

34TH ANNUAL REPORT 2022-23



TOURISM FINANCE CORPORATION OF INDIA LIMITED



TOURISM FINANCE CORPORATION OF INDIA LIMITED

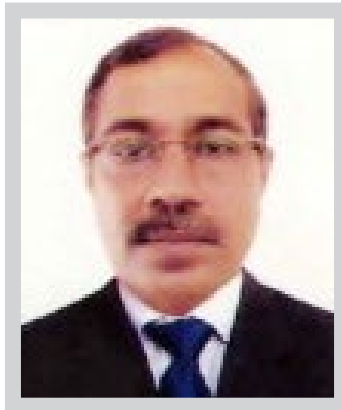
Board of Directors*



Dr. S. Ravi
Non Executive Chairman
(Non-Independent Director)



Shri Koppara Sajeeve Thomas
Director



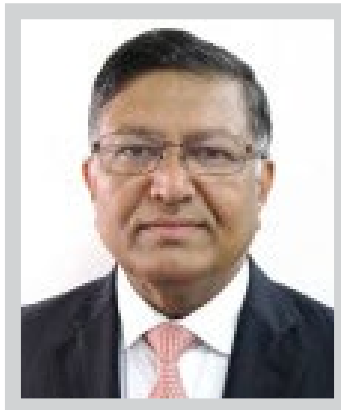
Shri G.D. Mundra
Director



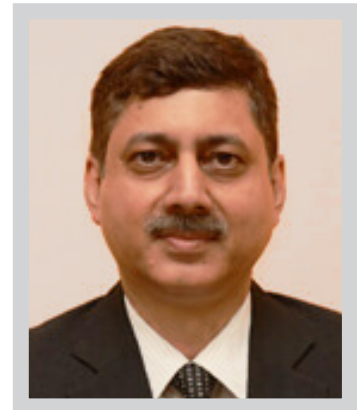
Shri Bapi Munshi
Independent Director



Mrs. Thankom T Mathew
Independent Director



Shri Ashok Kumar Garg
Independent Director



Shri Anoop Bali
Whole Time Director & CFO

*As on July 7, 2023



BOARD OF DIRECTORS*

Dr. S.Ravi	Non-Executive Chairman
Shri Koppara Sajeev Thomas	Non-Executive Director (Promoter Group Category)
Shri G. D. Mundra	Non-Executive Director
Mrs. Thankom T. Mathew	Independent Director
Shri Bapi Munshi	Independent Director
Shri Ashok Kumar Garg	Independent Director
Shri Anoop Bali	Whole Time Director & CFO

COMPLIANCE OFFICER

Shri Sanjay Ahuja	Company Secretary
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STATUTORY AUDITORS

M/s M. Verma & 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 & CORPORATE OFFICE

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

MUMBAI OFFICE

C-304, Marathan Innova
Veer Santoshi Lane, off. Ganpatrao
Kadam Marg, Lower Parel,
Mumbai-400 013
Phone No.: 022-40591106

*as on July 7, 2023

**HIGHLIGHTS**

(₹ in lakh)

		As at March 31, 2023	As at March 31, 2022
Resources			
Share Capital		9037	9037
Reserves and Surplus		92673	84659
Secured Loans		82973	84724
Unsecured Loans		17500	43150
Total		202183	221570
Operations			
	Cumulative	2022-2023	2021-2022
Assistance sanctioned			
Rupee Loan	1302421	75022	23721
Leasing	2491	—	—
Subscription to Equity/Preference Share/Mutual Fund/ Debenture	82070	—	—
Guarantee	1483	—	—
Total	1388465	75022	23721
Assistance disbursed			
Rupee Loan	793638	56060	27747
Leasing	1580	—	—
Subscription to Equity/Preference Share/Mutual Fund/ Debenture	75611	—	—
Guarantee	1443	—	—
Total	872272	56060	27747
Earnings			
Profit before tax		10937	10790
Profit after tax		8795	8532
Earning per share (₹)		9.73	10.01



NOTICE

NOTICE is hereby given that the Thirty Fourth Annual General Meeting of the members of Tourism Finance Corporation of India Ltd. will be held on Friday, the 18th day of August, 2023 at 11.00 A.M., through Video Conferencing/other Audio Visual Means facility at 4th Floor, Tower 1, NBCC Plaza, Sector V, Pushp Vihar, Saket, New Delhi –110 017 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited Financial Statements of the Company for the year ended March 31, 2023 and the report of the Board of Directors' and Auditors' thereon.
2. To consider and declare Dividend on Equity Shares for financial year 2022-23.
3. To appoint a Director in place of Dr. S.Ravi (DIN: 00009790), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

Item No. 4. Issue of Non-Convertible Bonds/Debentures/other instruments

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, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, Guidelines issued by Reserve Bank of India (“RBI”), the Memorandum and Articles of Association of the Company and subject to the rules, regulations, guidelines and circulars issued thereunder from time to time by any Regulatory Authorities, consent of the Members be and is hereby accorded 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 ₹700 crore (Rupees Seven 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.”

Item No. 5. Appointment of Shri Ashok Kumar Garg as an Independent Director.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Rules made thereunder, and Regulation 17 and any other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and the Articles of Association of the Company, Shri Ashok Kumar Garg (DIN: 07633091), who was appointed as an Additional Director of the Company by the Board of Directors of the Company with effect from May 20, 2023 in the Independent Director category, 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 Independent Director be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years commencing from May 20, 2023 upto May 19, 2028.

Item No. 6. Appointment of Mrs. Thankom T. Mathew as an Independent Director (Women) for second term.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Rules made thereunder, and Regulation 17 and any other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and the Articles of Association of the Company, Mrs. Thankom T. Mathew (DIN: 00025326) in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Independent Director be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for second term of 5 (Five) consecutive years w.e.f. October 24, 2023 upto October 23, 2028.

Item No.7 Alteration to the Articles of Association of the Company.

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 Section 14 and other applicable provisions of the Companies Act, 2013 and the provisions of the Memorandum and Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to alter the Articles of Association of the Company as under:

In Article 123(i), the words and phrases “The Government of India shall have the right to appoint not more than one director representing the Ministry of Tourism” be deleted.



To substitute the existing Article 123(ii) with the following clause:

Debenture Nominee Director

"If the Company issues debentures or bonds or such other debt instruments, the debenture trustee(s) shall have the right to appoint a Director (in these presents referred to as Debenture Nominee Director) on the Board of the Company and to remove from office any Debenture Nominee Director in accordance with provisions of the Companies Act 2013, SEBI Regulations, applicable law, regulatory or listing requirements and terms and conditions of such debenture documents. Any such nomination for appointment or removal of nominee shall be served in writing and the Board of Directors of the Company shall appoint the person as nominated by the debenture trustees. The Debenture Nominee Director shall neither be required to hold any qualification share nor be liable to retire by rotation and shall continue in office for so long as the debt subsists. Subject as aforesaid the Debenture Nominee Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other director of the Company."

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to take all such steps and actions and give such directions as may in its absolute discretion, be deemed necessary and to settle any question or difficulty that may arise in this regard."

By order of the Board of Directors

Date: July 7, 2023

(Sanjay Ahuja)

Place: New Delhi

Company Secretary

Notes:

- 1) As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 2/2022 dated May 5, 2022 and Circular No. 11/2022 dated December 28, 2022 (collectively referred to as "MCA Circulars"). The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
- 2) 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), and MCA Circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, May 5, 2022 and December 28, 2022 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's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

- 3) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after 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 to atleast 1000 members on first come first serve basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first serve basis.
- 4) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- 5) Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
- 6) 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. 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 and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
- 7) The 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 MCA Circular No. 20/2020 dated May 5, 2020 and MCA Circular No. 02/2021 dated January 13, 2021, MCA Circular No. 02/2022 dated May 5, 2022 and MCA Circular No. 11/2022 dated December 28, 2022.
- 8) The Securities and Exchange Board of India (SEBI) has mandated that securities of listed company can be transferred only in dematerialized form w.e.f April 1, 2019. Accordingly, the company has stopped accepting



- any fresh lodgment of transfer of shares in physical form. In view of the above and to avail various benefits of dematerialization, members are requested to dematerialize shares held by them in physical form.
- 9) Those Shareholders whose email IDs are not registered, are requested to register their email ID with Registrar & Share Transfer Agent (RTA) at admin@mcsregistrars.com; helpdeskdelhi@mcsregistrars.com, by providing their Name as registered with the RTA, Address, email ID, PAN, DPID/Client ID or Folio Number and Number of shares held by them.
 - 10) The Members will be allowed to pose questions during the course of the Meeting. The queries can also be given in advance at complianceofficer@tfciltd.com.
 - 11) 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. 4 to 7 is annexed hereto.
 - 12) 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.
 - 13) In terms of Article 135 of the Articles of Association of the Company, read with Section 152 of the Companies Act, 2013, Dr. S.Ravi (DIN: 00009790), retiring by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.
 - 14) 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.
 - 15) Members holding shares in more than one folio in identical order of the names are requested to write to MCS Share Transfer Agents Ltd., RTA, 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 RTA.
 - 16) 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:

Year	Due Date
2015-16(Final)	28.10.2023
2016-17	25.10.2024
2017-18	10.09.2025
2018-19	09.09.2026
2020-21	29.10.2028
2021-22	19.10.2029

Those who have not yet claimed their dividend for the last seven years may apply directly to RTA, MCS Share Transfer Agents Ltd. and stake their claim.

- 17) It is further informed to the shareholders that unclaimed dividend upto the financial year 2014-15 and Interim Dividend for financial year 2015-16 has already been transferred to the IEPF. Those who have not claimed their dividend for period prior to F.Y. 2014-15 may please claim their refund from IEPF Authority and log to <http://www.iepf.gov.in/IEPFA/refund.html>.
- 18) Relevant documents referred to in the accompanying Notice as well as the other documents are open for inspection at the registered office of the Company on all working days except Saturday, Sunday and holidays between 11.00 a.m. to 1.00 p.m. upto the date of this Annual General Meeting.
- 19) (a) The Register of Members and Share Transfer Books for equity shares of the Company will remain closed from August 12, 2023 to August 18, 2023 (both days inclusive).
(b) The dividend on Equity Shares, if declared at the Meeting, will be paid to those members holding shares
 - (i) in physical form, if their names appear in the Register of Members after giving effect to all valid transfer/transmission lodged with RTA of the Company, MCS Share Transfer Agents Ltd. on or before August 11, 2023 and
 - (ii) in dematerialized/electronic form, the dividend will be paid on the basis of beneficial ownership as per details to be furnished by the Depositories i.e National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) as at the end of business on August 11, 2023.
- 20) Members may please note that for shares in electronic form, bank particulars registered against their depository accounts will be used by the Company for payment of dividend, therefore they are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members



holding shares in physical form are requested to advise any change in address immediately to the RTA, MCS Share Transfer Agents Ltd. at F-65, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi-110020.

- 21) Members may note that the Income-tax Act, 1961, (“the IT Act”) as amended by the Finance Act, 2020, mandates that dividend paid or distributed by a company on or after April 1, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of dividend. To enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act.

For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:

Members having valid Permanent Account Number (PAN)	10%* or as notified by the Government of India (GOI)
Members not having PAN / valid PAN	20% or as notified by the GOI

* As per the Finance Act, 2021, Section 206AB has been inserted effective July 1, 2021, wherein the higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as ‘Specified Person’ as defined under section 206AB of the Finance Act, 2021.

* As per section 139AA of the IT Act, every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar. In case of failure to comply with this, the PAN allotted shall be deemed to be invalid / inoperative and he shall be liable to all consequences under the IT Act and tax shall be deducted at the higher rates as prescribed under the IT Act.

However, no tax shall be deducted on the dividend payable to resident individual shareholders if the total dividend to be received by them during financial year 2023-24 does not exceed ₹5,000, and also in cases where members provide Form 15G / Form 15H (Form 15H is applicable to resident individual shareholders aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / nil withholding of tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20%** (plus applicable surcharge and cess) or as notified by the GOI on the amount of dividend payable. However, as per

Section 90 of the IT Act, non resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA), read with Multilateral Instrument (MLI) between India and the country of tax residence of the shareholders, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA read with MLI, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian income tax authorities duly attested by the shareholders or details as prescribed under rule 37BC of the Income-tax Rules, 1962
- Copy of the Tax Residency Certificate for financial year 2023-24 obtained from the revenue or tax authorities of the country of tax residence, duly attested by shareholders
- Electronic Form 10F as per notification no. 03/2022 dated July 16, 2022 issued by the Central Board of Direct Tax [Notification can be read under notification-no-3-2022-systems.pdf (incometaxindia.gov.in)]. Form 10F can be obtained electronically through the e-filing portal of the income tax website at <https://www.incometax.gov.in/iec/foportal>
- Self-declaration by the shareholders of having no permanent establishment in India in accordance with the applicable tax treaty
- Self-declaration of beneficial ownership by the non-resident shareholder
- Any other documents as prescribed under the IT Act for lower withholding of taxes, if applicable, duly attested by the shareholders

In case of Foreign Institutional Investors (FII) / Foreign Portfolio Investors (FPI), tax will be deducted under Section 196D of the IT Act at the rate of 20%** (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents, if applicable.

** As per the Finance Act, 2021, Section 206AB has been inserted effective July 1, 2021, wherein the higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as ‘Specified Person’ as defined under the provisions of the aforesaid Section. However, in case of a non-resident shareholder or a non-resident FPI / FII, the higher rate of tax as mentioned in section 206AB shall not apply if such non-resident does not have a permanent establishment in India.

The aforementioned documents are required to be sent on email id of RTA at admin@mcsregistrars.com. No communication would be accepted from members after August 11, 2023, regarding tax-withholding matters. Members may note that in case the tax is deducted at a



higher rate in absence of timely receipt, or insufficiency/ incomplete/incorrectness of the aforementioned details/ documents from you, an option is available to you to file the return of income as per Income Tax Act, 1961 and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted. No refund will be made by the Company once tax is deducted. The Company will inform the details of TDS deduction at the members registered email ID. Members can also check their tax credit in Form 26AS from the e-filing account at <https://www.incometax.gov.in> or “View Your Tax Credit” on <https://www.tdscpc.gov.in>.

22) SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities by October 1, 2023, vide its circular dated March 16, 2023. Shareholders are requested to submit their PAN, KYC and nomination details to the Company’s RTA at admin@mcsregistrars.com. The following forms for updating the same are available at the website of the Company at www.tfcilttd.com and at the website of RTA at www.mcsregistrars.com.

Form No.	Description
Form ISR-1	Request for registering PAN, KYC details or changes / updation thereof
Form ISR-2	Confirmation of Signature of securities holder by the Banker
Form ISR - 3	Declaration Form for Opting-out of Nomination by holders of physical securities in Listed Companies
Form SH-13	Nomination Form
Form SH-14	Cancellation or Variation of Nomination

Members holding shares in electronic form are, therefore, requested to submit their PAN, KYC details, Bank details and nomination to their DP.

In case a holder of physical securities fails to furnish PAN and KYC details before October 1, 2023 in accordance with the SEBI circular dated March 16, 2023, RTA is obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on December 31, 2025, the RTA / the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and / or the Prevention of Money Laundering Act, 2002. In this regard, intimation for furnishing the required details vide letter dated 18.5.2023 was sent to the shareholders holding shares in physical mode.

THE INSTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

- (i) The voting period begins on August 15, 2023 and ends on August 17, 2023. 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 August 11, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders’ resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual



shareholders holding securities in Demat mode CDSL/ NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & New System Myeasi Tab.</p>
	<p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/ Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL Depository	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
	<p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>



Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forgot Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-4886 7000 and 022-2499 7000

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on “Shareholders” module.
 - 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
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"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR 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"> • 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.

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.



- (ix) Click on the EVSN of TOURISM FINANCE CORPORATION OF INDIA LIMITED on which you choose to vote.
- (x) 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.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) 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.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “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.
 - 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 will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, 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.
 - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; complianceofficer@tfcilttd.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. 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 complianceofficer@tfcilttd.com. 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@tfcilttd.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast 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 available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.



PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

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), Aadhaar (self attested scanned copy of Aadhaar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

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 two 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.

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

ITEM No.4

As per Section 42 of the Companies Act, 2013 read with the Rules framed there under, 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 ₹700 crore (Rupees Seven Hundred Crore only) 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.4.

The Board of Directors recommends the passing of the proposed Special Resolution as set out in item No.4 of the Notice, by members of the Company.

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

ITEM No.5

The Board of Directors, on the recommendations of Nomination and Remuneration Committee (NRC), had appointed Shri Ashok Kumar Garg (DIN: 07633091) as an Additional Director, in the category of Independent Director with effect from 20.5.2023, subject to approval of Shareholders.

The NRC had finalized the desired attributes for the selection of the Director(s). Basis those attributes, the NRC recommended the candidature of Shri Ashok Kumar Garg.

Shri Ashok Kumar Garg has more than 39 years of banking experience in retail, SME, wholesale segment (including global markets & treasury) across four global jurisdictions. He was the Whole Time Director of Bank of Baroda with additional responsibility of being Chairman and Director of Bank of Baroda (Kenya) Ltd., Bank of Baroda (Guyana) Ltd., Bank of Baroda (Trinidad & Tobago) Ltd. He also represented the bank in various strategic committee meetings organized by GOI, MOF/IBA to formulate new digital initiatives pertaining to SME lending, Payment & Recovery of impaired assets. He has rich experience coupled with an in depth knowledge of the Banking, Finance, Risk Management etc. Pursuant to the performance, background, experience and contribution of Shri Ashok Kumar Garg, in his previous assignments, the Board, based on the recommendations of the NRC, approved the appointment of Shri Ashok Kumar Garg as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from 20.5.2023 upto 19.5.2028. Further, the Company has, in terms of Section 160 of the Act, received a notice in writing from a Member proposing the candidature of Shri Ashok Kumar Garg for the office of Independent Director.

The Company has received declarations from Shri Ashok Kumar Garg that he meets the criteria of independence as provided in section 149(6) of the Companies Act, 2013. In the opinion of the Board, Shri Ashok Kumar Garg fulfils the conditions for his appointment as an Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



Brief profile of Shri Ashok Kumar Garg is set out in the "Information about Directors seeking appointment/reappointment as mandated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015" which is annexed with the notice.

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.

Except Shri Ashok Kumar Garg, being the proposed appointee, none of the Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financial or otherwise, in the said resolution, except to the extent of their shareholding in the Company.

ITEM No.6

The Members of the Company in their 30th Annual General Meeting held on 9.8.2019 approved the appointment of Mrs. Thankom T. Mathew as an Independent Director (Women) of the Company for a period of five years with effect from 24.10.2018. Accordingly, her first term as an Independent Director will be expiring on 23.10.2023.

During her tenure as an Independent Director of the Company over the last five years, Mrs. Thankom T. Mathew has contributed immensely in the Board and Committee deliberations.

The NRC had finalized the desired attributes for the selection of the Director(s). Basis those attributes, the NRC recommended the candidature of Mrs. Thankom T. Mathew.

Based on the recommendations of the NRC and pursuant to the performance evaluation of Mrs. Thankom T. Mathew as a member of the Board and of its Committees, her background, experience and contribution in the Board and Committee deliberations, and that her continued association would be beneficial to the Company, the Board, approved the appointment of Mrs. Thankom T. Mathew as an Independent Director (Women) of the Company, not liable to retire by rotation, for a second term of five consecutive years effective from 24.10.2023 to 23.10.2028. Further, the Company has, in terms of Section 160 of the Act, received a notice in writing from a Member proposing the candidature of Mrs. Thankom T. Mathew for the office of Independent Director.

The Company has received declarations from Mrs. Thankom T. Mathew that she meets the criteria of independence as provided in section 149(6) of the Companies Act, 2013. In the opinion of the Board, Mrs. Thankom T. Mathew fulfils the conditions for her appointment as an Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Brief profile of Mrs. Thankom T. Mathew is set out in the "Information about Directors seeking appointment/reappointment as mandated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015" which is annexed with the notice.

The Board of Directors recommends the passing of the proposed special Resolution as set out in item No.6 of the Notice, by members of the Company.

Except Mrs. Thankom T. Mathew, being the proposed appointee, none of the Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financial or otherwise, in the said resolution, except to the extent of their shareholding in the Company.

ITEM No.7

The Board has in its meeting held on July 7, 2023 passed a resolution approving alteration of the Articles of Association of the Company as under:

In Article 123(i), the words and phrases "*The Government of India shall have the right to appoint not more than one director representing the Ministry of Tourism*" be deleted.

To substitute the existing Article 123(ii) with the following clause:

Debenture Nominee Director

"If the Company issues debentures or bonds or such other debt instruments, the debenture trustee(s) shall have the right to appoint a Director (in these presents referred to as Debenture Nominee Director) on the Board of the Company and to remove from office any Debenture Nominee Director in accordance with provisions of the Companies Act 2013, SEBI Regulations, applicable law, regulatory or listing requirements and terms and conditions of such debenture documents. Any such nomination for appointment or removal of nominee shall be served in writing and the Board of Directors of the Company shall appoint the person as nominated by the debenture trustees. The Debenture Nominee Director shall neither be required to hold any qualification share nor be liable to retire by rotation and shall continue in office for so long as the debt subsists. Subject as aforesaid the Debenture Nominee Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other director of the Company."

The Ministry of Tourism, Government of India, has already withdrawn the nominee director of the Company. Accordingly, the Board has sought the approval of the Members of the Company by means of a special resolution to give effect to the alteration of Article 123(i) and 123(ii) of the Articles of Association of the Company as mentioned above pursuant to amendment in SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

The Board of the Company recommends passing of the proposed Special Resolution as set out in item No.7 of the notice by the Members of the Company.

None of the Directors, 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.

