVI-B)</b> 1000 Nos of 9.60% Bonds of ₹10,00,000/- each Re- deemable at par on 25 February 2028 Less- Unamortised Issue Expenses	10,000.00 (31.83)	9,968.17	10,000.00 (34.43)	9,965.57
	<b>9.65% Bonds (2033) (Series MB XLVI-C)</b> 750 Nos of 9.65% Bonds of ₹10,00,000/- each Re- deemable at par on 25 February 2033 Less- Unamortised Issue Expenses	7,500.00 (28.56)	7,471.44	7,500.00 (29.66)	7,470.34
	<b>Total</b>		<b>83,938.64</b>		<b>83,901.21</b>
	Debt Securities in India		83,938.64		83,901.21
	Debt Securities outside India		-		-
<b>16</b>	<b>Borrowings (Other than Debt Securities)</b> <b>- Secured (At Amortised Cost)</b> <i>(Secured By Hypothecation of Book Debts/future re- ceivables)</i>				
	<b>I. Term Loans from State Bank of India</b> <i>Less: Unamortised Upfront Fee</i> <i>9% p.a. repayable by 31.03.2021</i> <i>(12 Quarterly installments starting from 30.06.2018</i> <i>and ending on 31.03.2021)</i>	6,000.00 -	6,000.00	10,500.00 -	10,500.00
	<b>II. Term Loans from State Bank of India</b> <i>Less: Unamortised Upfront Fee</i> <i>9% p.a. repayable by 31.03.2023</i> <i>(12 Quarterly installments starting from 30.06.2020</i> <i>and ending on 31.03.2023)</i>	25,000.00 (52.81)	24,947.19	25,000.00 (80.32)	24,919.68



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	As at 31 March 2020		As at 31 March 2019	
	<b>III. Term Loans from State Bank of India</b>	15,000.00		-	
	<i>Less: Unamortised Upfront Fee</i>	(173.13)	14,826.87	-	-
	<i>9.15% p.a. repayable by 31.03.2024</i>				
	<i>(12 Quaterly installment starting from 30.06.2021 and ending on 31.03.2024)</i>				
	<b>IV. Term Loans from Canara Bank</b>	10,000.00		-	
	<i>Less: Unamortised Upfront Fee</i>	(18.00)	9,982.00	-	-
	<i>9.30% p.a. repayable by 25.09.2024</i>				
	<i>(16 Quarterly installments starting from 25.12.2020 and ending on 25.09.2024)</i>				
	<b>V. Cash Credit/WCDL from State Bank of India</b>		5,000.00		3,040.16
	<b>TOTAL</b>		<b>60,756.06</b>		<b>38,459.84</b>
	Borrowings in India		60,756.06		38,459.84
	Borrowings outside India		-		-
<b>17</b>	<b>Subordinate Liabilities</b>				
	<b>9.50% Bonds (2019) [Series MB XXXVIII]</b>				
	750 Nos of 9.50% Bonds of ₹10,00,000/- each	-		7,500.00	
	Redeemable at par on 30 April 2019				
	Less- Unamortised Issue Expenses	-	-	(0.02)	7,499.98
	<b>9.50% Bonds (2019) [Series MB XXXIX]</b>				
	250 Nos of 9.50% Bonds of ₹10,00,000/- each	-		2,500.00	
	Redeemable at par on 30 April 2019				
	Less- Unamortised Issue Expenses	-	-	(0.06)	2,499.94
	<b>Total</b>		-		<b>9,999.92</b>
	Subordinate liabilities in India		-		9,999.92
	Subordinate liabilities outside India		-		-
<b>18</b>	<b>Other Financial Liabilities</b>				
	Interest & Other Charges Accrued but not due on Borrowings		2,226.62		2,017.88
	Unclaimed Dividend		223.12		219.51
	Amount Received Pending Adjustment		894.00		416.14
	Lease Liability against right to use asset		283.85		-
	<b>TOTAL</b>		<b>3,627.59</b>		<b>2,653.53</b>
<b>19</b>	<b>Provisions</b>				
	Provision for Employee Benefits		111.38		116.72
	Provision for Expenses		59.09		39.99
	<b>TOTAL</b>		<b>170.47</b>		<b>156.71</b>





NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	As at 31 March 2020		As at 31 March 2019	
		No of Shares	Amount	No of Shares	Amount
20	<b>Other Non-financial liabilities</b>				
	Statutory Dues		76.27		60.79
	<b>TOTAL</b>		<b>76.27</b>		<b>60.79</b>
21	<b>Equity Share Capital</b>				
	<b>Authorised Share Capital</b>				
	25,00,00,000 Equity Shares (P. Y. 25,00,00,000) of ₹ 10/- each		25,000.00		25,000.00
	25,00,00,000 Cumulative Redeemable Preference Shares (P. Y. 25,00,00,000) of ₹ 10/- each		25,000.00		25,000.00
	<b>TOTAL</b>		<b>50,000.00</b>		<b>50,000.00</b>
	<b>Issued, subscribed and fully paid</b>				
	8,07,16,748 Equity Shares (P.Y. 8,07,16,748) of ₹ 10/- each Fully Paid Up		8,071.67		8,071.67
	<b>TOTAL</b>		<b>8,071.67</b>		<b>8,071.67</b>
	<b>Reconciliation of Issued Share Capital</b>	<b>No of Shares</b>	<b>Amount</b>	<b>No of Shares</b>	<b>Amount</b>
	Equity shares outstanding at the beginning of the year	80716748	8,071.67	80716748	8,071.67
	Issued During year	-	-	-	-
	Brought Back During year	-	-	-	-
	Equity shares outstanding at the end of the year	<b>80716748</b>	<b>8,071.67</b>	<b>80716748</b>	<b>8,071.67</b>
	<b>Shareholders holding more than 5% of Shares in the company</b>	<b>No of Shares</b>	<b>% of shares</b>	<b>No of Shares</b>	<b>% of shares</b>
	(a) India Opportunities III Pte Ltd	8061597	9.99%	6456670	8.00%
	(b) Redkite Capital Private Limited	7955382	9.86%	26481498	32.81%
	(c) Koppara Sajeev Thomas	4035633	5.00%	4035633	5.00%
(d) Varanium Dynamic Trust	4110861	5.09%	-	-	
22	<b>Other Equity</b>				
	<b>Reserves and Surplus</b>				
	(i) Capital Reserves		11.55		11.55
	(ii) Security Premium Reserve		6,271.43		6,308.94
	(iii) General Reserve		21,120.04		18,920.04
	(iv) Retained Earnings		7,217.53		7,262.68
	<b>SUB - TOTAL</b>		<b>34,620.55</b>		<b>32,503.21</b>
	<b>Special Reserves</b>				
	(i) Under Section 36(1)(viii) of the Income Tax Act 1961		18,455.33		20,605.33
	(ii) Under Section 45 IC of RBI Act, 1934		13,377.07		11,756.07
	<b>SUB - TOTAL</b>		<b>31,832.40</b>		<b>32,361.40</b>
	<b>Other Reserves</b>				
	(i) Equity Instruments through Other Comprehensive Income		827.56		754.93
<b>SUB - TOTAL</b>		<b>827.56</b>		<b>754.93</b>	
<b>TOTAL</b>		<b>67,280.51</b>		<b>65,619.54</b>	



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	As at 31 March 2020		As at 31 March 2019	
	<b>Reserves and Surplus</b>				
	<b>(i) Capital Reserves</b>				
	Balance at the beginning of the year	11.55		11.55	
	Add: Current Year Transfer	-		-	
	Balance at the end of the year		11.55		11.55
	<b>(ii) Security Premium Reserve</b>				
	Balance at the beginning of the year	6,308.94		6,354.78	
	Less: Ammortization of transaction cost of bonds	(37.51)		(45.84)	
	Balance at the end of the year		6,271.43		6,308.94
	<b>(iii) General Reserve</b>				
	Balance at the beginning of the year	18,920.04		16,720.04	
	Add: Current Year Transfer	2,200.00		2,200.00	
	Balance at the end of the year		21,120.04		18,920.04
	<b>(iv) Retained Earnings</b>				
	Balance at the beginning of the year	7,262.68		7,097.50	
	- Less: Payment of Dividend (Including Tax thereon)	(2,140.78)		(1,946.16)	
	- Add/Less: Other Comprehensive Income directly recognised. (Remeasurement of Acturial Gain /(Loss))	(42.17)		44.93	
	- Add: Reclassification of Realised gain from OCI to Reserves	106.99		96.26	
	- Add: Profit for the Year	8,101.81		8,625.15	
	<b>Less: Appropriations</b>				
	- Transfer to General Reserve	(2,200.00)		(2,200.00)	
	- Transfer to Special Reserve under Section 36(1)(viii) of the Income Tax Act 1961"	(2,250.00)		(1,980.00)	
	- Provision u/s 36(1)(viii)(c) of the Income Tax Act 1961	-		(750.00)	
	- provision Under Section 45 IC of RBI Act, 1934	(1,621.00)		(1,725.00)	
	Balance at the end of the year		7,217.53		7,262.68
	<b>Special Reserves</b>				
	<b>(i) Under Section 36(1)(viii) of the Income Tax Act 1961</b>				
	Balance at the beginning of the year	20,605.33		18,625.33	
	Add: Current Year Transfer	2,250.00		1,980.00	
	Less: Utilised for Write-off during the current year	(4,400.00)		-	
	Balance at the end of the year		18,455.33		20,605.33
	<b>(ii) Under Section 45 IC of RBI Act, 1934</b>				
	Balance at the beginning of the year	11,756.07		10,031.07	
	Add: Current Year Transfer	1,621.00		1,725.00	
	Balance at the end of the year		13,377.07		11,756.07
	<b>Other Reserves</b>				
	<b>Equity Instruments through Other Comprehensive Income</b>				
	Balance at the beginning of the year	754.93		907.12	
	Add: Other Comprehensive Income	179.62		(55.93)	
	Less: Reclassification of Realised gain from OCI to reserves	(106.99)		(96.26)	
	Balance at the end of the year		827.56		754.93



## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	Period ended 31 March 2020			Period ended 31 March 2019		
		On Financial Assets measured at Amortised Cost	On Financial Assets measured Through P&L	On Financial Assets measured Through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured Through P&L	Financial Assets measured Through OCI
23	<b>Interest Income</b>						
	<b>1. Interest on Loans</b>						
	(a) Interest on Loans & Advances	22,191.19	-	-	19,159.39	-	-
	(b) Interest on Loans to Staff	14.24	-	-	17.46	-	-
	(c) Interest on Loans to Staff (due to amortisation of loan at Fair Value)	22.10	-	-	27.05	-	-
	<b>2. Interest on Investments</b>						
	(a) Interest on investment in bonds	1,723.37	-	-	1,823.80	104.03	-
	(b) Interest on investment in CD's	1.76	-	-	17.44	-	-
	(c) Interest on term deposit with Banks	68.70	-	-	10.92	-	-
	<b>3. Interest income (due to fair valuation of security deposit)</b>	1.17	-	-	-	-	-
	<b>Total</b>	<b>24,022.53</b>	<b>-</b>	<b>-</b>	<b>21,056.06</b>	<b>104.03</b>	<b>-</b>
24	<b>Dividend Income</b>						
	Dividend Received	-	-	35.70	0.08	-	24.69
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>35.70</b>	<b>0.08</b>	<b>-</b>	<b>24.69</b>

Note No.	Particulars	Period ended	Period ended
		31 March 2020	31 March 2019
25	<b>Fees &amp; Commission Income</b>		
	Premium on prepayments of loan	149.44	187.91
	Restructuring fee	-	1.00
	Legal fee	28.25	29.24
	Appraisal & upfront fee	792.18	211.47
	Management fee	79.22	44.58
	<b>Total</b>	<b>1,049.09</b>	<b>474.20</b>



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	Period ended 31 March 2020		Period ended 31 March 2019	
		On Financial liabilities measured at Amortised Cost	On Financial liabilities measured through P&L	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured through P&L
26	<b>Net gain/(loss) on fair value changes</b>				
	<b>Net Gain/(Loss) on financial instruments at fair value through profit or loss</b>				
	(i) On trading portfolio - Investments				
	- Gain/(Loss) on fair valuation of Mutual Funds		0.24		-
	- Gain/(Loss) on fair valuation of Shares		(8.58)		1.70
	(ii) On non-trading portfolio - Investments				
	- Gain/ (Loss) on fair valuation of security receipts		(1,280.10)		-
	<b>Net Gain/(Loss) realised on sale of financial instruments</b>				
	(i) On trading portfolio - Investments				
	- Gain/(Loss) on investment in mutual funds (debt based)		288.42		229.52
	- Gain/(Loss) on sale of Bonds/Debentures		41.30		(26.08)
	(ii) On non-trading portfolio - Investments				
- Gain/ (Loss) on sale of shares		1480.32		246.37	
(iii) On financial instruments designated at fair value through profit or loss					
- Gain/ (Loss) on redemption of security receipts		11.25		9.30	
<b>Total Net gain/(loss) on fair value changes</b>		<b>532.85</b>		<b>460.81</b>	
<b>Fair Value changes:</b>					
- Realised		1,821.29		459.11	
- Unrealised		(1,288.44)		1.70	
<b>Total</b>		<b>532.85</b>		<b>460.81</b>	
27	<b>Other Operating Income</b>				
	Bad Debt Recovered		635.00		875.00
	<b>Total</b>		<b>635.00</b>		<b>875.00</b>
28	<b>Other Income</b>				
	Consultancy Income		-		5.00
	Interest on income tax refund		276.34		-
	Profit on Sale of Assets		-		0.18
	Miscellaneous Income		14.46		629.57
<b>Total</b>		<b>290.80</b>		<b>634.75</b>	
Note No.	Particulars	Period ended 31 March 2020		Period ended 31 March 2019	
		On Financial liabilities measured at Amortised Cost	On Financial liabilities measured through P&L	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured through P&L
29	<b>Finance Cost</b>				
	Interest on borrowings	4,078.00	-	1,386.99	-
	Interest on debt securities	7,840.38	-	8,083.78	-
	Interest on subordinated liabilities	78.09	-	950.00	-
	Interest on lease liability	8.73	-	-	-
	Other Fee and charges	66.35	-	14.36	-
	<b>Total</b>	<b>12,071.55</b>	<b>-</b>	<b>10,435.13</b>	<b>-</b>



## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	Period ended 31 March 2020	Period ended 31 March 2019
<b>30</b>	<b>Employee Benefit Expenses</b>		
	Salaries & Allowances	1,132.68	834.06
	Contribution to Provident Fund	85.66	57.44
	Contribution for Gratuity	37.91	50.88
	Contribution for Leave Encashment	96.51	50.12
	Staff Welfare Expenses & Others	33.91	43.77
	Interest on Loans to Staff (due to amortisation of loan at FV)	22.83	27.05
	<b>Total</b>	<b>1,409.50</b>	<b>1,063.32</b>
<b>31</b>	<b>Depreciation</b>		
	Building (NBCC Plaza)	26.49	26.48
	Furniture & Fixture	0.75	5.06
	Office Equipment	2.87	0.68
	Electricals	1.39	1.06
	Computers	2.50	1.09
	Vehicles	2.55	2.55
	Right of Use Assets	27.77	-
	<b>Total</b>	<b>64.32</b>	<b>36.92</b>
<b>32</b>	<b>Other Expenses</b>		
	Rent Rates & Taxes	6.87	8.68
	Office Upkeep & Maintenance	124.80	101.13
	Insurance Premium	6.33	4.89
	Electricity charges	5.02	4.23
	Travelling and Conveyance	128.95	85.35
	Printing and Stationery	9.22	6.49
	Postage, Telephone and Internet	33.60	28.94
	Advertisement & Publicity	23.15	23.89
	Books & Periodicals	8.26	5.72
	Membership and Subscription	5.88	5.88
	Directors Sitting Fee	25.65	57.82
	Board Meeting Expenses	19.99	43.87
	AGM Expenses	10.09	16.07
	Registrar & Transfer Agent Fee	5.76	6.70
	Listing Fee	9.50	9.94
	Rating Fees	83.04	65.06
	Audit Fee	5.90	5.90
	Legal and Professional Charges	143.37	55.12
	Miscellaneous Expenses	6.92	6.97
	Corporate Social Responsibility(CSR) Expenses	213.00	187.69
	<b>Total</b>	<b>875.30</b>	<b>730.34</b>



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

<b>33</b>	<b>Provisions, Contingent Liabilities and Contingent Assets (Ind AS - 37)</b>			
<b>a)</b>	<b>Contingent Liabilities:</b>			
	<b>Particulars</b>	<b>31 March 2020</b>		<b>31 March 2019</b>
	Income Tax		152.12	138.51
	<b>Total</b>		<b>152.12</b>	<b>138.51</b>
	Contingent liabilities not provided for where order of CIT(Appeals)/ITAT, in similar matters, in previous years, are in favour of the TFCL.			
<b>b)</b>	<b>Contingent Assets:</b>			
	<b>Particulars</b>	<b>31 March 2020</b>		<b>31 March 2019</b>
	Contingent Assets		Nil	Nil
<b>34</b>	<b>Effects of changes in Foreign Exchange Rates (Ind AS - 21) : NIL (PY-NIL)</b>			
<b>35</b>	<b>Employee Benefits (IND AS - 19)</b>			
	<b>The summarized position of various defined benefits recognized in the Statement of Profit &amp; Loss, Other Comprehensive Income (OCI) and Balance Sheet &amp; other disclosures.</b>			
	<b>Summary of membership data (Gratuity &amp; Leave Encashment)</b>	<b>31 March 2020</b>		<b>31 March 2019</b>
	Number of employees		39	29
	Total Monthly Salary for gratuity		71.40	41.58
	Total Monthly Salary for leave encashment		109.74	49.34
	Total Monthly Salary for leave availment		109.74	49.34
	Average Past Service (in Years)		15.40	20.62
	Average Age of Employees (in Years)		45.95	47.99
	Average remaining working life (in Years)		14.05	12.01
	Leave balance considered on valuation date (No's)		5988	5594
	Weighted average duration of PBO (in Years)		12.04	10.72
	<b>Balances of defined benefit obligation</b>			
	<b>Particulars</b>	<b>31 March 2020</b>		<b>31 March 2019</b>
		<b>Gratuity</b>	<b>Leave Encashment</b>	<b>Gratuity</b>
				<b>Leave Encashment</b>
	Defined Benefit Obligation	575.73	433.30	486.42
	Fair Value of Plan Assets	560.86	336.79	519.56
	<b>Net Defined Benefit Assets/(Liabilities)</b>	<b>(14.87)</b>	<b>(96.51)</b>	<b>33.14</b>
				<b>(51.72)</b>
	<b>Movement in present value of defined benefit obligation</b>			
	<b>Particulars</b>	<b>31 March 2020</b>		<b>31 March 2019</b>
		<b>Gratuity</b>	<b>Leave Encashment</b>	<b>Gratuity</b>
				<b>Leave Encashment</b>
	Defined benefit obligation at the beginning of the period	486.42	328.80	456.42
	Service cost	40.43	63.89	22.67
	Interest Cost	36.97	24.99	36.51
	Benefits Paid	(30.26)	(17.51)	-
	Total actuarial loss/(gain) on obligation	42.17	33.13	(29.20)
	<b>Defined benefit obligation at the end of the period</b>	<b>575.73</b>	<b>433.30</b>	<b>486.42</b>
				<b>328.80</b>



## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

<b>Movement in fair value of plan asset</b>				
<b>Particulars</b>	<b>31 March 2020</b>		<b>31 March 2019</b>	
	<b>Gratuity</b>	<b>Leave Encashment</b>	<b>Gratuity</b>	<b>Leave Encashment</b>
Fair value of plan assets at the beginning of the period	519.56	277.08	132.27	248.86
Actuarial return on the plan assets	39.49	21.37	26.32	19.22
Mortality charges	-	(1.70)	-	(1.59)
Recovered from fund	-	5.83	-	-
Employer contribution	32.08	51.72	360.97	18.52
Benefit paid	(30.27)	(17.51)	-	(7.93)
<b>Fair value of plan assets at end of year</b>	<b>560.86</b>	<b>336.79</b>	<b>519.56</b>	<b>277.08</b>
<b>Amount Recognized in Statement of Profit and Loss</b>				
<b>Particulars</b>	<b>31 March 2020</b>		<b>31 March 2019</b>	
	<b>Gratuity</b>	<b>Leave Encashment</b>	<b>Gratuity</b>	<b>Leave Encashment</b>
Current service cost	40.43	63.89	22.67	16.93
Past Service Cost including Curtailment loss/gain	-	-	-	-
Gain or loss on non-routine settlement	-	-	-	-
<b>Service Cost</b>	<b>40.43</b>	<b>63.89</b>	<b>22.67</b>	<b>16.93</b>
Net interest cost	(2.52)	3.93	25.93	1.60
Net actuarial (gain) / loss recognized in the period	-	28.69	-	31.57
<b>Cost Recognized in P&amp;L</b>	<b>37.91</b>	<b>96.51</b>	<b>48.60</b>	<b>50.10</b>
<b>Amount recognized in Other Comprehensive Income (OCI)</b>				
<b>Particulars</b>	<b>31 March 2020</b>		<b>31 March 2019</b>	
	<b>Gratuity</b>	<b>Leave Encashment</b>	<b>Gratuity</b>	<b>Leave Encashment</b>
Net cumulative unrecognised actuarial gain/(loss) - opening balance	-	-	-	-
Actuarial gain/(loss) for the year on PBO	(42.17)	-	29.20	-
Actuarial gain / (loss) for the year on Asset	-	-	15.74	-
<b>Unrecognised actuarial gain/(loss) at the end of the year</b>	<b>(42.17)</b>	<b>-</b>	<b>44.94</b>	<b>-</b>
<b>Sensitivity Analysis</b>				
Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.				
<b>Assumptions</b>	<b>31 March 2020</b>		<b>31 March 2019</b>	
	<b>Gratuity</b>	<b>Leave Encashment</b>	<b>Gratuity</b>	<b>Leave Encashment</b>
Present Value of Obligation at the end of the period	575.73	433.30	486.42	328.80
Impact due to increase of 0.50% in discount rate	(22.14)	(17.99)	(19.28)	(13.60)
Impact due to decrease of 0.50 % in discount rate	23.43	19.20	20.49	14.50
Impact due to increase of 0.50% in salary	23.18	19.04	20.51	14.51
Impact due to decrease of 0.50 % in salary	(22.89)	(18.03)	(19.48)	(13.73)



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

<b>Actuarial Assumption</b>				
<b>Particulars</b>	<b>31 March 2020</b>		<b>31 March 2019</b>	
	<b>Gratuity</b>	<b>Leave Encashment</b>	<b>Gratuity</b>	<b>Leave Encashment</b>
Method used	Projected Unit Credit (PUC)		Projected Unit Credit (PUC)	
Discount rate	6.90%	6.90%	7.60%	7.60%
Rate of salary increase	7.00%	7.00%	7.00%	7.00%
<b>Maturity Profile of Defined Benefit Obligation</b>				
<b>Year of payment</b>	<b>31 March 2020</b>		<b>31 March 2019</b>	
	<b>Gratuity</b>	<b>Leave Encashment</b>	<b>Gratuity</b>	<b>Leave Encashment</b>
0 to 1 Year	43.96	53.88	59.21	47.66
1 to 2 Year	8.50	6.17	7.30	4.78
2 to 3 Year	8.48	6.17	6.97	4.81
3 to 4 Year	8.45	6.13	6.83	4.62
4 to 5 Year	45.16	28.18	6.88	4.50
5 to 6 Year	35.98	22.69	6.92	4.33
6 Year onwards	425.19	310.08	392.30	258.11
<b>Category of investment in Plan assets</b>				
<b>Category of Investment</b>	<b>31 March 2020</b>		<b>31 March 2019</b>	
	<b>Gratuity</b>	<b>Leave Encashment</b>	<b>Gratuity</b>	<b>Leave Encashment</b>
	<b>% of fair value of plan assets</b>			
Funds Managed by Insurer	100%	100%	100%	100%

**36 Operating Segments (Ind AS - 108)**

- a) Based on the "Management Approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the performance and allocates resources based on an analysis of various performance indicators by business segments. The Managing Director (MD) has been identified as CODM. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual business segment, and are as set out in the significant accounting policies.
- b) The company operates in a single segment namely "Financing and Investment Activities" taking into account the different risks and returns, the organisational structure and the internal reporting systems. With a view to engage in Investment Banking activities, TFCI Capital Ltd (100% subsidiary of TFCI) has been incorporated by subscribing to Equity Capital of ₹5.00 lakh during FY 2019-20. However, the subsidiary is yet to commence business and the Equity Capital is parked in its Bank Account.
- c) **Entity-Wide Disclosures-**
  - (i) **Information about major customers**  
The company is not reliant on single customer for revenue and hence there is no single external customer amount to 10 per cent or more of an entity's revenues.





## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

## (ii) Geographical Information

Revenue from external customers by location of operations and information about its non current assets by location of assets are as follow :-

Particulars	Geographical Location - INDIA			
	Non Current Assets		Revenue from External Customers	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Property, Plant & Equipment	1,461.21	1,435.03	26,275.17	22,994.87
Loans & Advances (Gross)	1,79,264.40	1,69,395.68		
<b>Total</b>	<b>1,80,725.61</b>	<b>1,70,830.71</b>	<b>26,275.17</b>	<b>22,994.87</b>

## (iii) Revenue from Major Products

Revenue from external customers for each product and service are as follow:-

Particulars	31 March 2020	31 March 2019
Interest Income	24,022.53	21,160.09

Company is in the business of providing financial assistance to entities engaged mainly in tourism related projects and derives its major revenue from interest on loans to such entities.

## 37 Earning Per Share (Ind AS - 33)

## a) Basic EPS

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Net Profit Attributable to Equity Shareholders	8,101.81	8,625.15
Weighted Average Number of Equity Shares (No's)	8,07,16,748	8,07,16,748
Basic Earning Per Share (Face Value ₹10/- each)	10.04	10.69

## b) Diluted EPS

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Net Profit Attributable to Equity Shareholders (₹ in lakh)	8,101.81	8,625.15
Weighted Average Number of Equity Shares (No's)	8,07,16,748	8,07,16,748
Diluted Earning Per Share (Face Value ₹10/- each)	10.04	10.69

## 38 Dividends (Ind AS - 10)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Dividend Paid During Year	1,775.77	1,614.33
Equity Shares (No's)	8,07,16,748	8,07,16,748
Dividend Per Share (Face Value ₹10/- each)	2.20	2.00
Dividend(as % of per equity share)	22.00%	20.00%



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

39 Related Part Disclosure (Ind AS -24)

(a) List of Related Party and their Relationship

Sr. No.	Name	Relationship	Related Party During	
			FY: 2019-20	FY: 2018-19
<b>- Directors &amp; Key Managerial Persons</b>				
1	Shri S. Ravi	Non-Executive Chairman (Independent Director)	✓	✓
2	Shri Shyam Maheshwari	Promoter Director (w.e.f. 15.03.2019)	✓	✓
3	Shri Naresh T. Jain	Promoter Director (upto 09.03.2020)	✓	✓
4	Shri Koppara Sajeev Thomas	Promoter Director (w.e.f. 15.03.2019)	✓	✓
5	Mrs.Thankom T Mathew	Independent Director (w.e.f. 24.10.2018)	✓	✓
6	Shri Satpal Kumar Arora	Managing Director (upto 15.05.2018)	-	✓
7	Shri Suman Billa	Nominee Director, Ministry of Tourism, Govt. of India	✓	✓
8	Shri Niraj Agarwal	Representing LIC of India (upto 13.08.2019)	✓	✓
9	Shri S. Sridhar	Independent Director (upto 16.07.2019)	✓	✓
10	Shri S.C. Sekhar	Independent Director	✓	✓
11	Shri K.B. Nagendra Murthy	Independent Director (upto 14.07.2019)	✓	✓
12	Justice (Retd.) Ms. Rekha Sharma	Independent Director (upto 25.07.2018)	-	✓
13	Shri Rudhra Gangadharan I.A.S. (Retd.)	Independent Director (upto 27.06.2019)	✓	✓
14	Shri Bapi Munshi	Independent Director	✓	✓
15	Shri B.M.Gupta	Manager/Whole Time Director (w.e.f. 16.05.2018)	✓	✓
16	Shri Anirban Chakraborty	Managing Director & CEO (w.e.f. 15.04.2019)	✓	-
17	Shri R.K. Sood	Representing LIC of India (w.e.f. 30.09.2019)	✓	-
18	Shri Anoop Bali	Chief Financial Officer	✓	✓
19	Shri Sanjay Ahuja	Company Secretary	✓	✓
<b>- Other Related Parties</b>				
1	Redkite Capital Pvt. Ltd. (Investing Company)	Associate (upto 24.12.2019) Company with Common Director (upto 9.3.2020)	✓	✓
2	UTI Trustee Company Pvt. Ltd.	Company with Common Director	✓	✓
3	S.Ravi Financial Management Services Pvt. Ltd.	Company with Common Director	✓	✓
4	GVFL Trustee Company Pvt. Ltd.	Company with Common Director (upto 16.07.2019)	✓	✓
5	Universal Trustees Pvt. Ltd.	Company with Common Director (upto 16.07.2019)	✓	✓
6	Strategic Research & Information Capital Services Pvt. Ltd.	Company with Common Director (upto 16.07.2019)	✓	✓
7	Epitome Multitrade Pvt. Ltd.	Company with Common Director (upto 09.03.2020)	✓	✓