By Order of the Board of Directors

Date: July 7, 2023

Place: New Delhi

(Sanjay Ahuja)
Company Secretary



INFORMATION ABOUT DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AS MANDATED IN THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Name of Director(s) & DIN	Dr. S.Ravi (DIN:00009790)	Shri Ashok Kumar Garg (DIN: 07633091)	Mrs. Thankom T. Mathew (DIN: 00025326)
Date of Birth and Age	12 th July 1959 64 Years	14 th June 1958 65 Years	12 th May 1953 70 Years
Date of first appointment	4.4.2022	20.5.2023	24.10.2018
Qualifications	B.Sc., M.Com, FCA, DISA, Insolvency Professional (IP), Associate Member of Association of Certified Fraud Examiners (CFE), USA and Ph.D	M.Com., CAIIB, LL.B.	Post Graduate in Chemistry
Expertise in specific functional areas and Experience/ Brief resume	Dr. S.Ravi is a Practicing Chartered Accountant with over 34 years of experience and has served on the boards of various banks, financial institutions and PSUs.	Shri Ashok Kumar Garg has more than 39 years of banking experience in retail, SME, wholesale segment (including global markets & treasury) across four global jurisdictions. He was the Whole Time Director of Bank of Baroda with additional responsibility of being Chairman and director of Bank of Baroda (Kenya) Ltd., Bank of Baroda (Guyana) Ltd., Bank of Baroda (Trinidad & Tobago) Ltd.	Mrs. Thankom T. Mathew is former Executive Director of LIC of India and has more than 36 years of experience in Life insurance Industry. She has wide experience in HR, CSR and is an effective communicator.
Terms and condition of appointment	Appointment as Non-Executive Non-Independent Director, liable to retire by rotation	Appointment as Independent Director for a term of five years w.e.f 20.5.2023 upto 19.5.2028	Appointment as Independent Director for the second term of five years w.e.f 24.10.2023 upto 23.10.2028
Directorship held in Other Companies	He is Director in Aditya Birla ARC Limited, Aditya Birla Health Insurance Co. Limited, 360 ONE Asset Management Ltd (Erstwhile, IIFL Asset Management Ltd), Star Union Dai-Ichi Life Insurance Company Limited, Ebixcash Limited, Usha Martin Limited, Usha Martin UK Limited, Spacenet Enterprises India Ltd., PCBL Ltd, Billmart Fintech Pvt Ltd, S Ravi Financial Management Services Private Limited.	He is Director in 360 ONE Asset Trustee Ltd (Formerly, IIFL Trustee Ltd), West Coast Paper Mills Ltd., CSI Leasing India Pvt. Ltd.	She is Director in STCI Finance Ltd.
Membership / Chairmanship of Committees in other Companies	Membership: 9 Chairmanship: 4	Membership: 4 Chairmanship: Nil	Membership: 3 Chairmanship: 1
Listed Entity from which resigned as director in past three years	Nil	Nil	Nil



Remuneration	No remuneration shall be payable other than sitting fee for attending meetings of the Board or Committees thereof and reimbursement of expenses for participating in the Board or Committee meetings.	No remuneration shall be payable other than sitting fee for attending meetings of the Board or Committees thereof and reimbursement of expenses for participating in the Board or Committee meetings.	No remuneration shall be payable other than sitting fee for attending meetings of the Board or Committees thereof and reimbursement of expenses for participating in the Board or Committee meetings.
No. of shares held in the Company	Nil	Nil	Nil
Relationship with other Directors / KMP of the Company	He is not related to any Director or Key Managerial Personnel of the Company.	He is not related to any Director or Key Managerial Personnel of the Company.	She is not related to any Director or Key Managerial Personnel of the Company.
No. of Board Meetings held and attended during the year.	Number of meetings attended are provided in the Corporate governance report section of the Annual Report 2022-23.	N.A.	Number of meetings attended are provided in the Corporate governance report section of the Annual Report 2022-23.
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements.	He has in depth knowledge and vast experience in Accounts, Audit, Finance and has served on the Board of various Banks, financial institutions and PSUs.	He has rich experience in Banking, Finance and Risk Management.	She has a vast experience in HR, CSR and communication.



DIRECTORS' REPORT

To the Members:

1. Presentation of the Annual Report

Your Directors have pleasure in presenting the Thirty Fourth Annual Report on the business and operations of the Company and the audited accounts for the financial year 2022-23.

2. Financial Results

The Company's financial performance for the year ended 31st March, 2023 is summarized below:

(Amount in ₹ Crore)

Sl. No.	Particulars	Standalone	Standalone
		2022-23	2021-22
A. OPERATIONAL RESULTS:			
1	Total Income	231.70	254.31
2	Total Expenses	114.22	146.41
3	Profit before provision and tax	117.48	107.90
4	Provision for doubtful debts/ impairment in investment	8.11	-
5	Profit before Tax	109.37	107.90
6	Provision for Tax	21.42	22.58
7	Profit after Tax	87.95	85.32
8	Other Comprehensive Income	3.74	3.13
9	Total Comprehensive Income	91.69	88.45
B. RETAINED EARNINGS STATEMENT:			
10	Profit after Tax for the year	87.95	85.32
11	Add: Surplus brought forward	114.36	96.65
12	Add: Reclassification of realised gain from OCI to reserve	1.09	0.18
13	Add/(Less): Remeasurement of Actuarial loss(OCI)- directly recognised in surplus	0.65	0.61
14	Less: Payment of Dividend for FY22	10.84	6.46
15	Profit available for appropriation	193.21	176.30

(Amount in ₹ Crore)

Sl. No.	Particulars	Standalone	Standalone
		2022-23	2021-22
16	Less: Appropriation (i) Transfer to Special Reserve under: - Section 36(1) (viii) of the Income Tax Act, 1961 - Section 45 IC of the RBI Act (ii) Transfer to General Reserve	20.07 17.59 25.00	20.87 17.07 24.00
17	Balance carried to Balance Sheet	130.55	114.36

3. Operational Performance

During the financial year 2022-23, there was a notable resurgence in the demand for travel and tourism, primarily driven by the Government of India's strong vaccination programme, reopening of borders, removal of travel restrictions and sustained economic growth. The year witnessed growing air traffic and robust recovery in the foreign tourist arrivals. The performance of hotels improved due to renewed footfalls and an upswing in demand created a demand-supply gap, leading to higher revenues, margin expansion and better profitability for the hoteliers.

Despite experiencing a surge in demand, tourism & hospitality industry players exercised caution during the first half of FY 2022-23. However, the later half of the year witnessed a gradual increase in investments in the industry. Moreover, the Indian Government acknowledges the significance of the tourism and hospitality sector in generating employment opportunities, attracting investments and contribution to GDP. The Government aims to develop and transform tourist destinations to provide world class visitor experience, making India one of the topmost destinations for sustainable and responsible tourism. The Government has fixed targets for 4000 million domestic tourist and 25 million foreign tourist arrivals by 2030, which is likely to create ample opportunities for growth/investments in the hospitality sector.

With continued growth in the economy and sharp rebound in the tourism sector during 2022-23, the operational and financial performance of your Company has improved over the previous year. Your Company actively pursued lending opportunities for new/existing projects across hospitality and other segments like social infrastructure limited to education & healthcare,



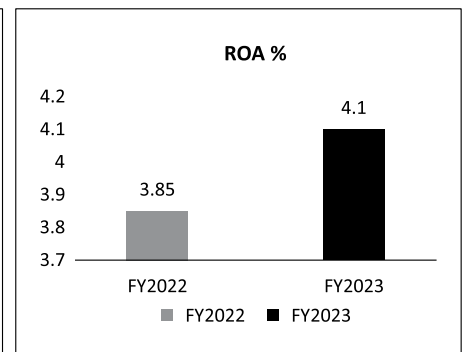
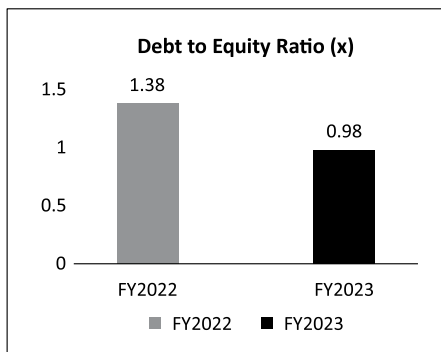
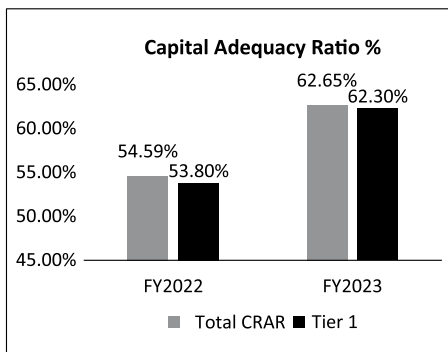
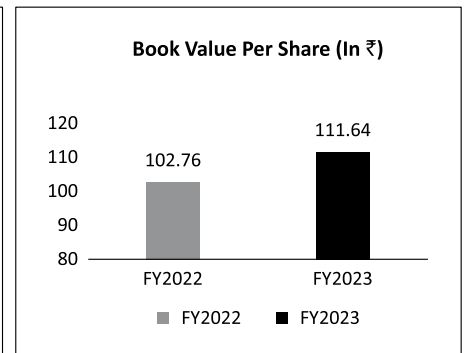
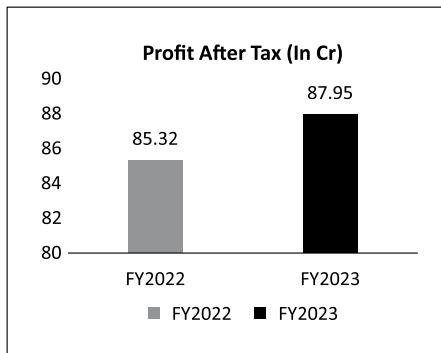
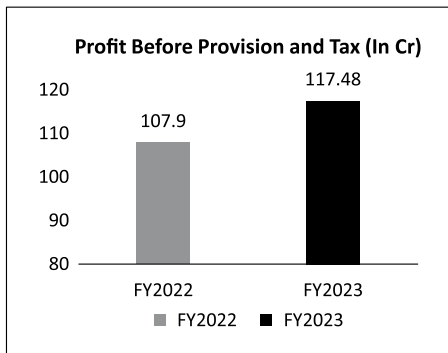
manufacturing, residential real-estate and NBFC/HFC for onward secured lending to MSE/housing. During 2022-23, your Company sanctioned term loans of ₹750.22 crore (PY: ₹237.21 crore) and made aggregate disbursements of ₹560.60 crore (PY: ₹277.47 crore) depicting growth of 3.16 times and 2.02 times respectively. The Company for the year ended 31st March 2023, recorded total income of ₹231.70 crore (PY: ₹254.31 crore), Profit before Tax (PBT) of ₹109.37 crore (PY: ₹107.90 crore) and Profit after Tax (PAT) of ₹87.95 crore (PY: ₹85.32 crore). As on 31st March 2023, your Company was having gearing of 0.98 times and capital adequacy of 62.65%.

The Board of Directors has also contemplated on setting up an Alternate Investment Fund (AIF) to provide complete financial solution for hospitality sector. Considering the business environment and current domestic & global cues, the Board of Directors has approved Business Plan for your Company to ensure sustained growth with optimum utilization of the resources, achieve hospitality product

viz. affordable/middle income housing, social infra, manufacturing & NBFC/HFC sectors. Your Company intends to grow loan book in hospitality sector by financing budget/midscale/upscale hotels in Tier-I/II/III cities as also leisure destinations by cautiously pursuing emerging opportunities through leveraging its capital to result in improved return on equity/shareholders' value over mid-to-long term.

3.1 Asset Quality:

The paramount importance of your Company is to maintain a high-asset quality portfolio to ensure stability, profitability, and overall success of the business. Your Company understands the significance of implementing robust asset quality control policies to safeguard against potential risks and mitigate the impact of economic uncertainties. Your Company has been following stringent appraisal cum proactive monitoring framework and adheres to the prudential norms for stressed assets



diversification by exploring the lending opportunities for setting-up of green field projects, last-mile funding for under-implementation projects, takeover/refinancing/upgradation requirements of operational projects, corporate finance to entities engaged in tourism-related activities and structured finance/acquisition finance & ARC exit for cases facing bunching of repayments but having stable future cash-flows. Besides, with a view to gradually diversify the portfolio in other resilient/strong-performing sectors, TFCI would continue to seek lending opportunities in residential real-estate sector

prescribed by the regulatory authority. During the year, the asset quality was largely contained through an efficient monitoring-cum-collection mechanism and on account of timely financial assistance given to existing borrowers under Government guarantee schemes for MSME/Tourism sectors. As on 31st March 2023, your company had two borrower accounts in non-performing asset category with principal outstanding of ₹63.62 crore, against which ECL of ₹15.78 crore has been provided in the books. Accordingly, as on 31st March 2023, your Company had Gross NPA and Net NPA at 3.92% and



2.95% of total loans respectively. We are pleased to inform that settlement proposal of one NPA account has already been approved and outstanding principal amount alongwith interest is expected to be received in full by September 30, 2023.

4. Contribution to Tourism and Infrastructure Sector

With over 34 years of dedicated service, your Company stands as a specialized institution committed to funding tourism projects in the country. Throughout its existence, your Company has successfully fulfilled its primary objective of catalyzing investments in the tourism sector. It has also played a vital role in the development of high-quality tourism infrastructure and has contributed significantly to employment generation through the growth of the tourism sector. Since inception, your Company has been instrumental in creating and adding approximately 52,000 star-category hotel rooms to the nation's hospitality landscape. This represents an impressive 26% of the total supply of star-category hotel rooms in the country. Your Company's involvement in the expansion of the hotel industry has contributed to the overall enhancement of the tourism sector, enabling it to thrive and attract more visitors. TFCI also provides advisory services in the tourism sector. Besides the primary focus of providing finance and advisory services to tourism sector, your Company through its financial products, in recent times has also acted as catalyst in development and expansion of social infrastructure, residential real estate in affordable & middle income segment, manufacturing sector and ease of availability of credit through NBFCs in India.

5. Dividend

The Board of Directors has recommended dividend of ₹2.40 per Equity Share of face value ₹10.00 (i.e. @ 24% on the paid-up Equity Share Capital) for the financial year ended 31st March, 2023, subject to approval of the shareholders at the ensuing Annual General Meeting.

The dividend will be paid to those members whose names appear in the Register of Members in respect of shares in physical form after giving effect to all valid transfer/transmission lodged with Registrar & Transfer Agent/ Company on or before August 11, 2023. The dividend will be paid on the basis of beneficial ownership as per details to be furnished by the Depositories i.e National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) as at the end of business August 11, 2023 in respect of shares held in dematerialized form.

The Dividend Distribution Policy of the Company can be accessed on the website of the Company at the link: <https://www.tfciltd.com/investors-disclosures#Policies>

6. Resource Mobilization

Your Company places great emphasis on constantly monitoring the resource base to optimize the funding strategy. Your Company constantly monitors its resource base and taps appropriate opportunity to raise funds

through diversified sources to improve the weighted average cost of funds. During the year, your Company met its fund requirements for disbursement out of borrowings and out of internal accruals. During the year, your Company raised term loans from scheduled banks/institutions aggregating ₹300 crore at WAIR of 9.35% p.a. with tenure upto five years and redeemed bonds/debentures aggregating ₹256.50 crore. The total term borrowings stood at ₹1004.73 crore as on 31st March 2023 as against ₹1278.74 crore as on 31st March 2022. Your company will approach banks/institutions for financial assistance to meet its future requirement of resources. Further, your Company may raise funds through issue of long-term bonds/debentures depending upon the interest rate scenario in the market. Your Company is confident of meeting the funds requirements by raising resources at competitive rates.

Further, your 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 31st March 2023. The paid-up share capital of the Company stood at ₹90.37 crore consisting of 9,03,72,448 equity shares of face value of ₹10 each and there was no change in share capital during the FY 2022-23. Your Company remains committed to prudent financial management and will continue to evaluate and pursue opportunities for capital optimization in line with long-term objectives of the Company and market conditions.

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 of your Company stood at 62.65% as on 31st March 2023 as against regulatory 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) Regulations is presented in a separate section forming part of the Directors' Report.

9. Directors and Key Managerial Personnel

During the year, the Board of Directors appointed Dr. S. Ravi as Non-Executive Non-Independent Director liable to retire by rotation with effect from April 4, 2022 and Shri Anoop Bali as Whole Time Director with effect from April 18, 2022 for a period of 3 years and the Shareholders approved both the resolutions through postal ballot on June 28, 2022. Shri Anirban Chakraborty retired on April 14, 2022 on completion of his tenure as



MD & CEO.

Additionally, the Board of Directors appointed Shri Ghanshyam Das Mundra as Non-Executive Non-Independent Director liable to retire by rotation with effect from August 10, 2022 and the Shareholders also approved his appointment in Annual General Meeting held on September 19, 2022.

Furthermore, Shri Bapi Munshi was reappointed as Independent Director for second term of three years with effect from February 1, 2023 and Shri Rajesh Kumar Dubey was appointed as Non-Executive Non-Independent Director (representing LIC of India) liable to retire by rotation with effect from February 14, 2023 by the Board of Directors and the Shareholders has subsequently approved both the resolutions through postal ballot on April 28, 2023.

Shri R.K. Sood resigned as Non-Executive Director from the Board of the Company vide his letter dated November 3, 2022 and Shri S.C. Sekhar has retired on February 28, 2023 on completion of his tenure as an Independent Director of the Company. The Board places on record its appreciation for the valuable contributions made by the outgoing directors viz. Shri Anirban Chakraborty, Shri R.K. Sood and Shri S.C. Sekhar during their tenure.

Further, Board of Directors at its meeting held on May 20, 2023 approved the appointment of Shri Ashok Kumar Garg as Independent Director of the Company for a period of five years subject to approval of shareholders. Shri Rajesh Kumar Dubey resigned as Non-Executive Director from the Board of the Company vide his letter dated June 23, 2023 and the Board places on record its appreciation for the contributions made by Shri Rajesh Kumar Dubey. Additionally, the Board of Directors at its meeting held on July 7, 2023 approved the reappointment of Mrs. Thankom T. Mathew as Independent Director of the Company for the second term of five years with effect from October 24, 2023 subject to approval of shareholders at the forthcoming Annual General Meeting.

According to the provisions of the Companies Act read with Article 135 of the Articles of Association of the Company, Dr. S.Ravi would retire by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends appointment/re-appointment of Dr. S.Ravi as Non-Executive Non-Independent Director and Shri Ashok Kumar Garg and Mrs. Thankom T. Mathew as Independent Director(s). The resolutions seeking shareholders' approval for their appointment/re-appointment forms part of the notice.

All Independent Directors of the Company have given requisite declarations under Section 149(7) of the Act, that they meet the criteria of independence as laid down under Section 149(6) of the Act alongwith Rules framed thereunder, Regulation 16(1)(b) of SEBI (LODR) Regulations and have complied with the Code of Conduct

of the Company as applicable to the directors. In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Act as well as the Rules made thereunder and are independent of the management.

9.1 Performance Evaluation of the Board

In accordance with the Companies Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, your company has conducted the annual evaluation process of the Directors, including the Chairman, Board, and its Committees. The company has devised a comprehensive process and criteria for assessing the performance of the Directors, which have been recommended by the Nomination & Remuneration Committee and subsequently approved by the Board of Directors.

The Board assessed its performance by soliciting input from all Directors, considering factors such as attendance, participation, contribution, responsibility towards stakeholders, adherence to their duties with care, skill, and diligence and the exercise of independent judgment. The Committee of independent Directors evaluated the performance of Non-Independent Directors, including the Chairman and Whole time Director. Similarly, the Non-Independent Directors evaluated the performance of Independent Directors. Based on the performance evaluation report, decisions were made regarding the extension or continuation of the appointment/re-appointment of Independent and other Directors. The Board has demonstrated strategic leadership skills by actively participating in the development and implementation of the long-term vision of your Company. They have ability to identify new growth opportunities and decision making abilities. They have diligently fulfilled their fiduciary responsibilities, ensuring that the company operates within legal and regulatory frameworks. Their commitment to transparency, integrity, and ethical conduct has been unwavering, setting a strong example for all stakeholders.

9.2 Director Orientation Program

The Directors are regularly provided with information regarding the business models, the dynamic nature of the industry, as well as the roles, responsibilities, and liabilities of Independent directors. Ongoing updates concerning business, legal matters and the industry are made available to the Independent Directors, with a particular focus on the members of the Audit Committee. These updates are sourced from internal teams, external consultants, statutory auditors and internal auditors to ensure that the Independent Directors are well-informed about the latest developments in these areas.

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: <https://www.tfcilttd.com/investors-disclosures#Policies>.

9.3 Details of Board meetings

During the year, six (6) Board Meetings were held on April 4, 2022; May 19, 2022; August 10, 2022; October 14, 2022; November 11, 2022; and February 10, 2023. 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

Shri Anirban Chakraborty retired as MD & CEO of the Company on April 14, 2022, on completion of his tenure and Shri Anoop Bali was appointed as Whole-Time Director with effect from April 18, 2022 for a period of 3 years. As such, during 2022-23, Shri Anoop Bali, Whole Time Director & 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: <https://www.tfcilttd.com/investors-disclosures#Policies> and brief details are given below:

Remuneration Policy

Board Level Remuneration Structure

(a) For Managing Director/Whole-Time Director

Remuneration, including performance-linked incentives, is paid in accordance with the approvals obtained, as and when required, from the Board and Shareholders, as applicable. The remuneration is determined considering the provisions of the Companies Act, 2013, and any other relevant Acts, Rules, and Regulations in force at that time.

(b) In case of Non-Executive / Independent Directors

During FY 2022-23 the Non-Executive Directors were paid sitting fee of ₹75,000 and ₹50,000 (plus tax) per meeting for attending the meetings of Board and its Committees respectively. However, Mr. Koppara Sajeev Thomas, Non-Executive director representing promoter group is not drawing any sitting fee from the Company.