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

8	Moneytree Multitrade Pvt. Ltd.	Company with Common Director (upto 09.03.2020)	✓	✓
9	Aparjita Mercantile Pvt. Ltd.	Company with Common Director (upto 09.03.2020)	✓	✓
10	Epitome Consulting Services Pvt. Ltd.	Company with Common Director (upto 09.03.2020)	✓	✓
11	Shapoorji Pallonji Finance Pvt. Ltd.	Company with Common Director (upto 16.03.2020)	✓	✓
12	Sunbright Consulting Pvt. Ltd.	Director is Member	✓	✓
13	Varanium Advisory Pvt. Ltd.	Director is Member	✓	✓
14	Essfore Consultancy Services Pvt. Ltd.	Company with Common Director (upto 16.07.2019)	✓	✓
15	SBI Payment Services Pvt. Ltd.	Company with Common Director (w.e.f. 28.11.2019)	✓	-
16	Abhay Capital Services Pvt. Ltd.	Director relative is Member/Director	✓	✓
17	Abhay Financial Consultancy Pvt. Ltd.	Director relative is Member/Director	✓	✓
18	Drishya Education Scholarship Foundation	Director relative is Member/Director	✓	✓
19	Ravi Rajan Consultancy Pvt. Ltd.	Director relative is Member/Director	✓	✓
20	Fidas Tech Pvt. Ltd.	Director relative is Member/Director	✓	✓

(b) Transactions with Related Parties

Sr. No.	Name	Nature of Transaction	Year Ended 31 March 2020	Year Ended 31 March 2019
1	Anirban Chakraborty (w.e.f. 15.04.2019)	Salary including perquisites	208.52	NA
2	S.P. Arora (upto 15.05.2018)	Salary including perquisites	-	23.01
3	B.M. Gupta (w.e.f. 16.05.2018)	Salary including perquisites	70.46	58.02
4	Anoop Bali	Salary including perquisites	49.02	53.43
5	Sanjay Ahuja	Salary including perquisites	37.67	39.09

Note:- 1. The remuneration for KMP have been considered as per Form 16.

40 Leases (Ind AS 116)

The company has consistently applied the accounting policies to all periods presented in this financial statement. The company has applied Ind AS 116 with the date of initial application of 1<sup>st</sup> April, 2019 except where the lease rentals per annum were insignificant, which have been charged to P&L A/c on straight line basis over the lease period.

1. Description of Leases

The Company's significant leasing arrangements is in respect of leases of premises for office use in Mumbai. The tenure of lease arrangements ranges is for 5 years. Under lease arrangements, refundable interest-free security deposits of ₹33.00 lakh has been given. The company has applied the incremental borrowing rate to lease liabilities recognised in the balance sheet at the date of initial application.

2. The impact of adoption of Ind AS 116 is as follows :

Particulars	Amount
Recognition of Rights of Use Assets (Note No. 12)	316.62
Recognition of Lease Liability (Net) (Note No.18)	283.85
Increase in finance cost (Note No. 29)	8.73
Increase in Depreciation (Note No. 31)	(27.77)



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

3. Maturity analysis of lease liabilities

The tables below shows the company's financial liabilities into relevant maturity groupings based on their contractual maturities for undiscounted cash flows.

Maturity analysis – contractual undiscounted cash flows	As at 31 March 2020	As at 31 March 2019
Up to 30/31 Days	6.00	-
Over 1 months -2 months	6.00	-
Over 2 months -3 months	6.00	-
Over 3 months - upto 6 months	6.00	-
Over 6 months -upto 1 year	37.47	-
Over 1 year & up to 3 years	158.08	-
Over 3 & up to 5 years	114.16	-
Over 5 years	-	-
Total undiscounted lease liabilities at 31 March 2020	333.71	-
Lease liabilities included in the statement of financial position at 31 March 2020	283.85	-
Current	61.47	-
Non-Current	222.38	-

4. Amounts recognised in profit or loss

Particulars	Period ended 31 March 2020	Period ended 31 March 2019
Interest on lease liabilities	8.73	-
Variable lease payments not included in the measurement of lease liabilities	-	-
Income from sub-leasing right-of-use assets	-	-
Expenses relating to short-term leases	2.22	5.20
Depreciation charge for right-of-use assets by class of underlying asset;	(27.77)	-

5. Amounts recognised in the statement of cash flows

Particulars	Period ended 31 March 2020	Period ended 31 March 2019
Total cash outflow for leases	38.19	-

6. Amounts recognised in the Balance Sheet

Particulars	As at 31 March 2020	As at 31 March 2019
Recognition of Lease Liability - Gross	316.62	-
Recognition of Rights of Use Assets - Gross	316.62	-

41 Fair Value Measurement (IND AS - 113)

Financial instrument by category

A. Particulars	As at 31 March 2020				
	At Amortised Cost	At Fair Value		At Cost	Total
		Through Other Comprehensive Income	Through profit or loss		
Financial assets					
Cash and cash equivalents	18,837.43	-	-	-	18,837.43
Bank balances other than (i) above	223.14	-	-	-	223.14
Other receivables	23.76	-	-	-	23.76



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Particulars	As at 31 March 2020				
	At Amortised Cost	At Fair Value		At Cost	Total
		Through Other Comprehensive Income	Through profit or loss		
Loan to employees	284.35	-	-	-	284.35
Investment in debt securities	15,327.01	-	62.23	-	15,389.24
Investment in equity securities	-	1,974.93	1.72	-	1,976.65
Investment in security receipts	-	-	4,483.52	-	4,483.52
Investment in subsidiary	-	-	-	5.00	5.00
Other financial assets	2,167.61	-	-	-	2,167.61
<b>Total financial assets</b>	<b>2,12,767.55</b>	<b>1,974.93</b>	<b>4,547.47</b>	<b>5.00</b>	<b>2,19,294.95</b>
Financial liabilities					
Payables	457.10	-	-	-	457.10
Debt Securities	83,938.64	-	-	-	83,938.64
Borrowings (other than debt securities)	60,756.06	-	-	-	60,756.06
Subordinated Liabilities	-	-	-	-	-
Other financial liabilities	3,627.59	-	-	-	3,627.59
<b>Total financial liabilities</b>	<b>1,48,779.39</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,48,779.39</b>

Particulars	As at 31 March 2019				
	At Amortised Cost	At Fair Value		At Cost	Total
		Through Other Comprehensive Income	Through profit or loss		
Financial assets					
Cash and cash equivalents	4,958.81	-	-	-	4,958.81
Bank balances other than (i) above	219.51	-	-	-	219.51
Other receivables	9.22	-	-	-	9.22
Loans & Advances	1,64,634.39	-	-	-	1,64,634.39
Loan to employees	35.76	-	-	-	35.76
Investment in debt securities	22,165.08	-	5,049.80	-	27,214.88
Investment in equity securities	-	2,094.89	10.30	-	2,105.19
Investment in security receipts	-	-	2,487.10	-	2,487.10
Other financial assets	2,643.22	-	-	-	2,643.22
<b>Total financial assets</b>	<b>1,94,665.99</b>	<b>2,094.89</b>	<b>7,547.20</b>	<b>-</b>	<b>2,04,308.08</b>
Financial liabilities					
Payables	144.85	-	-	-	144.85
Debt Securities	83,901.21	-	-	-	83,901.21
Borrowings (other than debt securities)	38,459.84	-	-	-	38,459.84
Subordinated Liabilities	9,999.92	-	-	-	9,999.92
Other financial liabilities	2,653.53	-	-	-	2,653.53
<b>Total financial liabilities</b>	<b>1,35,159.35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,35,159.35</b>



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

B. Particulars	31 March 2020		31 March 2019	
	Fair value at the date of derecognition	Cumulative gain or loss on disposal	Fair value at the date of derecognition	Cumulative gain or loss on disposal
Shell Inn International Limited	313.93	1,444.34	269.55	340.71
Balaji Hotels Ltd	-	(253.91)	-	-
<b>Total</b>	<b>313.93</b>	<b>1,190.43</b>	<b>269.55</b>	<b>340.71</b>

Fair value hierarchy

C (i). Financial Instruments Measured and Recognised at Fair Value (FVTOCI & FVTPL).

Particulars	Amount at Fair Value						Valuation Techniques & Significant Inputs
	As at 31 March 2020			As at 31 March 2019			
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	
<b>I. FINANCIAL ASSETS</b>							
<b>Financial Investments at FVTOCI</b>							
- Investment in Equity Instruments (refer footnote of Note No.7)	-	-	1,974.93	-	-	2,094.89	Fair value ascertained based on Book Value/Market Value of Securities
<b>Financial Investments at FVTPL</b>							
- Investment in Debt Securities	-	-	-	5,049.80	-	-	Open Market Settlement Rate
- Investment in Equity Instruments	6.72	-	-	10.30	-	-	Share Market Quoted Price
- Investment in Security Receipts	-	-	4,483.52	-	-	2,487.10	NAV Declared by SR Trust/proposal for settlement under consortium
- Investment in Mutual Funds	62.23	-	-	-	-	-	NAV Declared by Mutual fund
<b>TOTAL</b>	<b>68.95</b>	<b>-</b>	<b>6,458.45</b>	<b>5,060.10</b>	<b>-</b>	<b>4,581.99</b>	
<b>II. FINANCIAL LIABILITIES</b>							
<b>TOTAL</b>							

C (ii). Financial Assets and Liabilities Measured at Amortised Cost..

Particulars	Amount at Fair Value						Valuation Techniques & Significant Inputs
	As at 31 March 2020			As at 31 March 2019			
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	
<b>I. FINANCIAL ASSETS</b>							
- Loan to Companies/LLP	-	-	1,78,980.05	-	-	1,69,066.59	Effective Interest Rate (EIR).
- Loan to Employees	-	284.35	-	-	35.76	-	NPV at SBI Rate for Perquisite.
- Investment in Debt Securities	-	-	15,327.01	-	-	22,165.08	Effective Interest Rate (EIR).
<b>TOTAL</b>	<b>-</b>	<b>284.35</b>	<b>1,94,307.06</b>	<b>-</b>	<b>35.76</b>	<b>1,91,231.67</b>	
<b>II. FINANCIAL LIABILITIES</b>							
- Debt securities	-	-	83,938.64	-	-	83,901.21	Effective Interest Rate (EIR).
- Borrowings (other than debt securities)	-	-	60,756.06	-	-	38,459.84	Effective Interest Rate (EIR).
- Subordinated liabilities	-	-	-	-	-	9,999.92	Effective Interest Rate (EIR).
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>1,44,694.70</b>	<b>-</b>	<b>-</b>	<b>1,32,360.97</b>	



## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value are observable and significance to the inputs to the fair value measurement in its entirety, which are described as follows

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Company can access at measurement date.