(c) In case of Key Managerial Personnel and other Employees

The remuneration structure, allowances, facilities, and other benefits provided to the Key Managerial Personnel and regular employees are based on the Cost-To-Company salary structure. This structure is approved by the Board and its Nomination and Remuneration Committee and it aligns with the prevailing salary structures in similar organizations. Additionally, the Performance Linked Incentive for Key Managerial Personnel and other regular employees is implemented in accordance with a scheme approved by the Board. The Company has ESOP policy for its middle/senior level employees.

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:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) 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;
- (c) 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;



- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) 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.
- (f) 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

In compliance with the directives of the Securities and Exchange Board of India (SEBI), it is mandatory for the Company's shares to be transacted in dematerialized form. To facilitate this, your Company has established agreements with National Securities Depository Ltd. and Central Depository Services (India) Ltd. This enables shareholders to hold and trade their shares in electronic form. Shareholders who currently hold shares in physical form are kindly requested to convert their holdings into dematerialized form. Additionally, shareholders are encouraged to make use of the nomination facility available by submitting the duly filled form prescribed to the Registrar and Share Transfer Agent, MCS Share Transfer Agent Limited.

The equity shares of your Company are listed on the BSE Ltd. and the National Stock Exchange of India Ltd. For the financial year 2022-23 and 2023-24, the Company has duly paid the Annual Listing Fees to these Stock Exchanges. The addresses of the respective Stock Exchanges can be found in other sections of the Annual Report.

12. Auditors

Pursuant to the provision of Section 139(1) of the Companies Act 2013 and the rules made thereunder and RBI requirements, the members on the recommendation of the Board/Audit Committee at the 32nd AGM held on September 29, 2021 had appointed M/s M. Verma & Associates, Chartered Accountants (Firm Registration No. 501433C) as Statutory Auditors of the Company for a period of three years effective from the financial year 2021-22 till the conclusion of Annual General Meeting of financial year 2023-24 at an audit fee of ₹7.50 lakh plus applicable tax.

12.1 Auditors' Report

The Auditors' Report, including the accompanying notes to the accounts, is self-explanatory and does not contain any qualifications. The report provides a comprehensive explanation of the financial statements and their disclosures. Additionally, the Company is not obligated to maintain cost records under Section 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. The report of the Secretarial Auditors is enclosed as Annexure 3 to this report. The report is self-explanatory and do not call for any further comments. The certificate regarding non-disqualification of directors in also enclosed as Annexure 3B. Your Company complies with all applicable mandatory Secretarial Standards issued by The Institute of Company Secretaries of India.

13. Particulars of Employees

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to the Report as Annexure 2.

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 2.

13.1 Committee on Sexual Harassment

Your company has zero tolerance for sexual harassment of women at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder and the policy may be accessed on the Company's website at the link: <https://www.tfcilt.com/investors-disclosures#Policies>. Internal Complaints Committee has been set up to address any complaints received related to sexual harassment. No Complaint has been received in this regard during the FY 2022-23.

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

As your company's operations do not involve manufacturing or processing activities, the disclosure of particulars relating to energy conservation and technology absorption, as required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is not applicable. Your Company has adopted an ESG policy and is following the same towards energy conservation and focussing on energy, water and waste management in operations and also in



the assisted companies in hospitality and other sectors. On the social front, our emphasis is on the development of people, especially in skill development, improving diversity, inclusion and supporting communities in healthcare, education and eradication of hunger. It is worth noting that during the process of reviewing proposals for financial assistance, due consideration is given to the aspect of energy and water conservation. This highlights the company’s commitment to promoting energy/water efficiency and sustainable practices, even though it may not be directly involved in manufacturing or processing. The ESG policy may be accessed on the Company’s website at the link: <https://www.tfcilt.com/investors-disclosures#Policies>.

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 complied with the provision of the Companies Act, 2013 by transferring unclaimed/unpaid dividend and shares to Investor Education Protection Fund (IEPF) upto and including Interim Dividend for Financial Year 2015-16.

Pursuant to the provisions of the Investor Education Protection Fund (Uploading of information regarding

Skill Development Programmes in House Keeping, Food & Beverages preparation, Front Office, Driving Vehicle for 130 marginalised and underprivileged youth were organised in Bhubaneswar and Chandigarh. These programmes enable them to acquire employable skills and improve their livelihoods and would contribute to the hospitality sector.



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 September 19, 2022), 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: <https://www.tfcilt.com/investors-disclosures#Policies>.

The CSR policy has been approved with a philosophy:-

- To implement CSR initiatives in conformity with the provisions of Companies Act, 2013 and applicable rules made thereunder.
- To support activities which help cleaner, greener and healthier environment and thereby enhancing TFCI’s perception as a social responsible entity.

Your Company during the year 2022-23 has spent ₹203.47 lakh towards CSR initiatives/activities as per detailed report attached as Annexure 1 and brief details on sector wise programme undertaken are as under:



- **Sports Training Programme** for five national level athletes belonging to economically unprivileged background by supporting to NGO founded by eminent international athlete, Dr. Sunita Godara (1992 Asian Marathon Gold medallist).



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विविध गतिविधियां
1500 व 200 मीटर दौड़ में झटके गोल्ड मेडल

गोल्ड मेडल के साथ इमरान (बीच में) सी. खगज संघ, टनकोर : क्षेत्र के अच्छेजा बुजुर्ग गांव के इमरान ने दिल्ली में हुई 200 व 1500 मीटर दौड़ प्रतियोगिता में गोल्ड मेडल जीते हैं। इमरान ने बताया कि शुकवार को दिल्ली के नेहरू स्टेडियम में हेल्थ फिटनेस ट्रस्ट द्वारा एशियन विल्ड्रेस गैम्स में 200 व 1500 मीटर दौड़ प्रतियोगिता का आयोजन किया गया। करीब 300 प्रतियोगियों ने हिस्सा लिया। यह कोच नरेंद्र चौधरी और सुनीता गोयारा की देखरेख में फरवरी में अंतरराष्ट्रीय स्तर पर होने वाली दौड़ प्रतियोगिता में भी हिस्सा लगे। पिता सलीमुद्दीन सोलकी ने बताया कि मेडल जीतने के बाद स्वजन और गांव में खुशी का माहौल है।

गर्व : दिल्ली की सोनम का स्टीपल चेज में रिकॉर्ड

इंदौर। दिल्ली के कोटला मुबारक की सोनम इंदौर में चल रहे खेलो इंडिया युव खेलों में रविवार को 2000 मीटर स्टीपल चेज में राष्ट्रीय रिकॉर्ड के साथ चैंपियन बनीं। 18 साल की सोनम ने खेलों में 6:45.71 सेकंड के साथ स्वर्ण पदक जीता। उन्होंने पारुल चौधरी का 11 साल पुराना रिकॉर्ड तोड़ा।

गोल्डन गर्ल P10

- **Sanitation & Safe Drinking Water Programme** aimed at Puri beach cleaning and facility for safe and palatable drinking water in Vrindavan for tourist and general public. These initiatives would benefit the thousands of tourists and general public.





- Education Programme** for about 4,000 destitute and vulnerable children across the Country to help them attain grade level competencies, continue and complete schooling. Recognizing the importance of education, this initiative positively impacted in helping them access quality education and improving their prospects for a better future.



- Eradicating Hunger and Malnutrition Programme** towards addressing the critical issues of hunger and malnutrition. Your company has contributed towards supporting Jan RasoI and Mid-day Meal programme in Delhi (NCR) for about 1.5 lakh underprivileged students and general public.





- **Healthcare Programme** for cancer patient, eye/health checkup camps and other projects for primary health care and installation of solar power plant in the hospital were supported by your Company in Delhi (NCR). The programme has benefitted more than 2000 needy patients.



- **Animal Welfare Programme** for setting up of a gas crematorium to provide dignified cremation to small animals and emergency vehicles for stray dogs and small animals for their medical needs and injuries in Delhi (NCR).





17. Corporate Governance and other disclosures

Your Directors reaffirm their unwavering commitment to upholding good corporate governance practices and endorse the principles of corporate governance as outlined in the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. Your company has diligently adhered to all the mandatory requirements specified under these regulations. The report on Corporate Governance provides detailed information on the corporate governance framework and practices followed by your company. It encompasses aspects such as the composition and functioning of the Board of Directors, committees, related-party transactions, risk management, and other relevant governance policies and processes. To further ensure compliance with the conditions of corporate governance as stipulated under the SEBI (LODR) Regulations, a certificate has been obtained from M/s Naveen Narang & Associates, Practicing Company Secretary. This certificate, attached as Annexure 3C, confirms the company's adherence to the prescribed corporate governance norms and provides independent verification of the company's commitment to maintaining high standards of governance.

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: <https://www.tfcilttd.com/investors-disclosures#Policies>

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. Your Directors draw attention of the members to Note 40 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: <https://www.tfcilttd.com/investors-disclosures#Policies>

17.3 Annual Return

The Annual Return of the Company as on March 31, 2023 is available on the Company's website and can be accessed at the link: <https://www.tfcilttd.com/investors-disclosures#Policies>.

17.4 Statement containing salient features of financial statements of subsidiaries

During the year under review, TFCI Capital Limited (Subsidiary Company), which did not carry any business filed an application with ROC for striking off/removal of the name, which was approved on 23.3.2023. Since the Company has no other subsidiary/associate company at the end of financial year, the consolidation of accounts & results are not applicable.

17.5 Documents placed on the Website

In compliance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, the Company has established a functional website. The website serves as a platform for the Company to provide various policies, documents, and details as required by the regulations. The Company recognizes the importance of providing relevant and up-to-date information to its stakeholders through its website. This practice aligns with regulatory requirements and promotes effective communication and transparency in line with good corporate governance practices.

17.6 Risk Management Policy

The Company has formulated and implemented the Risk Management policy and Asset Liability Management (ALM) Policy and the Risk Management Committee of the Board reviews the same periodically. Your Company has also constituted ALM Committee (ALCO) 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 adopts a proactive approach to manage, monitor and report 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. The Company strives to enhance its resilience and maintain a sound financial position, while effectively addressing potential risks and uncertainties that may impact its operations and objectives.

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 FY2022-23 by any of the regulators.

17.8 Internal financial controls

The Company has established a robust framework of standards, processes and structure which enable to implement internal control system and ensure that same are adequate and operating effectively commensurate with the size, scale and operations, of its business operation. To maintain objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

Internal Auditor plays a crucial role in monitoring and evaluating the efficacy and adequacy of internal control systems in the company, its compliance with the operating systems, accounting procedures and policies at all locations of company's operation. Internal Audit Report stimulates other functional departments to improve their systems and procedures to strengthen the controls. All these issues are regularly placed before the Audit Committee meeting for its deliberations and monitoring.

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 by way of loans/investment for projects in tourism, social infrastructure (educational institutions, hospitals, etc.) manufacturing, residential real-estate, NBFC, HFC for onward lending and other resilient sectors in the ordinary course of business. The detailed particulars may be referred to in the financial statements.

17.10 Segment Reporting

Accounting Standard 17 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, 2023 and the date of the Directors' report i.e. July 7, 2023. Considering the business environment emerging after Covid pandemic and current global cues, the Board of Directors has approved Business Plan for your Company to ensure sustained growth with optimum utilization of the resources, achieve product diversification by exploring the lending opportunities across core hospitality segment, wholesale segment comprising social Infrastructure, manufacturing, real-estate & other resilient sectors and initiate focussed retail lending. The Company intends to grow its balance sheet size by cautiously pursuing emerging opportunities through leveraging its capital to result in improved return on equity/shareholders' value over mid-to-long term.

18. Acknowledgements

The Board expresses and places on record their sincere gratitude for the unwavering support provided by the promoters and shareholders. The Board acknowledges the trust and confidence placed in the Company, which has been instrumental in its success. The Board also extends their heartfelt appreciation to the Company's esteemed customers, as well as its bankers, financial institutions, and investors, for their continued patronage. Their support has been crucial in the Company's growth and achievements. The Board recognizes and values the guidance and cooperation extended by various government entities and regulatory authorities. Ministry of Finance, Ministry of Tourism, Ministry of Corporate Affairs, Reserve Bank of India, Securities & Exchange Board of India, Registrar of Companies, Stock Exchanges, Depositories and other government and regulatory authorities have played a vital role in the Company's operations.

The Board acknowledges the significant contributions made by the dedicated employees of the Company. Their collective efforts and unwavering commitment have been pivotal in driving the sustained growth and performance of the Company. The Board sincerely appreciates the collective efforts of all stakeholders, including shareholders, customers, financial partners, regulatory authorities and employees, whose support and collaboration have been instrumental in the Company's achievements and success.

For and on behalf of the Board of Directors

Date: July 7, 2023

Dr. S.Ravi

Anoop Bali

Place: New Delhi

(Chairman) (Whole Time Director & CFO)



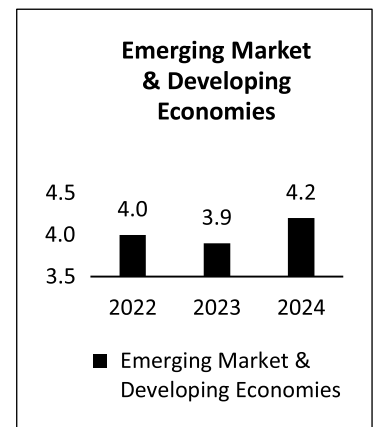
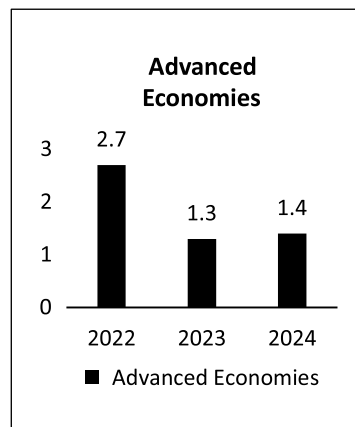
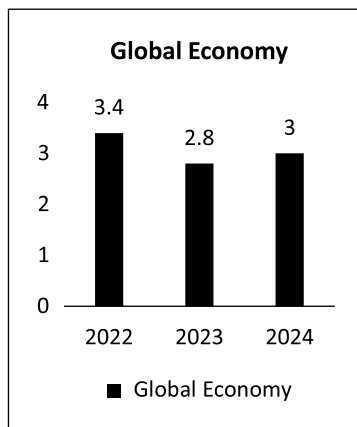
MANAGEMENT’S DISCUSSION AND ANALYSIS

1. Global Economy:

According to the International Monetary Fund (IMF), the global economy is expected to grow by 2.8% in 2023 and 3.0% in 2024. Advanced economies are projected to experience modest growth rates of 1.3% in 2023 and 1.4% in 2024. In contrast, emerging markets and developing economies exhibited stronger growth at 4.0% in 2022 and are forecasted to grow by 3.9% and 4.2% during the years 2023 and 2024 respectively. Low-income developing countries are expected to witness a more robust GDP growth of 5.1% during the period 2023-24.

years remains subdued due to various factors such as aggressive policy tightening, geopolitical uncertainties, rising protectionism, and deteriorating business and consumer sentiments which contribute to the challenges faced by the global economy. These factors dampen growth prospects and hinder a more robust recovery.

In summary, the global economic situation during the fiscal year 2022-23 was marked by challenges and uncertainties. While some countries experienced better-than-expected growth, overall global growth prospects remain subdued due to various factors. Efforts to manage



Source: IMF, World Economic Outlook, April'23

Throughout the fiscal year 2022-23, the global economic landscape remained challenging, characterized by increasing economic uncertainties and uneven performance. The ongoing Russian-Ukraine conflict had far-reaching implications, leading to a worldwide increase in inflation and impacting the global economy as a whole. While inflation reached its peak in most countries during the last fiscal and has declined significantly since then, current inflation rates in the majority of nations remain well above the average for the decade preceding the pandemic. The global inflation rate is forecasted to be around 7.0% in 2023, indicating persistent inflationary pressures. The volume of world trade is also anticipated to decline from 5.1% in 2022 to 2.4% in 2023 due to a slowdown in global demand and the impact of the conflict in Ukraine. Consequently, many nations are implementing monetary policy tightening measures to curb inflationary pressures.

Furthermore, Central Banks worldwide have started to withdraw the liquidity that was injected into the financial system during the pandemic. This gradual tightening of financial markets reflects the need for a more conservative approach in the post-pandemic economic landscape. Despite the actual growth in numerous countries surpassing expectations in 2022, the global growth outlook for the current and subsequent

inflation, geopolitical tensions, proactive measures to promote stability and sustainable growth will shape the global economic outlook in the coming years.

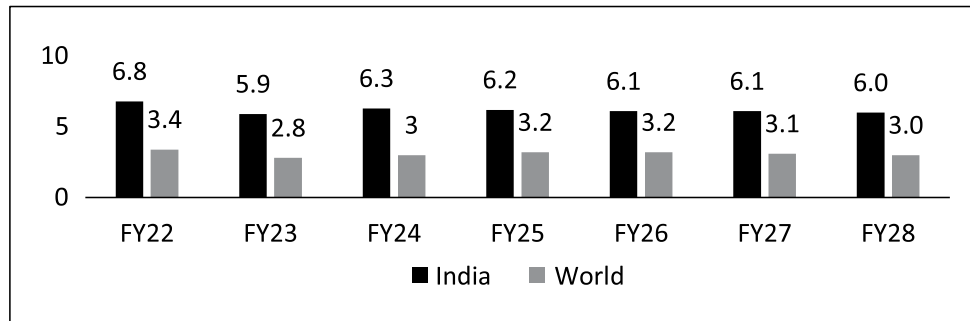
2. Business and Economic Environment

The Indian economy demonstrated remarkable resilience throughout 2022-23, surpassing other emerging market economies due to its strong macroeconomic fundamentals. Despite the challenging global situation, India was able to maintain its growth momentum and effectively manage external imbalances arising from the Russian-Ukraine conflict. India is the brightest spot in an otherwise bleak global landscape, and its dramatic transformation over the past two decades has significantly improved its prospects. India, which was the 16th largest economy 25 years ago, is now the 5th largest economy in the world. Various factors contributed to the stability and growth of the Indian economy during the last fiscal. These included a strong rebound in consumption, robust revenue collections, sustained investment in both the public and private sectors, increased employment opportunities in urban and rural areas, and targeted social security measures. Overall, the Indian economy has successfully moved forward from the pandemic and achieved a full recovery in FY 2023, outperforming many other nations. According to International Monetary Fund



(IMF), India is projected to far better than peers with an impressive, estimated GDP growth rate of around 6% during next five years viz. 2023-2028.

India and World GDP Growth (In %)



Source: IMF, World Economic Outlook, April'23

The resurgence of consumption in the Indian economy can be attributed to several factors such as government initiatives, implementation of structural reforms and policy measures aimed at boosting investment, enhancing ease of doing business, and stimulating domestic demand. These measures had instilled confidence among the population and revitalized contact-based industries/services such as restaurants & food services, transportation, hotels, shopping malls, cinemas, theatres, healthcare, retail etc. The Indian economy experienced growth across major sectors during FY23. According to the India Economic Survey Report for 2022-23, it is projected that India will experience a baseline GDP growth of 6.5% in real terms during FY 2024. This growth shall be driven by banking, non-banking, and corporate sectors that have experienced improved and healthier balance sheets, leading to the initiation of a fresh credit cycle. This positive trend is evident from the double-digit growth in bank credit during the second half of the fiscal year 2022-23. The real estate sector has witnessed sustained growth, with housing sales reaching pre-pandemic levels and recording a significant 50% increase between 2021 and 2022. The tourism sector has also displayed signs of revival with increased domestic travel and foreign tourist arrivals during FY23 witnessing month-on-month growth. This positive trajectory can be attributed to the resumption of scheduled international flights and the gradual easing of travel regulations.

2.1 Government Initiatives

The Indian government is taking several measures to support economic growth and job creation in the country. One key area of focus is the expansion of public digital platforms, which can enhance efficiency and accessibility across various sectors. Additionally, initiatives like PM Gati Shakti, National Logistics Policy, and Production-Linked Incentive schemes are being implemented to boost manufacturing output and encourage investment.

The Union Budget for the fiscal 2023-24 is designed to prioritize growth and job creation while maintaining a stable macroeconomic environment. Capital investment has been increased by 33% to ₹ 10 lakh crore by FY24 and further to ₹ 13 lakh crore by FY25. The injection of funds aims to stimulate infrastructure development and create employment opportunities. Another important aspect of the budget is the focus on urban infrastructure development in Tier II & III cities. The establishment of the Urban Infrastructure Development Fund (UIDF) will help drive the growth of these cities and improve their living standards. The promotion of Micro, Small, and Medium Enterprises (MSMEs) is also a key element of the budget. The government plans to expand the corpus under the Credit Guarantee Scheme, providing financial support and enabling MSMEs to access credit easily. Additionally, there is an allocation for the development of tourism infrastructure and the promotion of educational infrastructure under the inclusive development agenda. The government has set a targeted fiscal deficit of below 4.5% by FY 2025-26 to ensure fiscal discipline. This prudent fiscal management aims to maintain stability and sustainability in the economy while supporting growth-oriented initiatives.

The list of measures taken by the Ministry of Tourism to boost tourism in India includes:

- (i) **NIDHI:** The Ministry of Tourism is making efforts to register accommodation units in the country under its portal 'National Integrated Database of Hospitality Industry' (NIDHI). As per the survey, this database would also help in creating policies and strategies for the promotion and development of tourism.