**C (iii). Table showing Carrying Value and Fair Value of all Financial Assets and Liabilities.**

Particulars	As at 31 March 2020		As at 31 March 2019	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>I. FINANCIAL ASSETS</b>				
- Cash & cash equivalent	19,060.57	19,060.57	5,178.32	5,178.32
- Receivables	23.76	23.76	9.22	9.22
- Loans & advances	1,79,797.99	1,79,264.40	1,69,917.57	1,69,395.68
- Investments	22,649.52	21,854.41	31,723.65	31,807.17
- Other Financial Assets	2,177.20	2,167.61	2,643.22	2,643.22
<b>TOTAL</b>	<b>2,23,709.04</b>	<b>2,22,370.75</b>	<b>2,09,471.98</b>	<b>2,09,033.61</b>
<b>II. FINANCIAL LIABILITIES</b>				
- Payables	457.10	457.10	144.85	144.85
- Debt securities	84,124.00	83,938.64	84,124.00	83,901.21
- Borrowings(other than debt securities)	61,000.00	60,756.06	38,540.15	38,459.84
- Subordinated liabilities	-	-	10,000.00	9,999.92
- Other financial liabilities	3,627.59	3,627.59	2,653.53	2,653.53
<b>TOTAL</b>	<b>1,49,208.69</b>	<b>1,48,779.39</b>	<b>1,35,462.53</b>	<b>1,35,159.35</b>

The carrying amount of the cash & cash equivalent, receivables, payables, Other financial assets & other financial liabilities are considered as their fair values due to their short term nature.

**42 Financial Risk Management (Ind AS - 109)**

Associated Risk to Company and its Management

Risk	Exposure on which arise	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial asset measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits, credit rating review, hypothecation of assets, Maintaining adequate cash and cash equivalent
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk- interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Company have taken the loan at competitive market rates
Market risk- security prices	Investment in equity securities and debt instruments	Sensitivity analysis	Portfolio diversification

**A) Credit risk**

- i. The company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.



## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

## ii. Significant estimates and judgements

**Impairment of financial assets:-**

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's history for past 10 years, existing market conditions as well as forward looking estimates at the end of each reporting period.

Company has adopted policy to recognise impairment loss (ECL) in books and has categorized all loans in three stages:

Stage-1 – Standard Assets (with no overdues or default upto 30 days)

Stage-2 – Standard Assets (with overdues between 31 days to 90 days)

Stage-3 – Non-Performing Assets / Restructured Assets - Credit impaired.

ECL is calculated based on past ten years data as follows:-

ECL= Exposure at Default X Probability of Default (PD) X Loss given default (LGD)

Probability of Default (PD):

Stage-1:  $\frac{\text{No of Borrowers moving to Stage-3}}{\text{Total No of Borrowers}} \times \text{Loan Exposure}$  (in % terms)

Stage-2:  $\frac{\text{No of Borrowers moving to Stage-3}}{\text{Total No of Borrowers in Stage-2}} \times \text{1-year weighted average beta for tourism sector}$  (in % terms)

Stage-3: 100% (Since default has already incurred)

Loss given Default:  $\text{LGD} = 1 - \frac{(\text{PV Recovery} - \text{Cost of recovery})}{\text{Exposure at Default}}$  (in % terms)

Where PV recovery is the sum of discounted cash flows of the recovery made (discounted at weighted average cost of borrowings).

It is presumed that there is increase in credit risk whenever past dues exceed 30 days, however the presumption is rebuttable if there are sufficient at supportable information that demonstrates that the credit risk has not increased despite past overdues exceeding 30 days but less than 60 days, such as availability of tangible security, confirm availability of buyer/auction price for exceeding the value of the loan asset. All such cases are reviewed by the Audit Committee of the Board before finalisation.

## iii. Analysis of risk concentration

The following table shows the risk concentration of the Company's loans.

Particulars	31 March 2020	31 March 2019
Carrying value of Loans to companies	1,78,980.05	1,69,066.59
Mortgage & Assets backed loans	1,78,980.05	1,69,066.59

Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.

The main types of collateral obtained are, as follows:

- For project lending to hotel/other tourism sector, Exclusive/Pari-passu charge on project assets alongwith mortgage of land and building and hypothecation of movables.
- For manufacturing lendings, the security cover by means of charge on net fixed assets/project assets of the borrower company should be atleast 1.5 times or by way of charge on collateral immovable assets based on





## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

distress sale value Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement.

Loan to Value (LTV) range	31 March 2020	31 March 2019
Above 100% Coverage	1,78,980.05	1,69,066.59

**B) Liquidity risk**

Liquidity is the risk that suitable sources of funding for Company's business activities may not be available. The Company's objective is to maintain optimum level of liquidity to meet its cash requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It also maintains adequate sources to finance its short term and long term fund requirement such as overdraft facility and Long term borrowing through domestic market.

**(i) Financing arrangements**

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	31 March 2020	31 March 2019
<b>Floating rate</b>		
- Expiring within one year (bank overdraft and other facilities)	50,000.00	13,959.84

Company has cash credit facility from banks at floating rate of interest which is renewed every year.

**(ii) Maturity profile of financial liabilities**

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for: all non-derivative financial liabilities for which the contractual maturities are essential for an understanding of the timing of the cash flows:-

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant :-

Particulars	Contractual maturities of financial liabilities			Contractual maturities of financial liabilities		
	31 March 2020			31 March 2019		
	Bank Borrowings	Market Borrowings	Total	Bank Borrowings	Market Borrowings	Total
1 day to 30/31 days (one month)	5,000.00	-	5,000.00	3,040.16	10,000.00	13,040.16
Over one month to 2 months	-	-	-	-	-	-
Over 2 months upto 3 months	3,375.00	-	3,375.00	1,125.00	-	1,125.00
Over 3 months to 6 months	3,375.00	-	3,375.00	1,125.00	-	1,125.00
Over 6 months to 1 year	8,000.00	5,000.00	13,000.00	2,250.00	-	2,250.00
Over 1 year to 3 years	37,500.00	45,650.00	83,150.00	21,000.00	25,000.00	46,000.00
Over 3 years to 5 years	3,750.00	-	3,750.00	10,000.00	25,650.00	35,650.00
Over 5 years	-	33,474.00	33,474.00	-	33,474.00	33,474.00
<b>Total</b>	<b>61,000.00</b>	<b>84,124.00</b>	<b>1,45,124.00</b>	<b>38,540.16</b>	<b>94,124.00</b>	<b>1,32,664.16</b>

**C) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk :- interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings.

**(i) Cash flow and fair value interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates



## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

primarily to the long term loans with floating interest rates. The Company manages its interest rate risk according to its Board approved Interest Rate Risk Management policy'. Market interest rate risk is mitigated by proper review of market conditions, factors etc.

The company's borrowings are carried at amortised cost.

The fixed costs borrowings are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

**(a) Interest rate risk exposure**

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows :-

Particulars	31 March 2020	31 March 2019
Variable rate borrowings	61,000.00	38,540.16
Fixed rate borrowings	84,124.00	94,124.00
Total borrowings	1,45,124.00	1,32,664.16

**(b) Sensitivity**

Profit is sensitive to change in interest rates. The impact of change on profit is as below (holding other variables constant):-

Particulars	0.50% increase in rates		0.50% decrease in rates	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Impact on Cost (on Borrowings)	(305.00)	(169.01)	305.00	169.01
Impact on Earnings (on Standard Loans)	874.36	803.34	(874.36)	(803.34)
Increase/(decrease) in Profit	569.36	634.33	(569.36)	(634.33)

**(iii) Price risk****(a) Exposure**

The company's exposure to equity securities price risk arises from investments held by the company and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss

To manage its price risk arising from investments in equity securities, the company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the company

**(b) Sensitivity**

Company has insignificant investment in indexed linked equity and also there is no significant change in movement in last two years. Hence, sensitivity not required to be disclosed.

Profit for the period would increase/decrease as a result of gains/losses on equity securities classified as fair value through profit or loss. Other components of equity would increase/decrease as a result of gains/losses on equity instrument classified as fair value through other comprehensive income.

**43 Capital Management (Ind AS -1)**

The primary objective of the Company's capital management policy is to ensure compliance with regulatory capital requirements. In line with this objective, the Company ensures adequate capital at all times and manages its business in a way in which capital is protected, satisfactory business growth is ensured, cash flows are monitored, borrowing covenants are honoured and ratings are maintained.

Regulatory capital-related information is presented as part of the RBI mandated disclosures. The RBI norms require capital to be maintained at prescribed levels. In accordance with such norms, Tier I capital of the company comprises of share capital, share premium, reserves and perpetual debt, Tier II capital comprises of subordinated debt and provision on loans that are not credit-impaired. There were no changes in the capital management process during the periods presented.



## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

## 44 Tax Expense (Ind AS - 12)

## (i) Movement of Deferred Tax

Particulars	Net balance as at 31 March 2019	Recognised in profit or loss	Recognised in OCI	Net balance as at 31 March 2020
<b>Deferred Tax Asset</b>				
a) Allowance for doubtful debts and advances	789.09	(175.09)	-	614.00
b) Allowance for diminution in value of investments	148.96	174.96	-	323.92
<b>Deferred Tax Liabilities</b>				
a) Depreciation	(214.67)	(18.36)	-	(233.03)
<b>Total</b>	<b>723.38</b>	<b>(18.49)</b>	<b>-</b>	<b>704.89</b>

## (ii) Tax recognised in Statement of profit and loss

(₹ in lakh)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Current Income Tax	1,625.00	2,450.00
Deferred Tax (Net)	18.49	288.76
<b>Total</b>	<b>1,643.49</b>	<b>2,738.76</b>

## (iii) Reconciliation of income tax expense at tax rate applicable to tax expenses recognised.

(₹ in lakh)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Profit before tax	9,745.30	11,363.91
Applicable Income Tax Rate	25.63%	29.12%
Income Tax at Applicable Tax Rates	2,497.72	3,309.17
<b>Adjustments</b>		
- Tax Impact of Exempt Income	(121.41)	(134.76)
- Deductions/adjustments as per Income Tax Act	(751.31)	(724.41)
Income Tax expense recognised in P&L	1,625.00	2,450.00
Actual effective Tax Rate	16.67%	21.56%

The company has opted for reduced tax rate of 22% plus surcharge & cess in accordance with Section 115BAA of the Income Tax Act for the year ended 31 March 2020 and provided tax expense accordingly.