- (ii) **SWADESH DARSHAN SCHEME:** The Ministry of Tourism launched through the scheme provided financial assistance to the State Governments/ UTs Administration/Central Agencies for development of tourism infrastructure at various destinations. The objective of the scheme is to create a robust framework for integrated development of tourism destinations for promoting sustainable and responsible tourism in the country.
- (iii) **PRASAD:** The scheme focuses on developing and identifying pilgrimage sites across India for enriching the religious tourism experience. It aims to integrate pilgrimage destinations in a prioritised, planned and sustainable manner to provide a complete religious tourism experience. The growth of domestic tourism hugely depends on pilgrimage tourism. The scheme aims at paving the way for the development and promotion of religious tourism in India.
- (iv) **RCS UDAN3:** The Regional Connectivity Scheme (RCS-UDAN) aims to facilitate/ stimulate regional air connectivity by making it affordable. In addition to this, around ₹ 104.19 core has already been reimbursed to the Airport Authority of India in the form of Viability Gap Funding (VGF) during FY21 and FY22.
- (v) **Scheme of Capacity Building for Service Providers:** Under this scheme the institutions are conducting Training using their own infrastructures in their own premises or are providing the training at site of the service providers. In the case of IHMs and FCIs the Faculty and students are being used widely. A large number of the Service providers are located around the tourist sites and therefore such persons have to be trained at their place of work.

Overall, these measures reflect the government's commitment to fostering economic growth, creating employment opportunities, and strengthening various sectors of the Indian economy. Further, the measures would provide institutional framework for sustainable tourism, medical/wellness tourism, rural tourism, eco-tourism and adventure tourism in India.

2.2 RBI Monetary Policy

In April 2023, the Monetary Policy Committee of the Reserve Bank of India (RBI) decided to maintain the policy rates unchanged. This decision followed a series of rate hikes during the fiscal year 2022-23. As a result, it is expected that interest rates

may start declining from their current levels.

The RBI has implemented both macro and micro-prudential measures to prevent the accumulation of financial vulnerabilities which would focus on identifying the root causes of potential risks rather than merely addressing the symptoms. By taking a proactive approach, RBI aims to strengthen the overall resilience of the financial system and mitigate potential risks effectively. By closely monitoring and addressing potential vulnerabilities, RBI aims to create a conducive environment for economic development while ensuring the stability of the financial sector.

2.3 Outlook for Indian Economy

The overall outlook for the Indian economy remains optimistic, with projections indicating a moderate pace of growth of around 6.0% in FY 2024. This growth trajectory is influenced by the ongoing global economic challenges. However, it is expected that the Indian economy will experience an acceleration in growth in the following year as investments play a crucial role in stimulating a virtuous circle of job creation, income generation, enhanced productivity, increased demand, and robust exports. This positive trajectory is further supported by India's favorable demographic profile in the medium term. International agencies and organizations continue to recognize India as one of the fastest-growing major economies in the medium term. These assessments underline the country's potential for sustained growth and its ability to navigate through global uncertainties. India is well-positioned to continue its growth momentum and contribute to the global economic landscape.

3. Tourism Sector Prospects:

Global Travel & Tourism industry valued at USD 10.5 trillion in 2022 and it is anticipated to surge to USD 17.1 trillion by 2032, exhibiting a CAGR of 5%. In 2022, the Travel & Tourism industry made a contribution of 7.6% to the global GDP, representing a remarkable increase of 22% compared to the previous year. Nonetheless, it remains 23% below the levels observed in 2019 when the sector contributed 10.3% to the world's GDP. The tourism industry holds a crucial position in the global market, playing a vital role in driving economic growth, employment creation, cultural exchange, and sustainable development. Its impact goes beyond mere economic figures, encompassing social, cultural, and environmental dimensions. The industry acts as an engine for economic expansion, generating substantial revenue and providing entrepreneurial opportunities.

The year 2022 witnessed a surprisingly strong recovery in the travel and tourism sector. This resurgence can be attributed to pent-up demand and the phenomenon of

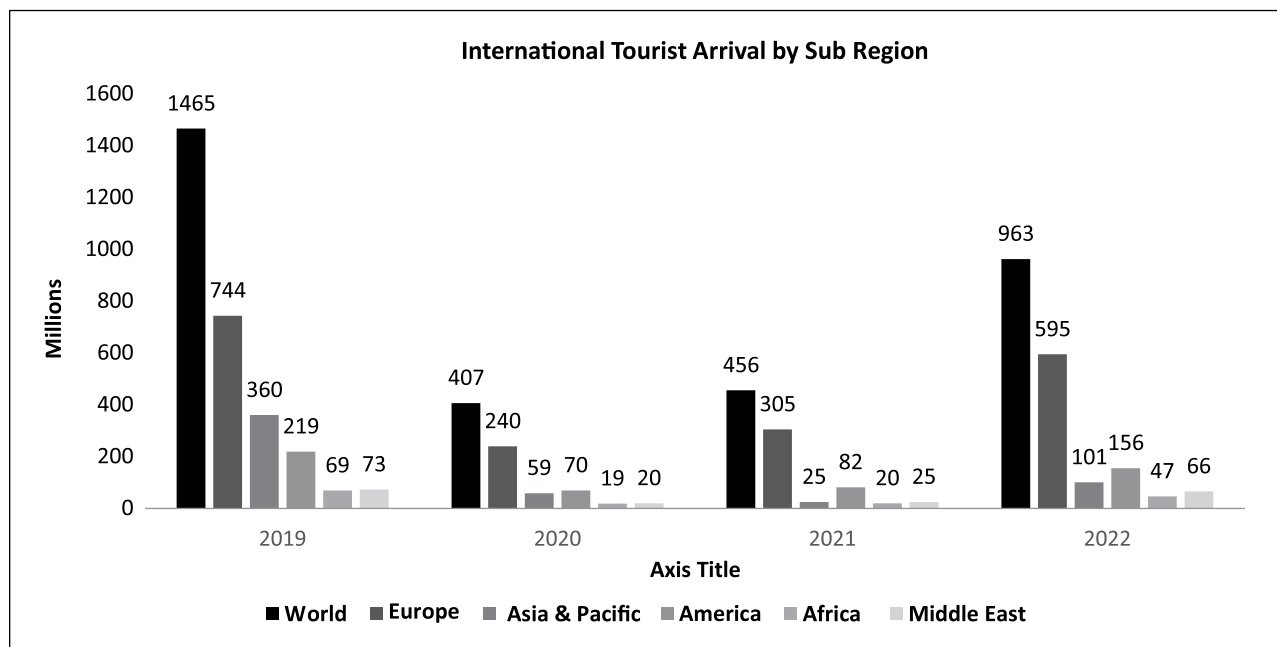


“revenge travel,” where individuals were eager to make up for lost time and explore new destinations. However, it is important to note that tourists are now more focused on obtaining value for their money. They are seeking cost-effective options and prioritizing destinations that are closer to their homes. According to recent data from the United Nations World Tourism Organization (UNWTO), over 900 million tourists embarked on international journeys in 2022, which represents twice the number recorded in 2021, yet only 63% of the pre-pandemic figures. All global regions experienced notable increases in international tourist numbers, with the Middle East exhibiting the most substantial relative growth as arrivals reached 83% of pre-pandemic levels. Europe neared 80% of its pre-pandemic figures, while Africa and the Americas recovered around 65% of their pre-pandemic visitor levels. Asia and the Pacific region lagged behind, reaching only 23% due to persisting stringent pandemic-related restrictions particularly in China, which have only recently begun to ease.

According to a report released by UNWTO, international tourist arrivals have already reached 80% of pre-pandemic levels in the first quarter of 2023, and a full recovery is expected by 2023. The Middle East has shown a strong recovery, with a growth rate of 15% compared to 2019. Similarly, Europe, Africa, and the Americas regions have reached recovery levels of 90%, 88% and 85% respectively. However, Asia and the Pacific region

has experienced a slower recovery, currently standing at 54%, but it is expected to gain momentum as the Chinese economy reopened on 8th January, 2023. These positive developments signal a promising trajectory for the Travel & Tourism industry as it continues to rebound from the pandemic’s impact. Nevertheless, it is important to acknowledge that certain challenges and uncertainties persist within the Travel & Tourism industry. Geopolitical factors and ongoing uncertainties may create an overhang, potentially impacting the sector’s growth and stability. Additionally, higher levels of inflation in the global market and potential increases in the cost of living could pose further challenges for the industry. It is crucial for stakeholders to remain vigilant and adaptable in navigating these potential challenges as the sector continues its recovery and expansion.

The preferences of travelers are shifting towards seeking immersive experiences that offer relaxation on picturesque beaches, cultural exploration, eco-friendly destinations, and exhilarating adventure activities. These segments are gaining significant popularity as travelers seek more meaningful and diverse experiences. Moreover, the travel and tourism industry is anticipated to experience a boost from emerging trends such as working vacations and the work-from-anywhere culture. As more individuals embrace remote work opportunities, they are seeking to combine their professional obligations with leisure and travel.



Source: World Tourism Organization (UNWTO)



3.1 Indian Tourism & Hospitality

Over the last decade, India has built extensive tourism infrastructure worth approximately \$1 Bn (INR 7,000 Cr) to improve tourist experience. The tourism sector serves as a significant economic catalyst, driving job creation and rapid development. It stimulates the growth of multi-use infrastructure, including hotels, resorts, restaurants, transportation (aviation, roads, shipping, and railways) and healthcare facilities. However, India's travel market is projected to reach \$125 Bn by FY27 from an estimated \$75 Bn in FY20. The tourism and hospitality industry is third-biggest sub-segment of the services sector encompassing trade, repair services, hotels and restaurants contributed 9.1 per cent to the GDP in the year 2022- 23. According to research by World Travel & Tourism Council (WTTC), the travel & tourism sector's contribution to the Indian economy would surpass the pre-pandemic levels in 2024 with an year-on-year growth of 20.7%. In FY20, tourism sector in India accounted for 39 Mn jobs, which was 8.0% of the total employment in the country. By 2029, India is estimated to contribute \$ 250 Bn GDP from Tourism and 137 Mn jobs in the sector. By 2028, Indian tourism and hospitality is expected to earn \$50.9 Bn as visitors compared with \$ 28.9 Bn in 2018. International tourist arrivals are expected to reach 30.5 Mn by 2028.

The Indian travel & tourism industry witnessed rebound in 2022, after the successful vaccination drive in the country and strong pent-up domestic demand. The hotel sector registered pan-India improvements in Occupancy Rate, Average Room Rate and Revenue Per Available Room – all very close to what they were before pandemic in 2020. Domestic travel remained industry's primary growth engine in 2022. While leisure destinations continued to thrive, the resurgence of weddings, corporate travel and conferences & events helped in reshaping the fortunes of business hotels and popular MICE destinations. Further, the resumption of regular international flights in March 2022 helped pick-up of inbound travellers. Driven by the strong recovery in demand, hotel companies accelerated their growth plans in 2022, resulting in over 33% rise in brand signings by keys compared to the previous year. During the year, hotel companies also resumed their deferred projects, and opened new properties to meet the travel demand.

3.2 Outlook for Tourism Industry

The outlook for the Indian tourism and hospitality industry in CY2023 would remain positive. Domestic demand will continue to be strong and

international travel is also expected to increase satisfactorily, despite the looming threat of a recession in the US and Europe and growing global geopolitical issues. In addition, the G20 presidency of India and the fact that India is hosting a number of international events including the ICC Men's World Cup and the likes of the Dior global event in Mumbai, will increase demand for hotels in cities where these events would take place. Other factors like setting-up of 50 new airports, helipads, aerodromes to improve connectivity across the country and growth in medical tourism sector (projected to grow at 19% CAGR from 2022 to 2032) is likely to increase travel and boost demand for hotels. As per estimates, the travel market in India is projected to reach US\$ 125 billion by FY27 from an estimated US\$ 75 billion in FY20. The Indian hotel market including domestic, inbound and outbound was estimated at ~US\$ 32 billion in FY20 and is expected to reach ~US\$ 52 billion by FY27, driven by the surging demand from travellers and sustained efforts of travel agents to boost the market.

3.3 Growth Drivers for the Tourism Market

- Domestic expenditure on tourism is expected to rise due to the growing income of households. Several niche offerings such as medical tourism & eco tourism are expected to create more demand. By 2029, India's tourism sector is expected to reach ₹ 35 trillion (US\$ 488 billion) with a growth of 6.7% and accounting for 9.2% of the total economy.
- More than half of the Ministry of Tourism's budget is channelized for funding the development of destinations, circuits, mega projects as well as rural tourism infrastructure projects. Ministry of Tourism has sanctioned financial assistance of around US\$ 76.35 million to States/UTs for infrastructure development under Coastal Circuit theme of Swadesh Darshan Scheme. A total of 48,775 accommodation units have been registered on NIDHI portal and 11,220 units have self-certified for SAATHI standards in September, 2022.
- In the Union Budget of 2023-24, US\$ 290.4 million has been allocated to the Ministry of Tourism. 50 tourist destinations to be developed for providing a wholesome tourism experience.

4. Social Infrastructure and other sectors Prospects:

Apart from tourism financing, your Company is actively providing financial support for social infrastructure projects in Healthcare and Education, which are growing



steadily and offers ample financing opportunities. The social infrastructure in India is estimated to grow at a CAGR of approximately 7% during the period 2022-2027 and the planned investment in the segment over next five years is about ₹100 lakh crore. The details of these social infra sub-segments are as under:

(i) Healthcare:

The healthcare sector in India has emerged as one of the largest in terms of revenue and employment, playing a crucial role in the country's economy. With over a billion people to cater to, the Indian healthcare sector employs approximately 4.7 million individuals, making it one of the largest employers in the country. It encompasses various segments such as hospitals, medical devices and equipment, health insurance, clinical trials, telemedicine, and medical tourism. The Indian healthcare system has been expanding rapidly, driven by improved coverage, enhanced services, and increased investments from both public and private sources. This expansion has not only improved healthcare accessibility for the population but has also contributed to the overall economic development of the country. India is striving to become a hub for spiritual and wellness tourism, capitalizing on its rich heritage in Ayurveda and Yoga. With a focus on holistic well-being and alternative healing practices, the country aims to attract tourists seeking rejuvenation and wellness experiences.

In the Union Budget 2023-24, the government allocated ₹ 89,155 crore (US\$ 10.76 billion) to the Ministry of Health and Family Welfare (MoHFW). As part of its efforts to enhance healthcare infrastructure, the Indian government plans to introduce a credit incentive program amounting to ₹ 500 billion (US\$ 6.8 billion). These initiatives aim to stimulate investments in the healthcare sector, making it an attractive opportunity for potential investors. Additionally, government policies such as Ayushman Bharat and the National Digital Health Mission, which aim to provide health coverage to all citizens and promote digital healthcare, create a favorable environment for investment. Furthermore, the potential of medical tourism adds to the attractiveness of the healthcare sector as an investment opportunity. India is known for its world-class medical facilities and skilled healthcare professionals, attracting patients from around the world seeking quality and affordable treatment.

(ii) Education:

India has always been a nation undergoing changes in many different industries, and each sector has experienced growth ever since the transformation

started. Education is one of the segment that has seen numerous changes and the environment has been changed into a learning space where every portion instructs us to better comprehend concepts and procedures. India boasts one of the world's most extensive networks of higher education institutions and has the world's largest population of 500 million people between age of 5-24 years. This provides a great growth opportunity for the education sector. The online education market in India is expected to grow by US\$ 2.28 billion during 2021-2025, growing at a CAGR of almost 20%. The education sector, buoyed by a strong demand for quality education, is set to undergo a sustained growth period. Private investments in the Indian education sector have increased substantially over the past two decades. The demand for specialised degrees is also picking up with more and more students opting for specific industry-focused qualifications.

The Union Budget 2023 has allocated a significant amount of ₹ 1.12 lakh crore (US\$ 13.5 billion) for the education sector, marking it as the highest-ever allocation and reflecting an increase of approximately 8.2% compared to the previous fiscal year. In line with the National Education Policy 2020 and the Budget Announcements of 2022-23, the Central Government approved the "New India Literacy Programme" in February 2022. This comprehensive program is designed to address all aspects of adult education, aiming to enhance literacy rates and promote lifelong learning opportunities across the country. It is envisioned to be implemented from FY 2022-27, ensuring a sustained focus on educational development.

These initiatives highlight the government's commitment to strengthening the education sector and providing equal access to quality education for all individuals. The increased budgetary allocation demonstrates the recognition of education as a key driver of social and economic progress. By investing in education, the government aims to empower individuals, enhance their skills, and foster a knowledgeable and capable workforce to meet the challenges of the future.

(iii) Other Segments:

In addition to the aforementioned sectors, your company is forging ahead in providing financial support to manufacturing units, with a particular emphasis on the dynamic/resilient segments. Recognizing the pivotal role these enterprises play in driving economic growth and job creation, your Company is committed to offering tailored financing solutions to meet their unique needs. Your Company have set the sights on financing



residential real estate projects in the burgeoning affordable and middle income market segments, which continue to fuel demand and shape the landscape of the real estate sector. By extending financial support to these projects, your Company aim to contribute to the development of sustainable and accessible housing options for a wide range of homebuyers. Your Company is also providing finance to sound NBFC/HFCs for secured onward lending with focus on to MSME/Retail segment for business expansion and housing finance to low income group.

5. Key Challenges across the Industry

While the opportunities landscape is promising, following threats could dampen the growth of financial services in India:

- As inflation continues to rise, major central banks worldwide have embarked on a tightening cycle to address this concern. The Reserve Bank of India (RBI) is also expected to adopt a similar approach to control inflation, which may have a short-term impact on the growth trajectory. However, from a medium-term perspective, this tightening of monetary policy is seen as a positive step. By implementing measures to curb inflation, the RBI aims to maintain price stability and create a favorable economic environment in the long run. While there may be some initial challenges, the overall goal is to ensure sustainable and balanced growth in the economy.
- The prolonged geopolitical tensions and the tightening of monetary policy by advanced economies are expected to heighten risk-off sentiments among foreign investors, potentially leading to capital outflows from emerging markets such as India. Furthermore, the presence of high domestic inflation and a wider Current Account Deficit could exert additional pressure on the Indian rupee, potentially causing further depreciation. These factors pose challenges to the country's economic stability and may require careful management and strategic measures to mitigate their impact.

6. 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.

Considering the business environment and current domestic & global cues, the Board of Directors has approved Business Plan for your Company to ensure sustained growth with optimum utilization of the resources, achieve hospitality product diversification by exploring the lending opportunities for setting-up of green field projects, last-mile funding for under-

implementation projects, takeover/refinancing/upgradation requirements of operational projects, corporate finance to entities engaged in tourism-related activities and structured finance/acquisition finance & ARC exit for cases facing bunching of repayments but having stable future cash-flows. Besides, with a view to gradually diversify the portfolio in other resilient/strong-performing sectors, TFCI would continue to seek lending opportunities in residential real-estate sector viz. affordable/middle income housing, social infra, manufacturing & NBFC/HFC sectors. Your Company intends to grow loan book in hospitality sector by financing budget/midscale/upscale hotels in Tier-I/II/III cities as also leisure destinations by cautiously pursuing emerging opportunities through leveraging its capital to result in improved return on equity/shareholders' value over mid-to-long term.

6.1 Events occurring after Balance Sheet date

No Significant events occurred between the end of the financial year and date of the Board's report except change in directors as detailed in the Directors' Report.

6.2 Key financial ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 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:

(figures in ₹ crore)

Particulars	FY23	FY22
Net Interest Income	106.55	127.85
Net Interest Margin (%)	4.97%	5.77%
Interest Coverage Ratio	2.22 times	1.91 times
Net Profit (PAT)	87.95	85.32
Debt Equity Ratio	0.98:1	1.38:1
RoAA	4.10%	3.85%
RoAE	9.08%	9.99%
Tangible Net worth	1,008.94	928.67
Total Borrowings	1,004.73	1,278.74
EPS (₹)	9.73	10.01
Book value per share (₹)	111.64	102.76

TFCI's PAT was ₹87.95 crore for FY 2022-23 as against PAT of ₹85.32 crore in FY 2021-22. Consequently, the tangible Net Worth of TFCI increased to ₹1008.94 crore as on 31.3.2023 compared to ₹928.67 crore in the previous year.



There has been no significant changes in the key sector specific financial ratios.

7. Company's Outlook

Domestic demand is expected to be the primary driver of growth, with strong momentum anticipated throughout FY 2023-24. Although international travel is showing signs of recovery, it still presents an opportunity for further growth in demand. Notably, India's G20 Presidency and hosting international events like the ICC Men's World Cup will generate additional demand for hotels in the host cities. The growth of India's service sector, coupled with higher disposable incomes, is anticipated to increase demand for corporate travel and leisure holidays. The year ahead holds promising growth prospects for various segments within the hospitality industry in India such as leisure travel, weddings, conferences, events, airline crew layovers, and corporate travel that are poised to experience further expansion. Overall, the Indian hospitality industry is well-positioned for growth, benefiting from a positive economic environment, increasing domestic demand, international events, and the rising aspirations of the workforce. Your Company is well-positioned to capitalize on these opportunities and achieve substantial growth. By harnessing the strengths, enhancing the services, and targeting the evolving demands of customers, your Company can maximize market share and drive profitability in the thriving Indian hospitality industry.

Core Competencies:

- Expertise in tourism financing: TFCI has specialized knowledge and experience in providing financial services and support specifically tailored for the tourism industry in India. This expertise allows them to understand the unique needs and challenges of the sector.
- Extensive network and partnerships: TFCI has established a wide network of connections and partnerships with various stakeholders in the tourism industry. This includes collaborations with government bodies, tourism boards, travel agencies, and hospitality companies. Such relationships enhance TFCI's ability to access resources, market intelligence, and opportunities for collaboration.
- Diverse financial products: TFCI offers a range of financial products and services, including loans, project financing, working capital assistance, and

debt restructuring. This diversity enables them to cater to the varied needs of tourism businesses, including hotels, resorts, travel agencies, and other related enterprises.

Opportunities:

- Growing tourism market: India's tourism industry has shown consistent growth over the years, with increasing domestic and international travel. This presents an opportunity for TFCI to expand its customer base and provide more financial services to meet the rising demand.
- Infrastructure development: The Indian government has been emphasizing the development of tourism-related infrastructure, such as hotels, airports, and tourist attractions. TFCI can leverage this opportunity by providing financing for such projects, contributing to the overall growth of the tourism industry.
- Technological advancements: The digital transformation of the tourism industry opens avenues for innovative financial solutions. TFCI can explore opportunities to leverage technology, such as online lending platforms, digital payment systems, and data analytics, to streamline their operations, improve customer experience, and reach a broader audience.

8. Risks and concerns:

The company's risk management philosophy and policy embody its commitment to understanding, measuring, and effectively managing risks while striving for sustained growth of a healthy asset portfolio. To achieve this, the company adopts a leadership approach in products and segments that it thoroughly understands. In areas with higher risk, an innovative approach is taken, which involves limited exposure and optimizing returns. A robust credit risk framework is in place, enabling the company to scientifically assess the credit risk rating of clients. This framework includes the mapping of internal rating grades to external rating agencies' grades, providing a comprehensive view of credit risk. The output of rating models plays a crucial role in the company's decision-making process. Furthermore, the company maintains regular monitoring of portfolio distribution across low-risk, medium-risk, and high-risk categories. This monitoring helps ensure a well-balanced and diversified portfolio, enhancing risk management capabilities. TFCI has been managing the following risk effectively:



Type of Risk	Description	Mitigation
Credit Risk	Credit risk arises when a borrower or counterparty is unable to fulfill its contractual obligations. This risk extends beyond loans and encompasses various on and off-balance sheet exposures, including guarantees, acceptances, and investments in securities. In the context of project lending, inherent risks are present, particularly in developing economies where efforts toward long-term macroeconomic stability are still ongoing. Projects under implementation are susceptible to potential delays and cost overruns, often influenced by factors beyond the borrower's control.	<p>The Company has established a Credit Policy that has been approved by the Board of Directors. This policy is developed after taking into account inputs from Senior Management. It outlines a comprehensive set of credit procedures and guidelines, aimed at facilitating effective credit risk management and maintaining a robust portfolio. The credit policy is reviewed annually and amended periodically to ensure compliance with guidelines of regulatory bodies.</p> <p>Your Company is actively engaged in the identification of risks and factors by conducting regular reviews and enhancing appraisal techniques. This includes conducting sensitivity analysis and evaluating the project's resilience to withstand potential changes. The Company also considers the expertise and experience of borrowers in dealing with adverse situations. Credit appraisal remains a top priority for your Company, and TFCI place significant emphasis on intensive monitoring and supervision of projects on an ongoing basis.</p>
Operational Risk	The risk of loss arises from insufficient or ineffective internal processes, personnel, and systems, as well as external events.	Your Company has implemented a robust framework of internal control systems and procedures to oversee and manage various aspects of operations. This includes monitoring transactions, employee rotations, contingency planning, insurance coverage, document storage and retrieval arrangements, and the maintenance of backup procedures. These measures are in place to effectively mitigate operational risks and ensure smooth business operations.
Interest Rate Risk	Interest-rate risks arise out of mismatches between interest-rate-sensitive assets and liabilities.	To manage such risks, your Company adopts a strategy of aligning lending interest rates with its average cost of borrowings. This approach helps in maintaining a balanced and sustainable interest rate structure. Additionally, your Company diligently monitors the maturity pattern of its assets and liabilities. This proactive monitoring ensures a prudent management of cash flows and minimizes any potential maturity mismatch risks. By employing these measures, your Company strives to effectively manage and mitigate its interest rate risks.
Liquidity Risk	Liquidity risk is the inability of a financial institute to meet its obligations as they become due, without adversely affecting the financial condition	Your Company has implemented a robust Integrated Risk Management Policy. This policy encompasses various risk management measures aimed at maintaining a healthy liquidity position. These measures include conducting short-term liquidity forecasts to identify and address any potential gaps promptly. Immediate actions are taken to correct such gaps and ensure sufficient liquidity in the short term. Furthermore, your Company emphasize the diversification of funding sources to enhance flexibility in meeting the funding requirements. This diversification allows us to adapt to changing market conditions and mitigate liquidity risks. Additionally, maintaining strong capital adequacy is a key aspect of the risk management approach, providing a solid foundation to manage unexpected liquidity needs effectively. Through the diligent implementation of these measures, your Company aims to proactively manage liquidity risk and maintain a stable financial position.
Compliance & Regulatory Risk	The risk of legal or regulatory sanctions, significant financial loss, or damage to reputation arises when a company fails to comply with laws, regulations, rules, self-regulatory organization standards, and applicable codes of conduct.	To mitigate compliance and regulatory risk, your Company has established a robust framework that is closely monitored by the senior management team. This framework incorporates various measures to ensure adherence to applicable laws, regulations, and standards. Your Company emphasizes coordination and clear communication among departments, particularly when there are inter-dependencies. This collaborative approach ensures that all departments are aligned in meeting their compliance obligations and effectively managing regulatory risks.



9. 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.

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

One of the most important and critical assets and foundation of the operations is human capital. Your Company strive to create a conducive environment for growth and development of the employees. The Financial Services sector heavily relies on the expertise and skills of its employees, making their role crucial in delivering high-quality services. Your Company's dedication to nurture and retain top talent, regular sponsorship of employees for training programs organized by professional institutions has been a priority. These programs aim to enhance skills and knowledge in various functional areas, ensuring that employees are equipped to excel in their roles. To ensure effective and timely client service, as well as consistent support to assisted units, the Company maintains offices in Delhi and Mumbai. These strategic

locations facilitate efficient communication and follow-up with clients and units in these regions. As of March 31, 2023, the Company had a workforce of 35 employees. Their expertise and commitment contribute significantly to the Company's success

11. Cautionary Statement

This document contains statements about expected future events, financial and operating results of the Company, which are forward looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward- looking statements based on any subsequent developments.



CORPORATE GOVERNANCE REPORT

Company's Philosophy on Corporate Governance

Your company adheres to the highest standards of corporate governance principles and best practices. Your Company prioritizes transparency, disclosure, accountability, compliance, ethical conduct, and the promotion of all stakeholders' interests. To uphold these principles, your Company have developed a comprehensive set of policies and implemented various governance practices. These measures not only ensure compliance with statutory and regulatory requirements but also aim to achieve transparency, integrity in financial reporting, effective risk management, and robust internal controls. Your Company also emphasizes appropriate and ethical behavior at both the Board and Senior Management levels. The policies are regularly reviewed to ensure their continued relevance, effectiveness, and responsiveness to the needs of stakeholders.

Your Company upholds the belief that ethical business conduct is grounded in nine core values: honesty, integrity, respect, fairness, purposefulness, trust, responsibility, citizenship, and caring. The employees of the Company conduct business with unwavering integrity, placing no personal profit or advantage above the company's interests. Your Company has implemented robust risk management systems and procedures to effectively identify, mitigate, and control various business-related risks. These measures enable the management to adequately and appropriately address potential risks. 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 composition of the Board is designed to ensure that directors are committed to actively engaging in the company's affairs, equipped with the necessary understanding and competence to address both present and emerging business challenges.

The primary role of the Board is that of trusteeship to protect and enhance shareholder's value through supervision. Representing the interests of the company's shareholders, the Board guides management towards optimizing long-term value. As trustees, the Board ensures that the company has clear goals focused on shareholder value and growth. Strategic goals are established by the Board, which holds itself accountable for their achievement. The Board provides guidance and exercises appropriate control to ensure that the company is managed in a manner that fulfills stakeholders' aspirations and meets societal expectations.

The Board's responsibilities encompass policy formation, initiation of new initiatives, performance evaluation, and the oversight and approval of matters that exceed the delegated authority of the company's functionaries. To efficiently address various functional areas, the Board has established committees and delegated powers

accordingly. Regular meetings are held by both the Board and its committees to fulfill their obligations.

The Board consists of 7 Directors as on March 31, 2023 including WTD & CFO, two Independent Directors and four Non-Executive Non-Independent Directors. The independent directors fulfill the conditions specified in SEBI (LODR) Regulations and are independent of the management. The information regarding director(s) who had ceased to be director(s) before the expiry of his/her tenure during FY 2022-23 has been provided to Stock Exchange(s). The board confirmed that the independent directors fulfill the conditions specified in SEBI (LODR) Regulations and are independent of the management.

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 April 4, 2022; May 19, 2022; August 10, 2022; October 14, 2022; November 11, 2022; and February 10, 2023. 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, 2023, 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* in			
					Directorship in		Committee	
					Public Co.	Pvt. Co.	Member	Chairman
1	Dr. S. Ravi*	NED (Chairman)	6	Yes	9	2	8	4
2	Shri Koppara Sajeeve Thomas	NED	6	Yes	-	-	-	-
3	Shri G. D. Mundra@	NED	3	Yes	1	2	2	1
4	Shri Rajesh Kumar Dubey@@	NED	-	-	-	-	-	-
5	Shri Bapi Munshi	NEID	5	Yes	-	-	2	-
6	Mrs. Thankom T.Mathew	NEID	6	Yes	1	-	3	1



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
7	Shri Anoop Bali§	WTD & CFO	5	Yes	-	-	-	-
8	Shri Anirban Chakraborty^	MD & CEO	1	-	-	-	-	-
9	Shri R. K. Sood#	NED	4	Yes	-	-	-	-
10	Shri S.C.Sekhar^^	NEID	6	Yes	1	-	1	1

* appointed as NED w.e.f.4.4.2022

^ retired on 14.4.2022

@ appointed w.e.f 10.8.2022

resigned on 3.11.2022

@@ appointed w.e.f 14.2.2023 & resigned on 23.6.2023

^^retired on 28.2.2023

§ appointed w.e.f 18.4.2022

NED : Non-Executive Director

NEID : Non-Executive Independent Director

WTD & CFO : Whole Time Director & Chief Financial Officer

MD & CEO : Managing Director & Chief Executive Officer

Notes:

- Other directorship includes directorship held in Private Companies and alternate directorship.
- 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.
- 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, 2023 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	Dr. S. Ravi	1. Tourism Finance Corporation of India Ltd. 2. Usha Martin Limited 3. Spacenet Enterprises India Ltd. 4. PCBL Ltd.	Non-Executive Chairman Independent Director Non-Executive Chairman Independent Director
2	Shri Koppara Sajeeve Thomas	1. Tourism Finance Corporation of India Ltd.	Non-Executive Non-Independent Director
3	Shri G.D. Mundra	1. Tourism Finance Corporation of India Ltd. 2. Orient Press Ltd.	Non-Executive Non-Independent Director Independent Director

DETAILS OF DIRECTORSHIP IN LISTED ENTITY			
Sl. No.	Name of Director	Name of Listed Entity	Nature of Directorship
4	Shri Rajesh Kumar Dubey@@	1. Tourism Finance Corporation of India Ltd.	Non-Executive Non-Independent Director
5	Shri Bapi Munshi	1. Tourism Finance Corporation of India Ltd.	Independent Director
6	Mrs. Thankom T. Mathew	1. Tourism Finance Corporation of India Ltd. 2. STCI Finance Ltd.	Independent Director (Woman) Independent Director
7	Shri Anoop Bali	1. Tourism Finance Corporation of India Ltd.	Whole Time Director & CFO

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	Dr. S. Ravi	Accounts, Audit, Finance
2	Shri Koppara Sajeeve Thomas	Administration, Risk Management and IT
3	Shri G. D. Mundra	Finance, Banking and Strategic issue
4	Shri Rajesh Kumar Dubey	Personnel/Administration, IT, CRM and Marketing
5	Shri Bapi Munshi	Project Finance, Banking and Risk Management
6	Mrs. Thankom T. Mathew	HR, CSR and Communication
7	Shri Anoop Bali	Project Management & Finance, Project Advisory, Stress Asset Management & Recovery, Accounts & Finance and General Management

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 and 1 Non-Executive Director. The Chairman of the Committee was an Independent Director. The Chairman of the Committee attended the last AGM. The Committee met 4 times on May 19, 2022,



August 10, 2022, November 11, 2022 and February 10, 2023. The attendance of the members at the meetings was as follows:

Sl. No.	Name of Member	Status	No. of Meetings Attended
1	Shri S.C.Sekhar*	Chairman (NEID)	4
2	Dr. S. Ravi	NED	4
3	Shri Bapi Munshi	NEID	3
4	Mrs. Thankom T. Mathew	NEID	4

*ceased to be member w.e.f 28.2.2023

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 rupees 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.
22. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

(B) Nomination and Remuneration Committee

i) Composition:

During the year under report, the Nomination and Remuneration Committee of the Board comprised of 3 members [2 Non-Executive Independent Director (NEID) and 1 Non-Executive Director (NED)]. The Chairman of the Committee is Independent Director. The Committee met 3 times during the year on April 4, 2022, May 18, 2022 and August 10, 2022. The names of the members and attendance are as follows

Sl. No.	Name of Member	Status	No. of Meetings Attended
1	Mrs. Thankom T.Mathew	Chairman (NEID)	3
2	Shri S.C.Sekhar*	NEID	3
3	Shri Koppara Sajeeve Thomas	NED	3
4	Shri Bapi Munshi#	NEID	-

* ceased to be member w.e.f. 28.2.2023

inducted as member w.e.f 24.3.2023

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;
 - (1A). For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and

capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
- (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 is based on CTC based salary structure and performance-linked incentive. The components of total remuneration vary for different cadres and are governed more or less by the structure prevalent in the Industry. 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 2022-23:**

- (i) Shri Anoop Bali, Whole Time Director (w.e.f 18.4.2022) & CFO was paid remuneration of ₹1,06,39,720 (PY ₹96,17,643) during FY2022-23.
- (ii) Shri Anirban Chakraborty, Managing Director & CEO (retired on 14.4.2022) was paid remuneration of ₹74,27,346 (PY ₹ 2,26,70,510) during FY2022-23.
- (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:

Sl. No.	Name of the Director	Amount (in ₹)
1	Dr. S. Ravi	14,75,000
2	Shri G. D. Mundra	6,78,500
3	Mrs. Thankom T. Mathew	13,57,000
4	Shri Bapi Munshi	15,63,500
5	Shri S.C.Sekhar	14,75,000
6	Shri R.K.Sood	8,26,000
	Total	73,75,000

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 ₹75,000 and ₹50,000 (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, 2023:**

Shri Koppara Sajeev Thomas and Shri G. D. Mundra, Director(s) were holding 44,48,533 and 2,91,000 equity shares of the company respectively as on 31st March, 2023. Shri Anoop Bali, WTD & CFO was holding 12 equity shares as on 31st March, 2023. None of the other Executive/Non-Executive Director held shares/convertible Instruments of the Company as on 31st March, 2023.

(C) **Stakeholder Relationship Committee:**

- i) **Composition:** During the year under report, the Stakeholder Relationship Committee of the Board comprised of 3 members (2 Independent Director (ID) and 1 Non-Executive Non-ID). The Chairman of the Committee is Independent Director. During

the financial year 2022-23, the Committee met once on February 10, 2023. The names and the attendance of the members at the meeting were as follows:

Sl. No.	Name of Member	Status	No. of Meetings Attended
1	Mrs. Thankom T.Mathew	Chairman (NEID)	1
2	Shri Bapi Munshi	NEID	1
3	Shri G. D. Mundra	NED	1

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, 41 complaints were received from the shareholders and were replied/solved to the satisfaction of the shareholders. As on March 31, 2023, no complaints were pending. Shri Sanjay Ahuja, Company Secretary is the compliance officer of the Company.

(d) **Corporate Social Responsibility Committee**

i) **Composition**

During the year under report, the Corporate Social Responsibility Committee of the Board comprised of 3 Directors including 1 NEID, 1 NED and WTD & CFO. The Chairman of the Committee is a Non-Executive Director. The Committee met 4 times during the year on May 18, 2022, August 10, 2022, November 11, 2022 and February 10, 2023.



The names of the members and attendance are as under:

Sl. No.	Name of Member	Status	No. of Meetings Attended
1	Dr. S.Ravi [@]	Chairman (NED)	4
2	Mrs. Thankom T. Mathew	NEID	4
3	Shri R.K.Sood*	NED	2
4	Shri Anoop Bali [§]	WTD&CFO	4
5	Shri Anirban Chakraborty [#]	MD & CEO	–

[@] Inducted as member on 4.4.2022

[#] Retired on 14.4.2022

[§] Inducted as member on 18.4.2022

* ceased to be member on 3.11.2022

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 Committee *inter-alia* includes the followings;

- (1) To formulate a detailed risk management policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.

(c) Business continuity plan.

- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee of the Board comprised of 4 Directors including 1 NEID, 2 NED and WTD & CFO. The Chairman of the Committee is a Non-Executive Director. Four meetings of the Risk Management Committee were held during the year on May 18, 2022, August 10, 2022, November 11, 2022 and February 10, 2023 detailed as under:

Sl. No.	Name of Member	Status	No. of Meetings Attended
1	Dr. S.Ravi	Chairman (NED)	4
2	Shri Bapi Munshi	NEID	3
3	Shri Koppara Sajeeve Thomas	NED	4
4	Shri Anoop Bali	WTD&CFO	4

(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 2022-23.

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 Managing Director, CFO and Company Secretary. During the year, the Committee had 10 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 including dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialised form with the depositories. Therefore, Shareholders 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
2021-22	September 19, 2022	11.00 a.m.	4 th Floor, Tower 1, NBCC Plaza, Sector V, Pushp Vihar, Saket, New Delhi – 110 017
2020-21	September 29, 2021	11.30 a.m.	4 th Floor, Tower 1, NBCC Plaza, Sector V, Pushp Vihar, Saket, New Delhi – 110 017
2019-20	August 17, 2020	11.30 a.m.	4 th Floor, Tower 1, NBCC Plaza, Sector V, Pushp Vihar, Saket, New Delhi – 110 017

- (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
19.9.2022	Section 42,71	Issue of Bonds/Debentures
	Section 62	Approval of TFCI ESOP Scheme – 2022
29.9.2021	Section 42,71	Issue of Bonds/Debentures
	Section 42, 62, 71, 179	Issue of Securities through QIP
	Section 42,62	Preferential Issue of Equity Shares
	Section 13, 61	Reclassification of Authorised Share Capital
	Section 13, 61	Amendment to the MOA of the Company
	Section 14	Alteration of the AOA of the Company
17.8.2020	Section 42,71	Issue of Bonds/Debentures

- (C) Details of resolutions passed through Postal Ballot
During the year ended March 31, 2023, the Company sought approval from its shareholders



for passing the resolutions by way of Postal Ballot in accordance with the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014. Details of resolution passed on June 28, 2022 (Notice dated May 19, 2022) through Postal Ballot.

Sl. No.	Particulars	Details/Dates
1	Date of Board Meeting	May 19, 2022
2	Scrutinizer appointed by the Board of Directors	Shri A.N. Kukreja, F.C.S. Practicing Company Secretary
3	Date of Notice seeking Shareholders approval	May 19, 2022
4	Date of completion of dispatch of Notice	May 25, 2022
5	Date of Commencement of voting through remote e-voting process.	May 30, 2022, 09.00 A.M. (IST)
6	Last date for voting through remote e-voting process.	June 28, 2022, 05.00 P.M.(IST)
7	Date of submission of Scrutinizer's Report	June 29, 2022
8	Date of declaration of Result	June 29, 2022

Particulars of Resolution Passed-

Sl. No.	Subject Matter of the resolution	Relevant Section under Companies Act, 2013	Nature of Resolution
1	To approve the appointment of Dr. S. Ravi (DIN: 00009790) as a Non-Executive Non-Independent Director of the Company	Section 152	Ordinary Resolution
2	To approve the appointment and payment of remuneration of Shri Anoop Bali (DIN: 00302077) as a Whole Time Director of the Company	Section 152	Ordinary Resolution

Voting Pattern

Resolution 1

Particulars	No. of Members Voted	No. of Shares	% of No. of Votes
Votes cast in favour of the Resolution	249	36150469	99.91
Votes cast against the Resolution	27	34250	0.09
Invalid Votes	-	-	-
Total	276	36184719	100

Resolution 2

Particulars	No. of Members Voted	No. of Shares	% of No. of Votes
Votes cast in favour of the Resolution	242	36167149	99.95
Votes cast against the Resolution	34	17570	0.05
Invalid Votes	-	-	-
Total	276	36184719	100

6. Disclosures

(A) Shri Koppara Sajeev Thomas and Shri G. D. Mundra, Director(s) were holding 44,48,533 and 2,91,000 equity shares of the company respectively as on 31st March, 2023. Shri Anoop Bali, WTD & CFO was holding 12 equity shares as on 31st March, 2023. None of the other Executive/ Non-Executive Director held shares/convertible Instruments of the Company as on 31st March, 2023.

(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.40 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 Companies (Indian Accounting Standards) Rules, 2015 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. 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.

(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 was ₹9.94 lakh during 2022-23 (PY ₹13.40 lakh).

(L) During the year, no complaint in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, was filed/disposed off and no complaint was pending on end of financial year.

(M) During the year, no loans and advances in the nature of loans, given to the firms/companies in which directors are interested.

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. (ACUITE). The details of the same are as follows:

Rating Agency	Date of Rating	Rating (₹ in crore)		Rating Action
		Long-term Bonds	Bank Borrowings	
ACUITE*	07.02.2023	AA- Outlook: Negative Bond: (359.74) MLD: (75.00)	AA- Outlook: Negative (950.00)	Reaffirmed/ Assigned
CARE	31.08.2022	A Outlook: Stable (300.00)	--	Reaffirmed & Outlook changed to Stable from Negative
Brickwork	06.07.2022	A+ Outlook: Stable (534.74)	A+ Outlook: Stable (1150.00)	Reaffirmed & Outlook changed to Stable from Negative

*Besides, ACUITE has assigned AA (provisional) rating to our proposed issue of secured NCDs of ₹250 crore.

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 18, 2023 at 11.00 a.m. at 4th Floor, Tower 1, NBCC Plaza, Sector V, Pushp Vihar, Saket, New Delhi-110017

9.2 Financial calendar (tentative)

Financial Year: April 1, 2023 to March 31, 2024

Results for the quarter ending:

June 30, 2023	August 2023
September 30, 2023	October/November 2023
December 31, 2023	January/February 2024
March 31, 2024	April/May 2024
Annual General Meeting	September, 2024

9.3 Date of Book Closure

August 12, 2023 to August 18, 2023

9.4 Dividend Payment

Credit/dispatched between September 8, 2023 to September 17, 2023.