## 45 Approval of Financial Statements (Ind AS - 10)

These financial statements are approved by the Board of Directors and authorized for issue on June 04, 2020

## 46 Recent Accounting Pronouncements (Ind AS - 8) : NIL

## 47 Non-current Assets Held for Sale (Ind AS - 105)

The company has property consisting Land & Building having carrying value of ₹ 530.99 lakh (Land ₹ 133.84 lakh & building ₹ 397.15 lakh) as on 31 March 2020 at "Mussoorie". The company is in the process to sale off this assets, accordingly the property has been classified as "Non-current asset held for Sale". The estimated market value of this property is ₹ 750.00 lakh.



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

48 Revenue from Contracts with Customers (Ind AS - 115)

Component wise revenue of Company

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Interest Income	24,022.53	21,160.09
Dividend Income	35.70	24.77
Fees and Commission Income	1,049.09	474.20
Net gain on fair value changes on investments	532.85	460.81
Other Operating Income	635.00	875.00
<b>TOTAL</b>	<b>26,275.17</b>	<b>22,994.87</b>

49 Maturity Analysis of Assets & Liabilities (Ind AS - 1)

Particulars	Note No.	As at 31 March 2020		As at 31 March 2019	
		Current	Non Current	Current	Non Current
<b>ASSETS</b>					
<b>(1) Financial Assets</b>					
(i) Cash and cash equivalents	3	18,837.43	-	4,958.81	-
(ii) Bank balances other than (i) above	4	223.14	-	219.51	-
(iii) Receivables	5				
- Other Receivables		23.76	-	9.22	-
(iv) Loans & Advances	6	15,152.87	1,61,035.73	16,251.62	1,48,418.53
(v) Investments	7	362.00	21,492.41	5,060.10	26,747.07
(vi) Other financial assets	8	2,139.03	28.58	2,638.75	4.47
		36,738.23	1,82,556.72	29,138.01	1,75,170.07
<b>(2) Non-Financial Assets</b>					
(i) Current tax assets (Net)	9	432.07	1,360.77	(310.05)	2,140.63
(ii) Deferred tax assets (Net)	10	-	704.89	-	723.38
(iii) Property, Plant and Equipment	11	-	1,461.21	-	1,435.03
(iv) Right of Use Assets	12	-	288.85	-	-
(v) Other non-financial assets	13	135.49	169.09	33.14	206.86
		567.56	3,984.81	(276.91)	4,505.90
<b>(3) Assets classified as held for sale</b>		-	530.99	-	530.99
<b>TOTAL ASSETS</b>		<b>37,305.79</b>	<b>1,87,072.52</b>	<b>28,861.10</b>	<b>1,80,206.96</b>
<b>LIABILITIES AND EQUITY</b>					
<b>(1) Financial Liabilities</b>					
(i) Payables					
- Other Payables	14	457.10	-	144.85	-
total outstanding dues of creditors other than micro enterprises and small enterprises					
(ii) Debt Securities	15	5,000.00	78,938.64	-	83,901.21
(iii) Borrowings (Other than Debt Securities)	16	14,750.00	46,006.06	7,540.16	30,919.68
(iv) Subordinate Liabilities	17	-	-	9,999.92	-
(v) Other financial liabilities	18	3,405.21	222.38	2,653.53	-
		23,612.31	1,25,167.08	20,338.46	1,14,820.89
<b>(2) Non-Financial Liabilities</b>					
(i) Provisions	19	170.47	-	156.71	-
(ii) Other Non-financial liabilities	20	76.27	-	60.79	-
		246.74	-	217.50	-
<b>(3) Equity</b>					
(i) Equity Share Capital	21	-	8,071.67	-	8,071.67
(ii) Other Equity	22	-	67,280.51	-	65,619.54
		-	75,352.18	-	73,691.21
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>23,859.05</b>	<b>2,00,519.26</b>	<b>20,555.96</b>	<b>1,88,512.10</b>



## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
<b>50</b>	<b>The additional information required to be disclosed vide RBI norms - as certified by the management</b>		
	<b>1 Rating Assigned By Credit Rating Agencies for the Bonds/Borrowings of TFCI</b>		
	- CARE Ratings Ltd (CARE)	CARE A+ (reaffirmed vide letter dated 06.05.2020)	
	- Brickworks Ratings India Pvt. Ltd.	BWR A+ (downgraded vide letter dated 27.05.2020)	
	- Acuite Rating & Research Ltd	ACUITE AA- (reaffirmed vide letter dated 05.12.2019)	
	<b>Migration</b>		
	- Rating of Brickworks Ratings (India) Pvt Ltd migrated from "AA-" to "A+" vide letter dated 27.05.2020		
	<b>2 No Penalty is levied by any regulator during the year.</b>		
	<b>3 Capital</b>		
	i) CRAR (%)	37.56%	39.01%
	ii) CRAR - Tier I Capital (%)	37.15%	38.60%
	iii) CRAR - Tier II Capital (%)	0.41%	0.41%
	iv) Amount of Subordinate debt raised as Tier-II Capital	Nil	10,000 (discounted at 100%)
	v) Amount raised by issue of perpetual debt instruments	Nil	Nil
	<b>4 Investments</b>		
	- TFCI does not hold any Investments Outside India		
	1) Value of Investments		
	(a) Gross Value of Investments	22,649.52	31,723.65
	(b) Fair Value Changes(Net)	(795.11)	83.52
	(c) Net Value of Investments	21,854.41	31,807.17
	2) Movement in fair value changes of Investments (Net)		
	(a) Opening Balance	83.52	254.58
	(b) Add: Increase in Value	71.17	-
	(c) Less: Decrease in Value	(949.80)	171.04
	(d) Closing Balance	(795.11)	83.54
	<b>5 Derivatives</b>		
	Exposure to Derivative Instruments/Products	Nil	Nil
	<b>6 Securitisation</b>		
	<b>A. Details of SPVs Sponsored for Securitisation of Assets</b>		
	SPVs Sponsored	Nil	Nil
	<b>B. Details of Financial Assets sold to Securitisation / Reconstruction Company for Assets Reconstruction</b>		
	No. of Accounts Sold	1	Nil
	Aggregate value (net of provisions) of accounts sold	4122.13	Nil
	Aggregate consideration	4122.13	Nil
	Aggregate gain/loss over net book value	Nil	Nil
	<b>C. Details of Assignment transaction undertaken</b>		
	Assignment transaction undertaken	Nil	Nil
	<b>D. Details of Non-performing financial assets purchased/sold</b>		
	1) Non-performing financial assets purchased	Nil	Nil
	2) Non-performing financial assets sold	Nil	Nil
	<b>7 Exposures</b>		
	<b>A. Exposure to Real Estate Sector (Direct)</b>		
	1) Residential Mortgage	Nil	Nil
	2) Commercial Real Estate		
	- Lending secured by mortgage on commercial real estate	Nil	700.00
	- lending in mortgage backed securities & other exposure	Nil	Nil



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(₹ in lakh)

50 contd.	Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
	<b>B. Exposure to Capital Market (Gross)</b>		
	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	1,377.24	1,892.47
	advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	Nil	Nil
	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	Nil	Nil
	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	Nil	Nil
	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	Nil	Nil
	loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	Nil	Nil
	bridge loans to companies against expected equity flows / issues;	Nil	Nil
	all exposures to Venture Capital Funds (both registered and unregistered)	Nil	Nil
	<b>8 Additional Disclosures</b>		
	<b>8.1 Breakup of Provision &amp; Contingencies shown under the head expenditure in profit &amp; loss account</b>		
	1) Provision for Expected Credit Loss / NPA	2,400.00	6.22
	2) Provision Made towards Income Tax	1,625.00	2,450.00
	3) Other Provision and Contingencies (Deferred Tax Liability)	18.49	288.76
	<b>8.2 Concentration of Advances and NPAs.</b>		
	<b>8.2.1 Concentration of Advances.</b>		
	1) Total Advances to Twenty Large Borrowers	1,07,645.77	1,06,275.00
	2) Percentage of Advances to Twenty Large Borrowers	60.02%	62.74%
	<b>8.2.2 Concentration of NPAs.</b>		
	1) Total Exposure to Top Four NPA Accounts	4,481.92	8,713.76



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

50 contd.	Particulars	Year Ended 31 March 2020		Year Ended 31 March 2019	
	<b>8.2.3 Sector Wise NPAs.</b>				
	<b>Sector</b>	<b>% of NPA to Total Advances in that Sector</b>		<b>% of NPA to Total Advances in that Sector</b>	
	Tourism Sector	2.84%		6.18%	
	Manufacturing Sector	2.97%		2.67%	
	<b>8.3 Movement of NPAs.</b>				
	1) Net NPAs to Net Advances (%)	1.63%		2.88%	
	2) Movement of Gross NPAs				
	(a) Opening Balance	8,713.76		3,329.92	
	(b) Add: Addition During Year	7,774.12		5,977.66	
	(c) Less: Write-off During Year	5,099.73		-	
	(d) Less: Upgradation & Recovery During Year	6,906.23		593.82	
	(e) Closing Balance	4,481.92		8,713.76	
	3) Movement of Net NPAs				
	(a) Opening Balance	4,762.23		122.17	
	(b) Add: Addition During Year	2,362.64		4,640.06	
	(c) Less: Upgradation & Recovery During Year	4,234.95		-	
	(d) Closing Balance	2,889.92		4,762.23	
	4) Movement in ECL/Provision for NPA				
	(a) Opening Balance	4,725.53		3,981.75	
	(b) Add: Provision made during the year	2,400.00		750.00*	
	(c) Less: Loans & Investments Written off during the year	4,049.73		-	
	(d) Less: Provision utilised against Investments	-		6.22	
	(e) Closing Balance	3,075.80		4,725.53	
	* Provision made u/s 36(1)(viii)(c) of Income Tax Act 1961				
	<b>8.4 Loans and advances availed (including interest due thereon but not paid)</b>				
	<b>Particulars</b>	<b>Outstanding</b>	<b>Overdue</b>	<b>Outstanding</b>	<b>Overdue</b>
	Debentures (Bonds)				
	- Secured	15,974.00	Nil	15,974.00	Nil
	- Unsecured	68,150.00	Nil	78,150.00	Nil
	Deferred Credits	Nil	Nil	Nil	Nil
	Term Loans, WCDL/CC & FCNR(B)	61,000.00	Nil	38,540.16	Nil
	Inter Corporate Deposits	Nil	Nil	Nil	Nil
	Commercial Papers	Nil	Nil	Nil	Nil
	<b>8.5 Break-up of Loans and Advances including bills receivables (Net of provision).</b>				
	<b>Particulars</b>	<b>Amount Outstanding</b>		<b>Amount Outstanding</b>	
	a) Secured	1,76,148.08		1,64,634.39	
	b) Unsecured	40.52		35.76	
	<b>8.6 Break up of Leased Assets and stock on hire and other assets counting towards AFC activities : NIL</b>				
	<b>8.7 Break-up of Investments (Net of Provision)</b>				
	<b>Investment in Debt securities</b>				
	- at amortised cost	15,327.01		22,165.08	
	- at fairvalue through P&L	62.23		5,049.80	



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(₹ in lakh)

50 contd.	Particulars	Year Ended 31 March 2020			Year Ended 31 March 2019		
	<b>Investment in Equity Instruments</b>						
	- at fair value through OCI	1,974.93			2,094.89		
	- at fair value through P&L	1.72			10.30		
	- at cost	5.00			-		
	<b>Investment in Other approved securities</b>						
	- at fair value through P&L	4,483.52			2,487.10		
	<b>Total Investment</b>	<b>21,854.41</b>			<b>31,807.17</b>		
<b>8.8 Borrower group-wise classification of assets financed as in (8.5) and (8.6) above</b>							
Particulars		Amount (Net of Provision)			Amount (Net of Provision)		
		Secured	Unsecured	Total	Secured	Unsecured	Total
i) Related Parties							
- Subsidiaries		Nil	Nil	Nil	Nil	Nil	Nil
- Companies in Same Group		Nil	Nil	Nil	Nil	Nil	Nil
- Other Related Parties		Nil	Nil	Nil	Nil	Nil	Nil
ii) Other than Related Parties		176148.08	40.52	176188.60	164634.39	35.76	164670.15
<b>8.9 Investor group-wise classification of all investments in shares and securities (Both Quoted &amp; Unquoted)</b>							
Particulars		Market value/ Break up value or Fair Value or NAV		Book Value (Net of Specific provision)	Market value/ Break up value or Fair Value or NAV		Book Value (Net of Specific provision)
i) Related Parties							
- Subsidiaries		5.00		5.00	Nil		Nil
- Companies in Same Group		Nil		Nil	Nil		Nil
- Other Related Parties		Nil		Nil	Nil		Nil
ii) Other than Related Parties		21,849.41		22,644.52	31,807.17		31,723.63
<b>TOTAL</b>		<b>21,854.41</b>		<b>22,649.52</b>	<b>31,807.17</b>		<b>31,723.63</b>
<b>8.10 Other Information</b>							
i) Gross Non-Performing Assets							
- Related parties				Nil			Nil
- Other than related parties				4,481.92			8,713.76
ii) Net Non-Performing Assets							
- Related parties				Nil			Nil
- Other than related parties				2,889.92			4,762.23
iii) Assets acquired in satisfaction of debt				Nil			Nil
<b>8.11 Customer &amp; Investor Complaints</b>							
a) No. of complaints pending at the beginning of the year				Nil			Nil
b) No. of complaints received during the year				112			227
c) No. of complaints redressed during the year				112			227
d) No. of complaints pending at the end of the year				Nil			Nil
<b>8.12 Disclosure on Flexible Structuring of Existing Loans</b>							
Period & No. of Borrowers taken up for flexible structuring		Amount of Loan Taken up for flexible structuring		Exposure weighted average duration of loans taken up for flexible structuring			
		Classified as Standard	Classified as NPA	Before Applying flexible structuring	After applying flexible structuring		
1. Previous F.Y. 2018-19		- Nil	-	-	-	-	
2. Current F.Y. 2019-20		- Nil	-	-	-	-	





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(₹ in lakh)

50 contd.	Particulars	Year Ended 31 March 2020			Year Ended 31 March 2019		
	<b>8.13 Disclosures on Liquidity Risk</b>						
	<b>8.13.1 Funding concentration based on significant counterparty</b>						
	No. of Significant Counterparties	17			18		
	Amount	1,20,084.00			1,03,674.16		
	% of Total Deposit	N.A.			N.A.		
	% of total Liabilities	80.58%			76.58%		
	<b>8.13.2 Top 20 large deposits</b>						
	Not applicable. The Company being a Systemically Important Non-Deposit taking Non-Banking Financial Companies registered with Reserve Bank of India does not accept public deposit.						
	<b>8.13.3 Top 10 Borrowings</b>						
	Amount	1,09,014.00			90,604.16		
	% of total Borrowings	75%			68%		
	<b>8.13.4 Funding concentration based on significant instrument/product</b>						
	<b>Name of the instrument/product</b>	<b>Amount</b>	<b>% of Total Liabilities</b>	<b>Amount</b>	<b>% of Total Liabilities</b>		
	1. Secured Non-Convertible Debentures	15,974.00	11%	15,974.00	12%		
	2. Unsecured Non- Convertible Debentures	68,150.00	46%	78,150.00	58%		
	3. Term Loans from Bank	56,000.00	38%	35,500.00	26%		
	4. Cash Credit Limit/WCDL	5,000.00	3%	3,040.16	2%		
	Total Borrowings	1,45,124.00	98%	1,32,664.16	98%		
	Total Liabilities (Total Liabilities - Equity & other Equity)	1,45,124.00		1,35,376.85			
	<b>8.13.5 Stock Ratios</b>						
	Particulars	as a % of total			as a % of total		
		public fund	liabilities	assets	public fund	liabilities	assets
	Commercial Paper	-	-	-	-	-	-
	Non-convertible Debentures (Original maturity of less than one year)	-	-	-	-	-	-
	Other Short term liabilities	16%	16%	11%	15%	15%	10%
	<b>8.13.6 Institutional Set Up for Liquidity Risk Management</b>						
	The Liquidity Risk management of the Company is governed by the Liquidity Risk Management Framework and Asset & Liability Management(ALM) Policy approved by the Board. The Board of Directors of the Company has the overall responsibility for management of liquidity risk. The Board decides the strategy, policies and procedures to manage liquidity risk in accordance with the liquidity risk tolerance/limits approved by it. The Risk Management Committee of Directors (RMCD) is responsible for evaluating the overall risks faced by the company including liquidity risks. The Asset Liability Management Committee (ALCO) is responsible for ensuring adherence to the liquidity risk tolerance/limit set by the Board as well as implementing the liquidity risk management strategy. The role of ALCO with respect to liquidity risk includes, inter alia, decision on desired maturity profile and mix of incremental assets and liabilities, responsibilities and controls for managing liquidity risk and overseeing the liquidity positions at an entity level.						



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

S.No	Type of Restructuring	Under CDR Mechanism						Others						Total		
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
	Assets Classification Details															
1	Restructured Accounts as on 01.04.2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	No of Borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision Thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Fresh restructuring during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	No of Borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision Thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Upgradations to restructured standard	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	No of Borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision Thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	No of Borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision Thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	No of Borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision Thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Write-offs of restructured accounts during the FY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	No of Borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision Thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Restructured Accounts as on March 31 of the FY (closing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	No of Borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision Thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

50 contd.	10 Details of Provision as per Ind-AS 109 & RBI - IRACP Norms					
Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	1,60,642.87	813.80	1,59,829.07	663.25	150.55
	Stage 2	14,229.35	670.00	13,559.35	452.94	217.06
<b>Sub total</b>		<b>1,74,872.22</b>	<b>1,483.80</b>	<b>1,73,388.42</b>	<b>1,116.19</b>	<b>367.61</b>
<b>Non-Performing Assets (NPA)</b>						
Sub standard	Stage 3	-	-	-	-	-
Doubtful - up to 1 year	Stage 3	2,755.80	1,314.00	1,441.80	551.16	762.84
1 to 3 years	Stage 3	1,726.12	278.00	1,448.12	517.84	(239.84)
More than 3 years	Stage 3	-	-	-	-	-
<b>Sub total for doubtful</b>		<b>4,481.92</b>	<b>1,592.00</b>	<b>2,889.92</b>	<b>1,069.00</b>	<b>523.00</b>
Loss	Stage 3	-	-	-	-	-
<b>Sub total for NPA</b>		<b>4,481.92</b>	<b>1,592.00</b>	<b>2,889.92</b>	<b>1,069.00</b>	<b>523.00</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Sub total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>Stage 1</b>	<b>1,60,642.87</b>	<b>813.80</b>	<b>1,59,829.07</b>	<b>663.25</b>	<b>150.55</b>
	<b>Stage 2</b>	<b>14,229.35</b>	<b>670.00</b>	<b>13,559.35</b>	<b>452.94</b>	<b>217.06</b>
	<b>Stage 3</b>	<b>4,481.92</b>	<b>1,592.00</b>	<b>2,889.92</b>	<b>1,069.00</b>	<b>523.00</b>
	<b>Total</b>	<b>1,79,354.14</b>	<b>3,075.80</b>	<b>1,76,278.34</b>	<b>2,185.19</b>	<b>890.61</b>

**Note:**

The company adopted all the Ind-AS standards for the first time in accordance with Ind AS-101 for the year ended 31<sup>st</sup> March 2019, except impairment on the credit exposure as per Ind AS-109 pending guidance from Reserve Bank of India. The impairment on the credit exposure for the year ended 31<sup>st</sup> March 2019 was provided as per RBI (IRACP) guidelines.