9.5 Listing on Stock Exchanges

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

9.6 Stock-Market price data for the year 2022-2023

TFCI Share Price

(in ₹)

Month & Year	BSE		NSE	
	High	Low	High	Low
Apr-22	71.90	60.00	71.60	59.80
May-22	61.55	52.55	61.65	52.50
Jun-22	58.60	45.50	58.95	45.00
Jul-22	56.80	50.25	56.90	50.00
Aug-22	62.00	54.70	61.40	54.75
Sep-22	76.75	59.00	76.70	58.25
Oct-22	87.50	63.30	87.50	62.50
Nov-22	90.25	76.40	90.30	76.35
Dec-22	93.75	74.20	93.75	74.75
Jan-23	95.00	74.45	95.15	74.30
Feb-23	82.65	66.95	82.70	67.35
Mar-23	74.99	66.75	74.70	67.20

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 Sensex during the year 2022-23.

	(% change)	(% change)	(% change)
	Index	TFCI’s share Price	TFCI relative to index
BSE Sensex	+0.72%	18.58%	+17.86%
NSE Nifty	-0.60%	18.05%	+18.65%

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, 1st 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 Agent and 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, 2023

Range	Shares	Folios	Percent Shares	Percent Holders
1-500	6215779	51692	6.88	88.22
501-1000	2879925	3450	3.19	5.89
1001-2000	2435091	1565	2.69	2.67
2001-3000	1569104	599	1.74	1.02
3001-4000	988133	270	1.09	0.46
4001-5000	1283872	268	1.42	0.46
5001-10000	2777239	378	3.07	0.64
10001-50000	5482436	265	6.07	0.45
50001-100000	3387426	46	3.75	0.08
And Above	63353443	62	70.10	0.11
Total	90372448	58595	100.00	100.00

9.11 Categories of Shareholders as on March 31, 2023

SHAREHOLDING PATTERN		
Name of Shareholder	No. of Equity Shares Held	In %
I. Promoters/Promoters Group		
(i) LICICI ASM NON PAR	2960644	3.28
(ii) The Oriental Insurance Co. Ltd	861527	0.95
(iii) Shri Koppara Sajeev Thomas	4448533	4.92
(iv) Pransatree Holdings Pte. Limited	7959800	8.81
(v) India Opportunities III Pte. Ltd*	0	0.00
(vi) Tamaka Capital (Mauritius) Limited*	0	0.00
Total Promoters/Promoters Group Holding	16230504	17.96
II. Non Promoters Shareholders		
1. Mutual Funds	2000	0.00
2. Banks	780	0.00
3. NBFCs	466	0.00
4. Foreign Portfolio Investors	15171368	16.79
5. Directors and their relatives (excluding promoter director)	291000	0.32

SHAREHOLDING PATTERN		
Name of Shareholder	No. of Equity Shares Held	In %
6. Key Managerial Personnel	12	0.00
7. Trusts	22351	0.02
8. IEPF	1139904	1.26
9. Individual Shareholding (General Public)	32006559	35.42
10. NRIs	3309847	3.66
11. Bodies Corporate (including 1,68,95,875 equity shares i.e. 18.70% of Rajasthan Global Securities Private Limited)	22197657	24.56
Total Public shareholding	74141944	82.04
Grand Total	90372448	100.00

*Application for re-classification from Promoter/Promoter group shareholder to Public shareholder filed with Stock Exchange(s) was approved on 15.5.2023.

9.12 Dematerialization of Shares

Sl. No.	Electronic/physical	Mode of holding %
1	NSDL	77.33%
2	CDSL	21.55%
3	Physical	1.12%
	Total	100.00%

Trading in Equity Shares of the Company is permitted only in dematerialized form. As on March 31, 2023, 98.88% of Company's total equity shares representing 8,93,61,888 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/liaison office at Mumbai.

9.15 Address for correspondence:

The Company's registered office is situated at:
 4th Floor, Tower 1, NBCC Plaza,
 Sector V, Pushp Vihar, Saket,
 New Delhi – 110 017
 Phone No.: 011-47472200
 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:
 C-304, Marathon Innova,
 Veer Santoshi Lane, off. Ganpatrao



Kadam Marg, Lower Parel,
Mumbai – 400 013
Phone: 022-40591106

Shareholders' correspondence should be addressed to:

MCS Share Transfer Agent Ltd.,
Registrar and Transfer Agent,
F-65, 1st 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

Axis Trustee Services Limited

The Ruby, 2nd Floor, SW
29 Senapati Bapat Marg
Dadar West, Mumbai – 400 028

prepared as per applicable Indian 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 Whole Time Director & CFO Certification

The Whole Time Director & CFO of the Company gives annual certification on financial reporting and internal controls to the Board in terms of SEBI (LODR) Regulation. The Whole Time Director & CFO of the Company also gives quarterly certification on financial results while placing financial results before the Board in terms of the SEBI (LODR) Regulation.

10. Review of Directors' Responsibility Statement

The Board, in its Report, has confirmed that the annual accounts for the year ended March 31, 2023 have been



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

Ensuring the selection, implementation and monitoring of CSR initiatives in letter and spirit through appropriate procedures and transparent reporting in compliance with provision of Companies Act and applicable laws.

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 which help cleaner, greener and healthier environment and thereby enhancing TFCI's perception as a social responsible entity. To implement CSR initiatives in conformity with the provisions of Companies Act, 2013 and applicable rules made thereunder.

2. The composition of the CSR Committee

During the year under report, the Corporate Social Responsibility Committee of the Board comprised of 3 Directors including 1 NED, 1 NEID and WTD & CFO. The Chairman of the Committee is an Non-Executive Director.

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Dr. S.Ravi [@]	Chairman (Non-Executive Director)	4	4
2	Mrs. Thankom T. Mathew	Independent Director	4	4
3	Shri Anoop Bali [§]	Whole Time Director & CFO	4	4
4	Shri R.K.Sood [#]	Non-Executive Director	4	2
5	Shri Anirban Chakraborty [*]	Managing Director & CEO	4	-

[@]inducted as member on 4.4.2022

[§]inducted as member on 18.4.2022

[#]resigned on 3.11.2022,

^{*}retired on 14.4.2022

3. Web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company: www.tfciltd.com
4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: **Not applicable**
5.
 - (a) Average Net Profit of the company as per section 135(5): ₹101,73,54,667
 - (b) Two percent of average net profit of the company as per section 135(5): ₹2,03,47,093/-
 - (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
 - (d) Amount required to be set off for the financial year, if any: Nil
 - (e) Total CSR obligation for the financial year (7a+7b-7c): ₹2,03,47,093/-
6.
 - (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹2,03,47,100/-
 - (b) Amount spent in Administrative Overheads: Nil
 - (c) Amount spent on Impact Assessment, if applicable: Not Applicable
 - (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹2,03,47,100/-



(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
2,03,47,100	NIL	NIL	NIL	NIL	NIL

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	2,03,47,093
(ii)	Total amount spent for the Financial Year	2,03,47,100
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	7
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	7

7. Details of Unspent CSR amount for the preceding three financial years: **Not applicable**

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Balance Amount in Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.		Amount remaining to be spent in succeeding financial years. (in ₹)	Deficiency, if any
					Amount (in ₹).	Date of transfer.		
1	2022-23	N.A	N.A	N.A	N.A	N.A	N.A	N.A
2	2021-22	N.A	N.A	N.A	N.A	N.A	N.A	N.A
3	2020-21	N.A	N.A	N.A	N.A	N.A	N.A	N.A
	TOTAL							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **Not applicable**

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: **Not applicable**

Date: 07.07.2023

Place: New Delhi

Sd/-

(Director)

Sd/-

(Chairman of CSR Committee)



Details of CSR Projects and amount spent thereon during 2022-23

Sector in which the Project is covered	Name of the NGO/CSR Project	Location of the project	Amount spent (in ₹)	CSR registration number
1. Skill Development - Hospitality related	(i) Regional Centre for Entrepreneurship Development towards Skill development Chef Training in Chandigarh for 30 beneficiaries.	Chandigarh	5,00,000	CSR0000070
	(ii) Ruchika Social Service Organization towards Skill Development Programme for House Keeping, Food & Beverages Services, Cooking Training and Light Vehicle Driving Training for 100 marginalized youth.	Bhubaneswar	10,00,000	CSR00000761
2. Sports Training	(iii) Health Fitness Trust towards Athlete Training Programme for 5 national level Athletes.	New Delhi	20,97,000	CSR00008173
3. Education	(iv) Parivaar Education Society towards supporting education, nutritional and overall development of 150 destitute and needy children.	Khandwa	15,00,000	CSR0000052
	(v) ABHAS – Action Beyond Help And Support towards supporting Children’s Education Programme to provide quality educational inputs to 400 vulnerable at-risk children.	New Delhi	5,00,000	CSR00006845
	(vi) Ramakrishna Mission towards procurement of books and to make library fully computerized.	Purulia	8,00,000	CSR00006101
	(vii) Saikripa towards purchase of Suzuki EECO Van for overall needs of the 80 children of Bal Kutir (Home for orphaned, abandoned and neglected children).	Noida	5,13,000	CSR00001904
	(viii) Aseem Charitable Education Trust Delhi towards supporting life skills and all round sport and cultural capabilities of 350 underprivileged children.	New Delhi	4,00,000	CSR00008591
	(ix) Friends of Tribal society towards contribution for 114 “Ekal Vidyalayas”	Chhindwara	25,08,000	CSR00001898
4. Eradicating hunger and malnutrition	(x) The Akshaya Patra Foundation towards serving 69,970 meals to needy and underprivileged children in Delhi.	New Delhi	9,04,000	CSR00000286
	(xi) Gautam Gambhir Foundation towards supporting Ek Asha Jan Rasoi to serve nutritious meal thali to approx. 80,000 underprivileged people.	New Delhi	8,94,000	CSR00000822
5. Health Care	(xii) Mahavir International towards six free eye & health check-up camps for benefit of approx. 2000 needy patients.	Delhi/NCR	4,20,000	CSR00002906
	(xiii) Bharat Vikas Parishad Social Welfare Trust towards installation of Solar Power Plant at “Dr. Suraj Prakash Arogya Kendra, Faridabad, Haryana.	Faridabad	13,50,000	CSR00001000
	(xiv) V Care Foundation towards active treatment for 55 patients with solid tumour cancers.	Mumbai	10,00,000	CSR00002134
6. Sanitation & safe drinking water	(xv) Ruchika Social Service Organization towards Cleaning of Puri Sea Beach, Odisha.	Puri	3,00,000	CSR00000761
	(xvi) International Academy of Environmental Sanitation and Public Health for safe drinking water (Water ATM) at Vrindavan for tourists and general public.	Mathura	12,98,000	CSR00000286
7. Armed forces veterans/family grants.	(xvii) Army Wives Welfare Association towards supporting grants/benefits for the armed forces veterans, war widows and their dependents.	New Delhi	10,00,000	CSR00001826
8. Animal Welfare	(xviii) Jeevshakti Foundation towards contribution for Maruti van, Honda two-wheeler for medical needs of street/stray dogs and small domestic animals.	New Delhi	7,05,000	CSR00036032
	(xix) Earthlings Trust towards setup of a gas crematorium to provide dignified cremation to small animals like dogs, cats, goats, birds etc.	Noida	10,50,000	CSR00026265
9. Prime Minister’s CARE Fund	(xx) Contribution to Prime Minister’s Citizen Assistance and Relief in Emergency Situations (CARE) Fund.	New Delhi	16,08,100	-
Total			2,03,47,100	



Annexure 2

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:

Sr. No.	Requirements	Disclosure
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 2.66:1 Shri Anoop Bali, WTD & CFO 3.82:1
2	The percentage increase* in remuneration of each director, CFO, CEO, CS in the financial year	Shri Anirban Chakraborty, MD & CEO Nil Shri Anoop Bali, WTD & CFO 49.44% Shri Sanjay Ahuja, CS 12.87%
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 1.69%. The calculation of 1.69% increase in Median Remuneration is done based on comparable employees.
4	The number of permanent employees on the rolls of the Company	There were 35 employees as on March 31, 2023
5	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;	Average percentile increase in salaries of non- managerial personnel in the last financial year was 2.10% in comparison with 8.31% increase in the managerial remuneration of employees.
6	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, the remuneration payable to WTD/ Employees is as per the remuneration policy of the company approved by the Board.

7. Name of every employee of the company, who:

B. 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) (₹ in lakh)	Qualifications	Experience (Year)	Date of Commence of Employment	Previous Employment/ Position Held	Whether relative of any director or manager / share held
1.Shri Anoop Bali	57	Whole Time Director & CFO	106.40	B.Sc.(Honours) Physics, M.B.A	33 years	29.3.1995	Consultant Hardicon	He held 12 equity shares of the Company as on March 31, 2023
2.Shri Anirban Chakraborty#	52	Managing Director & CEO	74.27	B.Tech, PGDBM (Financial Management)	28 Years	15.4.2019	Dy. CEO Axis Capital Ltd.	N.A

retired on 14.4.2022

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



Form No. MR-3

SECRETARIAL AUDIT REPORT**For the financial year ended 31st March, 2023**

[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
4th Floor, Tower-1, NBCC Plaza, Pushp Vihar,
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 **31st March, 2023** 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 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) 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;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the Audit Period)**;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - (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 BSE 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:

- (a) The Company has obtained the consent of the members on the following resolutions by way of passing of Special Resolutions in its Annual General meeting:
- i. Under Section 42, 71: For Approval 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 ₹ 700 crore (Rupees Seven Hundred Crore only).
 - ii. Approval of TFCI ESOP Scheme – 2022.

For Naveen Narang & Associates
Company Secretaries

(Jyoti Narang)

Partner

M. No. 5698

C.P. No. 5199

UDIN: F005698E000504152

PR No. 3434/2023

Date: 26.06.2023

Place: Delhi

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.

Annexure 3A

To,
The Members,
Tourism Finance Corporation of India Limited
4th 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

(Jyoti Narang)

Partner

M. No. 5698

C.P. No. 5199

PR No. 3434/2023

Date: 26.06.2023

Place: Delhi



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)*

To
The Members,
Tourism Finance Corporation of India Limited
4th Floor, Tower-1, NBCC Plaza, Pushp Vihar,
Sector-5, Saket, New Delhi-110017

We 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 4th 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 our 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 us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2023** 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. Bapi Munshi	02470242	01/02/2018
2.	Ms. Thankom T Mathew	00025326	24/10/2018
3.	Mr. Koppara Sajeeve Thomas	08069585	15/03/2019
4.	Dr. S. Ravi	00009790	04/04/2022
5.	Mr. Anoop Bali	00302077	18/04/2022
6.	Mr. Ghanshyam Das Mundra	00035877	10/08/2022
7.	Mr. Rajesh Kumar Dubey	10040521	14/02/2023

For Naveen Narang & Associates
Company Secretaries

(Jyoti Narang)

Partner

M. No. 5698

C.P. No. 5199

UDIN: F005698E000504031

PR No. 3434/2023

Date: 26.06.2023

Place: Delhi

**COMPANY SECRETARY'S 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 31st March, 2023, 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

(Jyoti Narang)

Partner

M. No. 5698

C.P. No. 5199

Date: 26.06.2023

Place: New Delhi

UDIN: F005698E000504053

PR No. 3434/2023

CHIEF EXECUTIVE OFFICER & CHIEF FINANCIAL OFFICER CERTIFICATION

I, Anoop Bali, Whole Time Director & Chief Financial Officer (CFO) of Tourism Finance Corporation of India Limited, certify to the Board that:

- A. I have reviewed financial statements and the cash flow statement for the year and that to the best of my 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 my knowledge and belief, no transactions entered into by the company which are fraudulent, illegal or violative of the company's code of conduct.
- C. I accept the responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- D. I 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 : May 20, 2023

(Anoop Bali)

Whole Time Director & CFO

**DECLARATION BY THE WHOLE TIME 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, 2023.

Place : New Delhi

Date : May 20, 2023

(Anoop Bali)

Whole Time Director & CFO



APPENDIX TO DIRECTORS' REPORT

PROJECTS WISE AND PURPOSE WISE CLASSIFICATION OF FINANCIAL ASSISTANCE SANCTIONED DURING 2022-23 AND CUMULATIVE UPTO 31.03.23

(Amount in Rs. Lakh)

SECTOR	NEW		EXPANSION/REN./ EQ. FINANCE		ACQU./ REFIN. FOR EXP. ETC.		TOTAL	
	NO	AMOUNT	NO.	AMOUNT	NO.	AMOUNT	NO.	AMOUNT
A. TOURISM-HOSPITALITY								
5 STAR HOTEL	1	7000	0	0	5	33000	6	40000
	99	221375	35	31684	57	207941	191	461000
4 STAR HOTEL	0	0	1	100	2	2878	3	2978
	63	115376	15	14352	16	45461	94	175189
3 STAR HOTEL	1	4000	0	0	3	3214	4	7214
	287	210572	41	25145	57	66858	385	302575
2 STAR HOTEL	0	0	0	0	2	2850	2	2850
	26	12568	2	478	5	7941	33	20987
HERITAGE	0	0	0	0	0	0	0	0
	17	3764	5	1455	2	586	24	5805
UNCLASSIFIED	0	0	0	0	0	0	0	0
	3	2710	1	24	3	7481	7	10215
SUB-TOTAL (A)	2	11000	1	100	12	41942	15	53042
	495	566365	99	73138	140	336268	734	975771
B. TOURISM-OTHER PROJECTS								
Amusement Park, FECs, Convention Centre, Restaurant, Travel & Tours etc.								
SUB-TOTAL (B)	0	0	0	0	0	0	0	0
	78	52847	42	67633	15	17412	135	137892
C. OTHERS SECTORS								
NBFC	3	5000	0	0	0	0	3	5000
	9	20000	0	0	0	0	9	20000
REAL-ESTATE	5	10700	0	0	0	0	5	10700
	16	44986	0	0	1	2500	17	47486
MANUFACTURING	1	2500	0	0	1	3000	2	5500
	2	5500	5	13000	23	77174	30	95674
INFRASTRUCTURE PROJECTS	0	0	0	0	1	780	1	780
	10	36180	1	3000	5	18076	16	57256
SUB-TOTAL (C)	9	18200	0	0	2	3780	11	21980
	37	106666	6	16000	29	97750	72	220416
G. TOTAL (A+B+C)	11	29200	1	100	14	45722	26	75022
	610	725878	147	156771	184	451430	941	1334079

Normal - Current Year (2022-23)

Highlighted - Cumulative



INDEPENDENT AUDITORS' REPORT

To the Members of Tourism Finance Corporation of India Limited Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of Tourism Finance Corporation of India Limited ("the Company"), which comprise the standalone Balance Sheet as at 31st March 2023, and the standalone Statement of Profit and Loss (including other comprehensive income), standalone Statement of Changes in Equity and standalone cash flows statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit and other comprehensive income, 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 Standalone 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 there under, 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended 31.03.2023. These matters were addressed in the context of our audit of the standalone financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	How our Audit addressed Key Audit Matters
1.	<p>Impairment of Financial Assets based on expected credit losses as at balance sheet date (As described in note number 43 of the standalone financial statements)</p> <p>Ind AS 109 requires the company to provide for impairment of its Financial Assets using an expected credit loss (ECL) model. A model of ECL is developed by the company based on the guiding principal prescribed under Ind AS 109. Accordingly as on 31.03.2023 the Company has reported Gross loans amounting to ₹ 162147.73 lakh against which an impairment loss of ₹ 3806.51 lakh has been recorded. ECL involves an estimation of probability weighted loss on financial instrument over their life information about past event, current conditions and estimates of future economic conditions which could impact the credit quality of company's loans and advances .</p> <p>In the above process , a significant degree of judgement has been applied by the management which includes:</p> <ul style="list-style-type: none"> Segmentation of the loan portfolio into homogenous pool of borrowers, 	<p>Considered the Company's accounting policies for impairment of Financial assets and their compliance with Ind AS 109 and the "Governance framework" in line with Reserve Bank of India (RBI) guidance.</p> <p>Evaluated the Company's Expected Credit Loss (ECL) methodology and the underlying assumptions, Assessed the Exposure at Default used in the impairment calculations on a test basis;</p> <p>Evaluated the basis and methodology adopted by management to determine 12 months and life-time probability of defaults for various homogenous segments and performed test checks. Assessed and verified the data used in the impairment computation;</p> <p>Evaluated the process adopted by the management for significant judgments and estimates, including future economic conditions, for ECL Computation and additional overlay provision</p>



Sr. No.	Key Audit Matters	How our Audit addressed Key Audit Matters
	<ul style="list-style-type: none"> • Identification of exposures where there is a significant increase in credit risk, • Completeness and timing of recognition of default, in accordance with the prudential norms on Income Recognition, Asset classification and provisioning pertaining to loan assets, • Determination of the 12 months and lifetime probability of default for each of the segment identified and • technique based on past trends/experience, management estimates used to determine probability of default, loss given default, exposure at default for extended exposure. <p>As stated in note number 43 to the standalone financial statement for the year ended on 31st March 2023 the management has determine the allowances for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions . Considering the future uncertainties and considering the increased default risk in the accounts which are presently under SMA category (accounts under stress) and other factors which has impact on the company’s business operation, the company has recorded ECL allowances aggregating to ₹3806.51 Lakh which includes an overlay of ₹2724.98 Lakh as part of ECL to reflect among other things the increased risk of deterioration in loans Assets.</p> <p>Company is periodically monitoring the basis of estimates and assumptions to arrive at overlay which significantly depend on the future development in the accounts.</p> <p>In view of the significance of the amount of loan assets in the standalone financial statements and high degree of management’s judgement involve in estimation of ECL we have considered allowance of credit loss as key audit matter.</p>	<p>Assessed analytical reviews of disaggregated data to observe any unusual trends warranting additional audit procedures;</p> <p>Reviewed advances including SMA (stressed advances) on a sample basis with respect to compliance with the RBI Circulars/Guidelines/ Judicial pronouncements.</p> <p>Assessed disclosure made in the standalone financial statements in respect of expected credit losses.</p>
	<p>Pending litigations with tax Authorities</p> <p>During the assessment proceedings of the earlier years the tax Authorities has raised the tax demands on the company. The company has disputed such demands and preferred appeal against them at appropriate forums.</p> <p>As per Ind AS-37 the company is required to perform an assessment of the probability of economic outflow on account of such disputed tax matters pending under litigation and determine whether any particular obligation needs to be recorded as a provision in the books of accounts or to be disclose as a contingent liability.</p> <p>As such demand amounting to ₹ 614.07 Lakh are pending under litigation at different forum is treated as contingent liability .</p> <p>Considering the significant degree of judgement applies by the management in making such assessment and the resultant impact on the stand alone financial statement we have considered it to be a key audit matter .</p>	<p>We have performed the following procedure to assess the company’s exposure for tax matters under litigation .</p> <ul style="list-style-type: none"> • Evaluated the process laid down by the management for performing their assessment taking into consideration past legal precedents, changes in laws and regulations, expert opinions obtained from external tax/legal experts as made available to us by the Company ; • Evaluated communications with relevant authorities including notices, demands, orders, etc., relevant to the pending litigations, as made available to us by the management; • Tested the accuracy of disputed amounts from the underlying communications received from tax authorities and responses filed by the Company; • Considered the submissions made to appellate authorities and expert opinions obtained by the Company from external tax / legal experts which form the basis for management’s assessment; • Assessed the positions taken by the management in the light of the aforesaid information. • Evaluated the disclosures included in the Standalone Financial Statements in this regard.



Sr. No.	Key Audit Matters	How our Audit addressed Key Audit Matters
	<p>Investment in Security Receipts (SRs) Company has investments in Security Receipts (SR) issued by ARCs on assignment of certain loan accounts. The impairment on such investments is ascertained on the basis of NAV declared by ARCs based on evaluation done by external rating agencies. The impairment is further tested considering relevant RBI guidelines in this regard. Considering the significant judgement and estimation on the recoverability, above is considered to be a Key Audit Matter.</p>	<p>Evaluated the assignment agreement executed between Company and ARC. Reviewed the compliance with the RBI guidelines. Verified NAV letter issued by ARC based on evaluation done by external rating agency.</p>

Information other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the company's Annual Report but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information when it becomes available to us and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read such other information as and when made available to us and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

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, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS accounting principles generally accepted in India. 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 accounting policy, 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 Standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Co. Act 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("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 (including other comprehensive income), statement of change in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.

(d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act. Read with the rule 7 of the companies rule (accounts) , 2014 to the extent applicable to the company and in the manner so required .

e) On the basis of the written representations received from the directors as on 31.03.2023 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16)of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act

g) In 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

h) 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 standalone 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 standalone 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 **M Verma & Associates**
Chartered Accountants
Firm Reg. No.: 501433C

(CA Mohender Gandhi)
Partner

Place: New Delhi
Date : May 20, 2023

M No. 088396
UDIN: 23088396BGYOE08177

**ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT**

The Annexure Referred to in our independent auditor's report in paragraph 3 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Tourism Finance Corporation of India Limited on the standalone financial statement for the year ended 31.03.2023, we report that

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) (a) (A) The Company has maintained digital records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. In our opinion the record maintained are proper however, the records needs to be strengthened by maintaining the audit trail for any subsequent modification/alteration in the fixed assets records.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a system of physical verification of its fixed assets annually. 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) As per information and record provided to us in respect of company's property situated at 4th floor NBCC Plaza Pushp Vihar Sector -5 Saket New Delhi 110017 execution of title deed (Sub- lease deed) in favour of company is pending. As explained to us the sub lease deed shall be executed in favour of Company post execution of perpetual lease deed by L&DO Ministry of Urban Development in favour of NBCC Ltd., however agreement to sale and possession letter dated 04.04.2008 executed in favour of company by NBCC Ltd is held on record. Further title deeds of other property in the name of the Company disclosed in the financial statements are held on record.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The Company is not dealing or trading in inventories hence reporting under clause 3(ii)(a) of the Order is not applicable.
- (b) Working Capital facility amounting to ₹60 crores is sanctioned by Banks against the security of hypothecation of book debts / future receivable and pledge of debt investments. As per information and records available to us company is submitting monthly /quarterly statements to the Banks, no discrepancy observed on verification of statements submitted to the banks with the books of accounts maintained by the company.
- (iii) (a) The company is registered as NBFC and principal business of the company is to give loan therefore clause 3(iii)(a) is not applicable.
- (b) As per record, information and explanation provided to us we have observed that the investment made and terms and condition of the loans and advances granted during the year are not prejudicial to the company's interest.
- (c) As per record, information and explanation provided to us, in respect of loans and advances sanctioned during the year schedule of repayment for principal and payment of interest has been stipulated and the repayments of principal and interest are regular, except in some of SMA accounts where consistent irregularity have been observed in the repayment of Principal and/or interest amount. As on 31.03.2023 there are 11 Accounts having outstanding balance of ₹29419.42 Lakhs and default amount of ₹ 1520.98 lakhs on account of repayment of principal and interest amount.
- (d) As per record and information provided to us as on 31.03.2023, two NPA accounts having Outstanding balance of ₹ 6361.92 lakh are overdue for more than 90 days and in our opinion the steps taken by the company for recovery of the amount are reasonable.
- (e) The company is registered as NBFC and principal business of the company is to give loan therefore clause 3(iii)(e) is not applicable.
- (f) As per record, information and explanation provided to us no loan or advance in the nature of loan either repayable on demand or without specifying any term or period of repayment has been granted during the year .
- (iv) As per record and information provided to us in respect of loans, investments, guarantees, and security there is no transaction during the year, which attracts the provisions of section 185 and 186 of the Companies Act 2013 .
- (v) The Company has not accepted any deposit or amount which are deemed to be deposits. Hence, reporting under clause 3(v) of the Orders is not applicable.
- (vi) According to information and explanation given to us maintenance of cost record under sub section (1) of section 148 of the Companies Act 2013 has not been specified by the Central Government. Therefore



provisions of clause 3(vi) of the order are not applicable to the Company.

(vii) In respect of statutory dues:

- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) According to information and explanation given to us, dues of Income Tax which have not been deposited on account of dispute as on 31.03.2023 are as follows:-

Name of the Statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax	Demand	1,38,51,425*	AY 2008-09	ITAT
Income Tax	Demand	13,60,312	AY 2017-18	CIT (Appeal) Delhi

* Net of tax deposited/adjusted.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

- (ix) (a) As per explanation, information and record provided to us there is no default in repayment of loan or other borrowings or in the payment of interest thereon during the year.
- (b) As per explanation, information and record provided to us the Company has not been declared willful defaulter by any bank or financial institution or any other lender.
- (c) As per explanation, information and record provided to us we have not observed any case for utilization of term loan amount for other purpose other than the purpose for which the term loans were obtained .
- (d) As per explanation information and record provided to us we have not observed any case of utilization of short term funds for long term purposes.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The company has not raised any loan during the year by pledging of securities held in its subsidiary, joint ventures or associates companies.

- (x) (a) The Company has not raised any moneys by way of Initial Public Offer or further public offer (including debt instruments) during the year hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully , partially or optionally convertible during the year hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) As per explanation and information provided to us no fraud by the Company and no fraud on the Company has been noticed or reported during the year.
- (b) As per information, record and explanation provided to us no fraud by the company or on the company is noticed or reported by the company therefore reporting under sub-section (12) of section 143 of the Companies Act is not required to be reported on Form ADT-4.
- (c) As per explanation, information and record provided to us no whistle blower complaint / communication received during the year by the company .
- (xii) The Company is not a Nidhi Company hence reporting under clause (xii) (a), (b) and (c) of the Order is not applicable.
- (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 standalone financial statements, as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors, hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is required to registered under Section 45-IA of the Reserve Bank of India Act, 1934 and has been registered vide Reg No. B.14.00005 dated 08.05.2009.
- (b) As per explanation information and record provided to us company has not conducted any non-banking financial activity without a valid certificate of registration from the Reserve Bank of India as per the Reserve Bank of India Act 1934.



- (c) The Company is not a core investment company (CIC) as defined in the regulations made by the Reserve Bank of India hence reporting under clause (c) and (d) (xvi) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) Clause 3(xviii) is not applicable as there is no resignation by the statutory auditor during the year.
- (xix) On the basis of the financial ratios, ALM statement, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility other than ongoing projects requiring a transfer to a fund specified in schedule VII to the Companies Act in compliance with second proviso to sub section (5) of sanction 135 of the said act . Accordingly, reporting under clause 3 (XX) (a) of the order is not applicable for the year.
- (c) In respect of ongoing projects, there was no unspent balance at the end of the previous financial year and at the end of current financial year requiring a transfer to a special account in compliance with provision of sub-section (6) of sanction 135 of the said act.
- (xxi) Clause 3(xxi) is not applicable as preparation of Consolidated Financial Statement is not applicable to the company.

For **M Verma & Associates**
Chartered Accountants
Firm Reg. No.: 501433C

(CA Mohender Gandhi)
Partner

Place: New Delhi
Date : May 20, 2023

M No. 088396
UDIN: 23088396BGYOE08177



ANNEXURE B” - Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Tourism Finance Corporation of India Ltd as of March 31, 2023 in conjunction with our audit of the IND AS standalone 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 (the “Guidance Note”) 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, to the best of our information and according to the explanation given to us 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 March 31, 2023, 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.

For **M Verma & Associates**
Chartered Accountants
Firm Reg. No.: 501433C

(CA Mohender Gandhi)
Partner

Place: New Delhi
Date : May 20, 2023

M No. 088396
UDIN: 23088396BGYOE08177



BALANCE SHEET AS AT MARCH 31, 2023

(₹ in lakh)

Particulars	Note No.	As at March 31, 2023		As at March 31, 2022	
ASSETS					
(1) Financial assets					
(i) Cash and cash equivalents	3	6,097.72		20,950.48	
(ii) Bank balances other than (i) above	4	147.63		197.05	
(iii) Receivables	5				
- Other receivables		11.67		14.32	
(iv) Loans & advances	6	1,58,258.43		1,80,453.09	
(v) Investments	7	33,756.85		16,538.71	
(vi) Other financial assets	8	1,692.49	1,99,964.79	1,381.34	2,19,534.99
(2) Non-financial assets					
(i) Current tax assets (Net)	9	1,485.50		1,764.11	
(ii) Deferred tax assets (Net)	10	776.89		773.91	
(iii) Property, plant and equipment	11	1,413.06		1,500.77	
(iv) Intangible assets under development	12	21.80		21.80	
(v) Other intangible assets	13	18.11		33.86	
(vi) Right of use assets	14	92.15		155.53	
(vii) Other non-financial assets	15	175.90	3,983.41	140.68	4,390.66
(3) Assets classified as held for sale					
			530.99		530.99
TOTAL ASSETS		2,04,479.19		2,24,456.64	
LIABILITIES AND EQUITY					
(1) Financial Liabilities					
(i) Payables					
- Other Payables	16				
--total outstanding dues of micro enterprises and small enterprises			-		-
--total outstanding dues of creditors other than micro enterprises and small enterprises			-		-
(ii) Debt securities	17	37,310.48		62,890.45	
(iii) Borrowings (Other than debt securities)	18	62,572.64		64,333.65	
(iv) Other financial liabilities	19	2,689.06	1,02,572.18	3,283.52	1,30,507.62
(2) Non-Financial Liabilities					
(i) Provisions	20	124.27		201.90	
(ii) Other Non-financial liabilities	21	72.25	196.52	51.22	253.12
(3) Equity					
(i) Equity share capital	22	9,037.24		9,037.24	
(ii) Other equity	23	92,673.25	1,01,710.49	84,658.66	93,695.90
TOTAL LIABILITIES AND EQUITY		2,04,479.19		2,24,456.64	

The Notes No. 1 to 60 are integral part of these financial statements

As per our report of even date

for **M Verma & Associates**

Chartered Accountants

Firm Reg. No: 501433C

(CA Mohender Gandhi)

Partner

M.No.088396

Date : May 20, 2023

Place : New Delhi

for and on behalf of the Board

(Bapi Munshi)

Director

(Sanjay Ahuja)

Company Secretary

(S. Ravi)

Non Executive Chairman

(Anoop Bali)

Whole Time Director & CFO



STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2023

(₹ in lakh)

Particulars	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
I. Revenue from Operations			
(a) Interest income	24	19,719.93	24,789.32
(b) Dividend income	25	79.97	69.69
(c) Fees & commission income	26	1,570.93	145.89
(d) Net gain/(loss) on fair value changes	27	1,517.38	(176.39)
(e) Other operating income	28	257.00	590.00
		23,145.21	25,418.51
II. Other Income	29	25.07	12.53
III. Total Income (I + II)		23,170.28	25,431.04
Expenses			
(a) Finance costs	30	9,064.62	12,004.36
(b) Employee benefit expenses	31	1,158.91	1,518.10
(c) Depreciation & amortisation	32	166.24	146.69
(d) Other expenses	33	1,032.54	971.92
(e) Provision for bad & doubtful debts/write off/ impairment of investment		811.00	-
IV. Total Expenses		12,233.31	14,641.07
V. Profit before exceptional items and tax (III - IV)		10,936.97	10,789.97
VI. Exceptional items		-	-
VII. Profit/(loss) before tax (V-VI)		10,936.97	10,789.97
VIII. Tax expense:			
(a) Current Tax		2,145.00	2,150.00
(b) Earlier Years Tax		-	164.75
(c) Deferred Tax		(2.98)	(56.65)
IX. Profit/(Loss) from continuing operations (VII - VIII)		8,794.95	8,531.87
X. Profit/(Loss) from discontinuing operations		-	-
XI. Tax expense of discontinuing operations		-	-
XII. Profit/(Loss) from discontinuing operations (after tax) (X-XI)		-	-
XIII. Profit/(Loss) for the period (IX + XII)		8,794.95	8,531.87
XIV. Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plans		65.19	60.84
Less: Deferred Tax on above		-	-
(ii) Items that will be reclassified to profit or loss			
-Gain/(Loss) on change in fair valuation of equity/ debt instruments		308.95	251.90
Other Comprehensive Income		374.14	312.74
XV. Total Comprehensive Income for the period (XIII + XIV)		9,169.09	8,844.61
XVI. Earnings per equity share (Weighted Average Shares Outstanding):			
(1) Basic		9.73	10.01
(2) Diluted		9.73	10.01

The Notes No. 1 to 60 are integral part of these financial statements

As per our report of even date

for **M Verma & Associates**

Chartered Accountants

Firm Reg. No: 501433C

(CA Mohender Gandhi)

Partner

M.No.088396

Date : May 20, 2023

Place : New Delhi

for and on behalf of the Board

(Bapi Munshi)

Director

(Sanjay Ahuja)

Company Secretary

(S. Ravi)

Non Executive Chairman

(Anoop Bali)

Whole Time Director & CFO



STATEMENT OF CHANGES IN EQUITY

I. Equity Share Capital

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at beginning of the year	9,037.24	8,071.67
Change due to prior period errors	-	-
Restated balance at beginning of the year	9,037.24	8,071.67
Issued during period	-	965.57
Brought back during period	-	-
Balance at end of the period	9,037.24	9,037.24

II. Other Equity

(₹ in lakh)

Particulars	Reserve & Surplus						Equity Instruments through OCI	Total as at 31 March 2023
	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		
Balance as at 01 April 2022	11,436.13	11.55	11,601.25	17,969.53	16,699.07	25,720.04	1,221.09	84,658.66
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	11,436.13	11.55	11,601.25	17,969.53	16,699.07	25,720.04	1,221.09	84,658.66
Addition	-	-	-	-	-	-	-	-
Profit for the Period	8,794.95	-	-	-	-	-	-	8,794.95
Other Comprehensive Income	65.19	-	-	-	-	-	308.95	374.14
Total Comprehensive Income	20,296.27	11.55	11,601.25	17,969.53	16,699.07	25,720.04	1,530.04	93,827.75
Add: Transfer to reserve during the period	-	-	-	2,007.00	1,759.00	2,500.00	-	6,266.00
Add: Reclassification of Realised gain from OCI to reserves	109.42	-	-	-	-	-	(109.42)	-
Less: Appropriations								
- Transfer to General Reserve	(2,500.00)	-	-	-	-	-	-	(2,500.00)
- Transfer to Special Reserve under Section 36(1)(viii) of the Income Tax Act 1961	(2,007.00)	-	-	-	-	-	-	(2,007.00)
- Provision Under Section 45 IC of RBI Act, 1934	(1,759.00)	-	-	-	-	-	-	(1,759.00)
- Payment of Dividend	(1,084.47)	-	-	-	-	-	-	(1,084.47)
Less: Adjustments / withdrawal								
- Amortisation of transaction cost of bonds	-	-	(70.03)	-	-	-	-	(70.03)
Closing Balance	13,055.22	11.55	11,531.22	19,976.53	18,458.07	28,220.04	1,420.62	92,673.25

Particulars	Reserve & Surplus						Equity Instruments through OCI	Total as at 31 March 2022
	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		
Balance as at 01 April 2021	9,664.62	11.55	6,232.42	15,882.53	14,992.07	23,320.04	987.72	71,090.95
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	9,664.62	11.55	6,232.42	15,882.53	14,992.07	23,320.04	987.72	71,090.95
Addition	-	-	5,552.03	-	-	-	-	5,552.03
Profit for the Period	8,531.87	-	-	-	-	-	-	8,531.87
Other Comprehensive Income	60.84	-	-	-	-	-	251.90	312.74
Total Comprehensive Income	18,257.33	11.55	11,784.45	15,882.53	14,992.07	23,320.04	1,239.62	85,487.59
Add: Transfer to reserve during the period	-	-	-	2,087.00	1,707.00	2,400.00	-	6,194.00
Add: Reclassification of Realised gain from OCI to reserves	18.53	-	-	-	-	-	(18.53)	-
Less: Appropriations								
- Transfer to General Reserve	(2,400.00)	-	-	-	-	-	-	(2,400.00)
- Transfer to Special Reserve under Section 36(1)(viii) of the Income Tax Act 1961	(2,087.00)	-	-	-	-	-	-	(2,087.00)
- Provision Under Section 45 IC of RBI Act, 1934	(1,707.00)	-	-	-	-	-	-	(1,707.00)
- Payment of Dividend (incl tax thereon)	(645.73)	-	-	-	-	-	-	(645.73)
Less: Adjustments / withdrawal								
- Amortisation of transaction cost of bonds	-	-	(183.20)	-	-	-	-	(183.20)
Closing Balance	11,436.13	11.55	11,601.25	17,969.53	16,699.07	25,720.04	1,221.09	84,658.66

As per our report of even date

for **M Verma & Associates**

Chartered Accountants
Firm Reg. No: 501433C

(CA Mohender Gandhi)

Partner
M.No.088396

Date : May 20, 2023

Place : New Delhi

for and on behalf of the Board

(Bapi Munshi)
Director

(Sanjay Ahuja)
Company Secretary

(S. Ravi)
Non Executive Chairman

(Anoop Bali)
Whole Time Director & CFO



CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

(₹ in lakh)

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	10,936.97	10,789.97
Adjustment for :		
Gain/(Loss) under OCI Section	374.14	312.74
Depreciation & Amortisation	166.24	146.69
Finance Cost on Lease Liability on Right to Use Assets	12.96	18.55
Operating Cash before working capital changes	11,490.31	11,267.95
Adjustment for :		
Decrease/(Increase) in Loans & Advances	22,194.66	13,938.34
Decrease/(Increase) in Investments	(17,218.14)	(661.87)
Decrease/(Increase) in Receivables	2.65	11.32
Decrease/(Increase) in Other Financial Assets	(311.15)	69.92
Decrease/(Increase) in Other Non-Financial Assets	(35.22)	53.79
Decrease/(Increase) in Other Cash Balances	49.42	4.37
Increase/(Decrease) in Payables	-	(5.71)
Increase/(Decrease) in Debt Securities	(25,579.97)	(16,138.27)
Increase/(Decrease) in Borrowings	(1,761.01)	7,349.92
Increase/(Decrease) in Other Financial Liabilities	(594.46)	246.43
Increase/(Decrease) in Provisions	(77.63)	(36.81)
Increase/(Decrease) in Other Non-Financial Liabilities	21.03	(31.79)
Cash Generated from Operation	(11,819.51)	16,067.59
Direct Tax Paid (net)	(1,866.39)	(2,186.88)
Net Cash Flow from Operating Activities	(13,685.90)	13,880.71
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1.53)	(187.14)
Sale of Fixed Assets	0.44	
Intangible Assets under Development	-	(21.80)
Net Cash used in Investing Activities	(1.09)	(208.94)
C. CASH FLOW FROM FINANCIAL ACTIVITIES		
Preferential Issue of Equity Shares (Incl Premium)	-	6,517.60
Share issue Expenses	-	(132.19)
Payment of Dividend	(1,084.47)	(645.73)
Payment/Adjustment of Lease Liability on Right to Use Assets	(81.30)	(77.09)
Net Cash used in Financing Activities	(1,165.77)	5,662.59
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(14,852.76)	19,334.36
Cash and Cash Equivalent at the Beginning of the Year	20,950.48	1,616.12
Cash and Cash Equivalent at the End of the Year	6,097.72	20,950.48
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Cash in hand	-	0.18
Balance with Banks		
- Current Accounts	98.93	298.71
- Deposit Accounts	5,398.79	16,310.62
- DD/Cheques in Hand	600.00	4,340.97
Total Cash and Cash Equivalents (Note No. 3)	6,097.72	20,950.48

As per our report of even date

for **M Verma & Associates**

Chartered Accountants

Firm Reg. No: 501433C

(CA Mohender Gandhi)

Partner

M.No.088396

Date : May 20, 2023

Place : New Delhi

for and on behalf of the Board

(Bapi Munshi)

Director

(Sanjay Ahuja)

Company Secretary

(S. Ravi)

Non Executive Chairman

(Anoop Bali)

Whole Time Director & CFO



NOTES FORMING PART OF FINANCIAL STATEMENTS

Financial Statements for Year Ended 31 March 2023

1. Corporate Information

Tourism Finance Corporation of India Limited (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, motels, resorts, spas, restaurants, food courts, amusement parks, family entertainment centres, multiplexes, etc. and in a limited way to other sectors such as social infrastructure (educational institutes, hospitals, affordable housing development, etc.), manufacturing, other services sector, 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 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. Accounting policies have been consistently applied except where a newly issued accounting standard, if initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised Ind AS on an ongoing basis.