The company for the year ended 31<sup>st</sup> March 2020 has provided impairment on the credit exposure as per Ind-AS 109 in accordance with RBI regulatory guidance on implementation of Ind-AS in NBFCs vide notification dated 13.03.2020. The comparison of ECL provision as per Ind-AS and as per IRACP has been made (as above). Since ECL as per Ind-AS is higher than provision under IRACP, accordingly creation of impairment reserve is not required.



## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

<b>50 contd.</b>	<b>11 Disclosure on Extension of Assets Classification Benefit Granted as per RBI Covid-19 Regulatory Package</b>
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The company has extended asset classification benefit in one account in default but standard under SMA-2 category as on February 29, 2020, in terms of RBI Covid-19 regulatory package circulars dated 27.03.2020 & 17.04.2020. The outstanding loan and provision required thereon is as under:

No. of Account	Loan Amount	Provision Required as per RBI
1	4,850.00	242.50 (5%)

The provision required as per RBI norms is provided in ECL for stage-2 Accounts.

**12 Asset Liability Management Maturity pattern of certain items of assets and liabilities**

Particulars	1 day to 30/31 days (one month)	Over one month to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
- Borrowings from banks	5,000.00	-	3,375.00	3,375.00	8,000.00	37,500.00	3,750.00	-	61,000.00
- Market Borrowings	-	-	-	-	5,000.00	45,650.00	-	33,474.00	84,124.00
Assets									
- Advances	499.47	52.00	279.06	4,112.54	10,209.80	45,688.05	38,841.19	79,672.03	1,79,354.14
- Investments	62.00	50.00	25.00	75.00	150.00	13,609.00	3,150.00	5,528.52	22,649.52

**51 Commitments**

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Capital Commitments	Nil	Nil

52 There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2020. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

**53 Corporate Social Responsibility(CSR)****(i) Corporate Social Responsibility (CSR) Expenditure**

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Gross amount required to be spend by the company	213.00	187.69
Amount spent during the period on		
i) Construction / acquisition of any assets	-	-
ii) On purposes other than (i) above	213.00	187.69
Total	213.00	187.69

**(ii) Details of Expenditure on Corporate Social Responsibility (CSR)**

CSR Project/Activity	Outlay & Spent	
	Year ended 31 March 2020	Year ended 31 March 2019
1. Contribution to Prime Minister's National Relief Fund.	160.90	162.80
2. Contribution to AKSHAYA PATRA FOUNDATION - for mid day meal to students of Govt. Schools.	7.70	9.50
3. Contribution to ARYA KANYA SADAN (AKS) - for part funding for education expenses of girl students in Faridabad, Haryana.	5.00	5.00



## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

4. Contribution to ISKCON Food Relief Foundation - for purchase of one vehicle for transporting meals to children under mid-day meal project in Gurgaon.	5.75	7.39
5. PARIVAR EDUCATION SOCIETY - towards contribution for supporting education, nutritional and overall development of destitute and needy children.	10.15	-
6. Bharat Lok Siksha Parishad (under the ages of Ekal Abhiyan or one village one school) - towards contribution for supporting 25 Ekal Vidyalas.	5.50	-
7. Sulabh Sanitation Mission Foundation - for Renovation/ upgradation of existing SulabhToilet Complex at N.M.Joshi Lower Parel, Mumbai	18.00	-
8. Contribution to Shri Ram College of Commerce - to organize Financial Literacy Project 'SAHAY', 'UMEED' and 'ASHA' spreading financial awareness in the rural sector in backward areas.	-	3.00
<b>Total</b>	<b>213.00</b>	<b>187.69</b>

## 54 Auditor Remuneration

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Audit fees (including GST)	5.90	5.90
<b>Total</b>	<b>5.90</b>	<b>5.90</b>

- 55 In the opinion of the Management, the All Financial Assets, including Loans & Advances, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet and necessary provision has been made in the cases wherever it is considered as doubtful.
- 56 Miscellaneous Expenses do not include items of expenses exceeding 1% of the total revenue of the company or Rupees Ten Lakh which ever is higher.
- 57 TFCI adopted all the Ind-AS standards for the first time in accordance with Ind AS-101 for the year ended 31<sup>st</sup> March 2019 except Impairment requirements of Ind AS-109, on the credit exposure, pending guidance from Reserve Bank of India. TFCI, as on 31<sup>st</sup> March 2019, calculated impairment requirements as per Ind AS-109 on total portfolio and also as per prudential norms of RBI and recognized the higher of the two as impairment. Accordingly, no additional provision was charged to Profit & Loss Account for the year ended 31<sup>st</sup> March 2019 as the existing provision was higher than the calculated impairment loss. Reserve Bank of India vide its circular dated 13<sup>th</sup> March 2020 has given guidance which have been adopted and accordingly impairment calculated as per Ind AS-109 needs to be charged to Profit & Loss Account at the year end. The revised guidelines have no impact on previous years profitability, as the existing provisions as on 31<sup>st</sup> March 2019, was higher than the impairment losses and therefore previous year's figures have not been recasted.
- 58 Figures in Financial Statements have been rounded off to the nearest lakh (except number of shares) and previous years figures have been re-grouped, re-arranged wherever necessary to make them comparable with those of the current year's figures.

**NOTES FORMING PART OF FINANCIAL STATEMENTS****59 Disclosure of material impact of COVID-19 pandemic on listed entities under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

The SARS - CoV-2 virus, responsible for COVID 19, continues to spread across India and has contributed to a significant decline in the economic activity, across the segments/sectors. Tourism Sector, wherein, TFCI has predominant exposure has also been affected.

The Government of India, vide its Notification dated 30<sup>th</sup> May, 2020, has permitted recalibrated opening of various sectors, including hotels, w.e.f. 8<sup>th</sup> June, 2020, subject to the necessary Standard Operating Guidelines being formulated and notified by the respective State Governments. The hotels, post opening, need to follow health and hygiene related guidelines meticulously besides ensuring social distancing. The hotels needs to re-establish their credibility, with regard to maintenance of required hygiene/safety standards including purity of air in circulation. In this environment, the hotels which have already been following the Govt. of India stipulated standards would have upper hand. It may be pertinent to mention that all the hotels assisted by TFCI, are classified and are following the stipulated standard of the Government of India, of which, majority are managed/franchised by international/domestic chain, and are likely to reap the benefit of their international experience.

The extent to which the financial of the associated units would be impacted due to COVID - 19 in the FY 2020-21, after opening of the economy, is highly uncertain. However, the industry experts feel that most of the mid-scale projects in Metro Cities, Resorts, Stand-alone Hotels (on the outskirts of the cities) and leisure/wellness properties are likely to revive early. In order to sustain the operations, the hotels need to pay continuously salaries to the essential staff, licence fees, Rent/Rate & Taxes, minimum power charges, maintenance cost of landscaping, open areas including gardens etc., besides meeting interest and repayment obligations. Accordingly, most of the hotel projects need liquidity support in the absence of revenue streams.

TFCI has a strong capital base and comfortable liquidity position. The liquidity constraints for most of the assisted projects, to a large extent have been mitigated with the introduction of “Covid-19 – Regulatory Package” by the Reserve Bank of India, vide its circulars during March-May 2020. Further, with the enlargement of definition of MSME by the Govt. of India, we expect that a predominant pool of our portfolio would fall within the said category, which will enable them to avail additional facility/equity under various Schemes announced by the Govt. of India, and would accordingly be in a position to mitigate liquidity risk and sustain their operations with gradual built up of operations.

TFCI, recognises its commitment towards all the stake holders including borrowers, investors, lenders, regulators, employees and the entire eco system in which it operates. As indicated above, with our comfortable liquidity position, we shall be able to assist the borrowers by providing adequate support, wherever warranted. TFCI with the approval of the Board, has already implemented, to the eligible borrowers, the “Covid-19 – Regulatory Package” of the Reserve Bank of India. TFCI has also made adequate provision to honour its repayment obligations on time, with the available liquidity. The company has been taking various precautionary measures to protect the employees and their families while ensuring business continuity including permitting eligible staff to start work from home and provide necessary timely support to all the borrowers.

Considering the gravity of Covid-19 outbreak and the continuing uncertainty, ascertaining the impact on growth will take some time. We are taking all structural measure to overcome the situation & thus ensure support to our customers, contain cost & provide us the agility to adapt to new normal economic environment.

for and on behalf of the Board

As per our report of even date  
for Suresh Chandra & Associates  
(Chartered Accountants)  
Firm Reg. No: 001359N

(Madhur Gupta)  
Partner  
M.No.90205

Date : June 04, 2020

Place : New Delhi

(Anirban Chakraborty)  
Managing Director & CEO

(Sanjay Ahuja)  
Company Secretary

(Anoop Bali)  
Chief Financial Officer

(S.Ravi)  
Non- Executive Chairman

(B.M. Gupta)  
Whole Time Director



**Route Map & Prominent Landmark of AGM Venue and Attendance Slip.**

In view of the extraordinary circumstances due to COVID-19 pandemic prevailing in the country, MCA vide its Circular No. 14/2020 dated April 8, 2020 and Circular No. 20/2020 dated May 5, 2020, had clarified that social distancing is a pre-requisite in the current scenario and in reference to clarifications/ guidance on applicability of Secretarial Standards on General Meetings (SS-2) dated April 15, 2020, the Company will hold the AGM through VC/OAVM, without the physical presence of the Members at 4<sup>th</sup> Floor, Tower 1, NBCC Plaza, Sector V, Pushp Vihar, Saket, New Delhi –110 017. In view of the directions from MCA, the Meeting is being convened through VC/OAVM and physical presence of the Members are not required at the venue and that the proceedings of the AGM conducted shall be deemed to be made at this venue.



**Tourism Finance Corporation of India Limited**

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