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. Any gain/loss on account renegotiation/modification is recognized in the P&L statement.

Dividend Income is recognized on right to receive basis. Consultancy, Advisory and Management Fee 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 116.

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 in tourism & non-tourism segments based on the nature of substantive security



shall be grouped into 3 categories namely Stage-1, Stage-2 & 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= Exposure at Default at various stages(EAD) X Probability of Default(PD) X 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 basic salary & 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 90 days. 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 1st 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		As at	
		March 31, 2023		March 31, 2022	
3	Cash and Cash Equivalents				
	Cash in hand		-		0.18
	Balances with Banks				
	- Current Accounts		98.93		298.71
	- Term Deposits		5,398.79		16,310.62
	Demand Draft/Cheques in Hand		600.00		4,340.97
	TOTAL		6,097.72		20,950.48
4	Bank balances other than (i) above				
	Balance in unclaimed dividend accounts/unpaid dividend		143.38		188.71
	Term Deposits with SBI (Lien against Bank Guarantee)		4.25		8.34
	TOTAL		147.63		197.05
5	Receivables				
	Other Receivables (in cash or kind)		11.67		14.32
	TOTAL		11.67		14.32
6	Loans & Advances		AMORTISED COST		AMORTISED COST
	I. Secured				
	(Secured by Mortgage of properties, Hypothecation of movables & current assets, personal/corporate guarantees, assignment of receivables)				
	(a) Loan to Companies/LLP.*	1,62,147.73		1,83,435.43	
	Less: Unamortised Upfront Fee received	(100.60)	1,62,047.13	(298.76)	1,83,136.67
	(b) Loan to Employees	17.81		17.88	
	Less: Deferred Employee Benefit Cost	-	17.81	-	17.88
	II. Gross Loans & Advances		1,62,064.94		1,83,154.55
	III. Impairment loss allowance (Expected Credit Loss)				
	- On standard loans (Stage 1 & Stage 2)	2,229.01		2,024.22	
	- On Sub-standard/ Doubtful loans (Stage 3)	1,577.50	3,806.51	677.24	2,701.46
	IV. Net Loans & Advances (II - III)		1,58,258.43		1,80,453.09
Breakup of Gross Loans & Advances (at II above)					
Loans Within India					
- Public Sector			-	-	
- Others		1,62,064.94		1,83,154.55	
Less: Impairment loss allowance (as per III above)		3,806.51		2,701.46	
Total - Net (as per IV above)		1,58,258.43		1,80,453.09	

* Loans to Companies/LLP aggregating ₹23,407.16 Lakh is primarily secured by Govt Guarantee issued under ECLGS Scheme.



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	Face Value	As at March 31, 2023				As at March 31, 2022			
			No's	Amortised Cost	At Fair Value		No's	Amortised Cost	At Fair Value	
					Through OCI	Through P/L			Through OCI	Through P/L
			Cost	Total	Cost	Total	Cost	Total		
7	Investments									
	I. Debt securities:-									
	a) Investment in bonds/debentures (measured at amortised cost)									
	9.40% FCI Ltd - Bonds (NCD) - Series III	1,000	150000	1,500.00	-	1,500.00	150000	1,500.00	-	
	Certificate of Deposits of Banks	10,00,000	500	14,405.01	-	14,405.01	-	-	-	
	b) Investment in mutual funds (measured at fair value through P&L)									
	Debt Oriented Mutual Funds	-	-	-	11,902.29	11,902.29	-	-	5,900.00	
	Sub total-I			15,905.01	11,902.29	27,807.30		1,500.00	7,400.00	
	II. Equity & Preference shares:-									
	a) Investment in Equity instruments (measured at fair value through OCI)									
	Cross Country Hotels Ltd.	10	250000	-	24.63	24.63	250000	-	24.63	
	Assets Care & Reconstruction Enterprise Ltd.	10	2856000	-	473.28	473.28	2856000	-	473.28	
	Shell Inn International Private Limited.	10	4243443	-	424.34	424.34	6200853	-	620.09	
	b) Investment in Equity instruments (measured at fair value through P&L)									
	Viceroy Hotels Ltd.	10	200000	-	200.00	200.00	200000	-	200.00	
	Punjab Woolcombers Ltd.	10	2500	-	0.22	0.22	2500	-	0.22	
	c) Investment in Subsidiary (measured at cost)									
	TFCI Capital Ltd (100% Subsidiary)	10	0	-	-	-	50000	-	5.00	
	Subtotal-II			922.25	200.22	1,122.47		1,118.00	200.22	
	III. Other approved securities:-									
	a) Investment in Security Receipts (measured at fair value through P&L)									
	Assets Care & Reconstruction Enterprise Ltd.									
	-(2014-15 - V - Trust: assigned loan of Kamat Hotels (India) Ltd)	1,00,000	0	-	-	-	2393	-	2,393.00	
	-(93 Trust: assigned loan of Imagicaa World Entertainment Ltd)	1	155768043	-	1,557.68	1,557.68	348038112	-	3,480.38	
	Phoenix ARC Pvt Ltd									
	-(assigned loan of Appu Hotels Ltd)	1,000	167739	-	1,677.39	1,677.39	167739	-	1,677.39	



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	Face Value	As at March 31, 2023						As at March 31, 2022						
			No's	Amortised Cost	At Fair Value		Total	No's	Amortised Cost	At Fair Value		Total			
					Through OCI	Through P/L				Through OCI	Through P/L				
	- (assigned loan of Golden Apple Resort & SPA LLP)	1,000	144755	-	1,447.55	-	1,447.55	-	1,447.55	-	1,447.55	-	1,447.55	-	1,447.55
	Subtotal-III				4,682.62		4,682.62		4,682.62		4,682.62		4,682.62		4,682.62
	Gross Investments (Subtotal I+II+III) (A)		15,905.01	922.25	16,785.13	33,612.39	15,905.01	1,118.00	15,098.54	5.00	17,721.54	1,118.00	15,098.54	5.00	17,721.54
	(i) Investment outside India														
	(ii) Investment in India		15,905.01	922.25	16,785.13	33,612.39	15,905.01	1,118.00	15,098.54	5.00	17,721.54	1,118.00	15,098.54	5.00	17,721.54
	Total		15,905.01	922.25	16,785.13	33,612.39	15,905.01	1,118.00	15,098.54	5.00	17,721.54	1,118.00	15,098.54	5.00	17,721.54
	Add: Appreciation in value of investments:-														
	Assets Care & Reconstruction Enterprise Ltd.			1,160.92	-	1,160.92		874.47	-	-	874.47		-	-	874.47
	Shell Inn International Private Limited.			259.70	-	259.70		346.62	-	-	346.62		-	-	346.62
	Debt Oriented Mutual Funds			6.35	-	6.35		-	-	-	1.54		-	-	1.54
	Sub total (B)			1,420.62	6.35	1,426.97		1,221.09	1.54	-	1,222.63		1.54	-	1,222.63
	Less: Allowance for Impairment loss														
	Gross Country Hotels Ltd.			24.63	-	24.63		24.63	-	-	24.63		-	-	24.63
	Assets Care & Reconstruction Enterprise Ltd.														
	- (2014-15 - V - Trust: assigned loan of Kamat Hotels (India) Ltd)			-	-	-		-	-	-	598.25		-	-	598.25
	- (93 Trust: assigned loan of Imagicaa World Entertainment Ltd)			-	856.72	856.72		-	-	-	1,392.15		-	-	1,392.15
	Phoenix ARC Pvt Ltd														
	- (assigned loan of Appu Hotels Ltd)			-	107.86	107.86		-	-	-	105.51		-	-	105.51
	- (assigned loan of Golden Apple Resort & SPA LLP)			-	93.08	93.08		-	-	-	91.05		-	-	91.05
	Viceroy Hotels Ltd.			-	200.00	200.00		-	-	-	193.65		-	-	193.65
	Punjab Woolcombers Ltd.			-	0.22	0.22		-	-	-	0.22		-	-	0.22
	Sub total (C)			24.63	1,257.88	1,282.51		24.63	2,314.46	-	2,380.83		2,380.83	-	2,405.46
	Total Investment - Net (A+B-C)			15,905.01	2,318.24	15,533.60		15,905.01	2,314.46	1,500.00	12,719.25		15,098.54	5.00	16,538.71

Note1: - Fair value of unquoted equity investment in Assets Care & Reconstruction Enterprise Ltd is based on its book value as on 31 March 2022 discounted @15%.

Note2:- Fair value of project related unquoted equity investment in Shell Inn International Private Limited is based on DSV of fixed assets net of outstanding debt, as on 31 March 2022, discounted @15%.

Note4:- Investment in 9.40% IFCI Ltd - Bonds are pledged with SBI as security against borrowings.



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	As at March 31, 2023		As at March 31, 2022	
8	Other Financial Assets				
	Interest accrued on investment		102.47		89.33
	Interest & Other Charges accrued and due on loans and advances		852.11		230.76
	Interest accrued but not due on loans and advances		727.07		1,029.91
	Security Deposits	14.42		37.52	
	Less:- Fair value adjustment	(3.58)	10.84	(6.18)	31.34
	TOTAL		1,692.49		1,381.34
9	Current Tax assets (Net)				
	Advance Income Tax & TDS (Net of Provision for Taxation)		1,485.50		1,764.11
	TOTAL		1,485.50		1,764.11
	Yearwise details of Current Tax Assets				
	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. 2005-06		110.00		110.00
	- F.Y. 2007-08		893.05		893.05
	- F.Y. 2015-16		1,943.45		2,080.48
	- F.Y. 2016-17		2,451.72		2,451.72
	- F.Y. 2018-19		2,553.67		2,553.67
	- F.Y. 2019-20		2,058.48		2,057.07
	- F.Y. 2020-21		1,952.13		2,022.14
	- F.Y. 2021-22		2,146.38		2,186.88
	- F.Y. 2022-23		2,112.52		-
	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)
	- 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. 2007-08		(822.25)		(822.25)
	- F.Y. 2015-16		(1,807.00)		(1,807.00)
	- F.Y. 2016-17		(2,622.00)		(2,622.00)
	- F.Y. 2018-19		(2,450.00)		(2,450.00)
	- F.Y. 2019-20		(1,625.00)		(1,625.00)
	- F.Y. 2020-21		(1,923.00)		(1,923.00)
	- F.Y. 2021-22		(2,150.00)		(2,150.00)
	- F.Y. 2022-23		(2,145.00)		-
	Total (Net)		1,485.50		1,764.11



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	As at March 31, 2023		As at March 31, 2022	
10	Deferred Tax Assets/Liability (Net)				
	Deferred Tax Assets				
	a) Allowance for doubtful debts and advances		746.30		529.64
	b) Allowance for diminution in value of investments		250.20		471.91
	Deferred Tax Liabilities				
	a) Depreciation		(219.61)		(227.64)
	TOTAL		776.89		773.91

Note No. 11 Property, Plant and Equipments

As at March 31, 2023									
Particulars	Gross Block				Accumulated Depreciation				Net Block
	Gross Carrying Value as at 01/04/2022	Addition for the Period	Disposal / Adjustments	Gross Carrying Value as at 31/03/2023	As at 01/04/2022	Addition for the Period	Disposal / Adjustments	As at 31/03/2023	Net Carrying Value as at 31/03/2023
Building (NBCC Plaza)*	1,457.32	-	-	1,457.32	132.35	26.48	-	158.83	1,298.49
Furniture & Fixture	31.73	1.06	-	32.79	18.84	2.05	-	20.89	11.90
Office Equipment	38.01	0.10	-	38.11	16.86	6.34	-	23.20	14.91
Electricals	35.98	0.06	-	36.04	22.18	1.64	-	23.82	12.22
Computers	177.10	0.31	6.05	171.36	51.56	50.95	5.61	96.90	74.46
Vehicles	15.19	-	-	15.19	12.77	1.34	-	14.11	1.08
Total	1,755.33	1.53	6.05	1,750.81	254.56	88.80	5.61	337.75	1,413.06

As at March 31, 2022									
Particulars	Gross Block				Accumulated Depreciation				Net Block
	Gross Carrying Value as at 01/04/2021	Addition for the Period	Disposal / Adjustments	Gross Carrying Value as at 31/03/2022	As at 01/04/2021	Addition for the Period	Disposal / Adjustments	As at 31/03/2022	Net Carrying Value as at 31/03/2022
Building (NBCC Plaza)*	1,457.32	-	-	1,457.32	105.87	26.48	-	132.35	1,324.97
Furniture & Fixture	30.96	0.77	-	31.73	18.00	0.84	-	18.84	12.89
Office Equipment	37.26	0.75	-	38.01	10.49	6.37	-	16.86	21.15
Electricals	28.30	7.68	-	35.98	20.65	1.53	-	22.18	13.80
Computers	40.20	137.53	0.63	177.10	17.62	34.24	0.30	51.56	125.54
Vehicles	15.19	-	-	15.19	10.22	2.55	-	12.77	2.42
Total	1,609.23	146.73	0.63	1,755.33	182.85	72.01	0.30	254.56	1,500.77

* The title to the Office Building at NBCC Plaza, New Delhi is by means of Agreement to Sell & Possession letter from the Seller NBCC Limited. The sub-lease deed shall be executed in favour of Company post execution of perpetual Lease deed by L&DO, Ministry of Urban Development, in favour of NBCC Ltd.



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No. 12 Intangible Assets Under Development					
Intangible Assets Under Development	As at March 31, 2023				Total
	Less than 1 Year	1-2 Year	2-3 Years	More than 3 Years	
Project in progress	-	21.80	-	-	21.80

Intangible Assets Under Development	As at March 31, 2022				Total
	Less than 1 Year	1-2 Year	2-3 Years	More than 3 Years	
Project in progress	21.80	-	-	-	21.80

Note No. 13 Other Intangible Assets									
As at March 31, 2023									
Particulars	Gross Block				Accumulated Depreciation				Net Block
	Gross Carrying Value as at 01/04/2022	Addition for the Period	Disposal / Adjustments	Gross Carrying Value as at 31/03/2023	As at 01/04/2022	Addition for the Period	Disposal / Adjustments	As at 31/03/2023	Net Carrying Value as at 31/03/2023
Computer Software	41.94	-	-	41.94	8.08	15.75	-	23.83	18.11
Total	41.94	-	-	41.94	8.08	15.75	-	23.83	18.11

As at March 31, 2022									
Particulars	Gross Block				Accumulated Depreciation				Net Block
	Gross Carrying Value as at 01/04/2021	Addition for the Period	Disposal / Adjustments	Gross Carrying Value as at 31/03/2022	As at 01/04/2021	Addition for the Period	Disposal / Adjustments	As at 31/03/2022	Net Carrying Value as at 31/03/2022
Computer Software	1.20	40.74	-	41.94	0.06	8.02	-	8.08	33.86
Total	1.20	40.74	-	41.94	0.06	8.02	-	8.08	33.86

Note No. 14 Right to Use Assets									
As at March 31, 2023									
Particulars	Gross Block				Accumulated Depreciation				Net Block
	Gross Carrying Value as at 01/04/2022	Addition for the Period	Disposal / Adjustments	Gross Carrying Value as at 31/03/2023	As at 01/04/2022	Addition for the Period	Disposal / Adjustments	As at 31/03/2023	Net Carrying Value as at 31/03/2023
Assets Acquired on Lease	316.62	96.51	316.62	96.51	161.09	61.69	218.42	4.36	92.15
Total	316.62	96.51	316.62	96.51	161.09	61.69	218.42	4.36	92.15



NOTES FORMING PART OF FINANCIAL STATEMENTS

Note No. 14 Right to Use Assets (Contd.)

(₹ in lakh)

As at March 31, 2022									
Particulars	Gross Block				Accumulated Depreciation				Net Block
	Gross Carrying Value as at 01/04/2021	Addition for the Period	Disposal / Adjustments	Gross Carrying Value as at 31/03/2022	As at 01/04/2021	Addition for the Period	Disposal / Adjustments	As at 31/03/2022	Net Carrying Value as at 31/03/2022
Assets Acquired on Lease	316.62	-	-	316.62	94.43	66.66	-	161.09	155.53
Total	316.62	-	-	316.62	94.43	66.66	-	161.09	155.53

(₹ in lakh)

Note No.	Particulars	As at March 31, 2023		As at March 31, 2022	
15	Other Non-Financial Assets				
	Prepaid Expenses (including upfront fee on unavailed borrowings)		171.88		42.29
	Deferred cost- (Fair Valuation of Security deposit)		3.58		6.18
	Unavailed Tax Credit of GST		0.44		92.21
	TOTAL		175.90		140.68

Note No.	Particulars	As at March 31, 2023		As at March 31, 2022	
16	Payables				
	1. Trade Payables		-		-
	2. Other Payables		-		-
	TOTAL		-		-

Note No.	Particulars	As at March 31, 2023		As at March 31, 2022	
17	Debt Securities	At Amortised Cost		At Amortised Cost	
	- Secured		-		-
	(Secured By Hypothecation of Book Debts/future receivables)				
	9.95% Market Linked Debentures (Series XLVIII)				
	400 Nos of 9.95% Bonds of ₹10,00,000/- each				
	Redeemable at par on 01 December 2024	4,000.00		4,000.00	
	Less- Unamortised Issue Expenses	(76.96)	3,923.04	(123.08)	3,876.92
	8.81% Bonds (2025) (Series MB 2015-01)				
	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	(39.62)	15,934.38	(53.35)	15,920.65
	- Un Secured				
	9.65% Bonds (2022) (Series MB XLIII)				
	565 Nos of 9.65% Bonds of ₹10,00,000/- each				
	Redeemable at par on 19 April 2022		-	5,650.00	
	Less- Unamortised Issue Expenses		-	-	5,650.00



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	As at March 31, 2023		As at March 31, 2022	
17	Debt Securities	At Amortised Cost		At Amortised Cost	
Cont.	9.95% Bonds (2022) (Series MB XLIV)				
	750 Nos of 9.95% Bonds of ₹10,00,000/- each Redeemable at par on 01 July 2022	-		7,500.00	
	Less- Unamortised Issue Expenses	-	-	(1.07)	7,498.93
	9.95% Bonds (2022) (Series MB XLV)				
	750 Nos of 9.95% Bonds of ₹10,00,000/- each Redeemable at par on 21 August 2022	-		7,500.00	
	Less- Unamortised Issue Expenses	-	-	(1.16)	7,498.84
	9.50% Bonds (2023) (Series MB XLVI-A)				
	500 Nos of 9.50% Bonds of ₹10,00,000/- each Redeemable at par on 25 February 2023	-		5,000.00	
	Less- Unamortised Issue Expenses	-	-	(3.05)	4,996.95
	9.60% Bonds (2028) (Series MB XLVI-B)				
	1000 Nos of 9.60% Bonds of ₹10,00,000/- each Redeemable at par on 25 February 2028	10,000.00		10,000.00	
	Less- Unamortised Issue Expenses	(22.37)	9,977.63	(25.81)	9,974.19
	9.65% Bonds (2033) (Series MB XLVI-C)				
	750 Nos of 9.65% Bonds of ₹10,00,000/- each Redeemable at par on 25 February 2033	7,500.00		7,500.00	
	Less- Unamortised Issue Expenses	(24.57)	7,475.43	(26.03)	7,473.97
	Total		37,310.48		62,890.45
	Debt Securities in India		37,310.48		62,890.45
	Debt Securities outside India		-		-

Note No.	Particulars	As at March 31, 2023		As at March 31, 2022	
18	Borrowings (Other than Debt Securities)	At Amortised Cost		At Amortised Cost	
	- Secured				
	<i>(Secured By Hypothecation of Book Debts/future receivables and pledge of Debt Investments)</i>				
	I. Term Loans from State Bank of India				
	Less: Unamortised Upfront Fee	-	-	10,000.00	
	9.80% p.a. repayable by 31.03.2023 (12 Quarterly installments starting from 30.06.2020 and ending on 31.03.2023)	-	-	(7.59)	9,992.41
	II. Term Loans from State Bank of India				
	Less: Unamortised Upfront Fee	10,000.00		17,500.00	
	9.80% p.a. repayable by 31.03.2024 (12 Quaterly installment starting from 30.06.2021 and ending on 31.03.2024)	(34.87)	9,965.13	(109.67)	17,390.33



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	As at March 31, 2023		As at March 31, 2022	
18	Borrowings (Other than Debt Securities)	At Amortised Cost		At Amortised Cost	
Cont.	III. Term Loans from State Bank of India	15,000.00		-	
	Less: Unamortised Upfront Fee	(72.28)	14,927.72	-	-
	9.80% p.a. repayable by 31.12.2027 (16 Quarterly installment starting from 31.03.2024 and ending on 31.12.2027)				
	IV. Term Loans from Canara Bank	3,750.00		6,250.00	
	Less: Unamortised Upfront Fee	(2.07)	3,747.93	(5.45)	6,244.55
	9.30% p.a. repayable by 25.09.2024 (16 Quarterly installments starting from 25.12.2020 and ending on 25.09.2024)				
	V. Term Loans from Indian Bank	3,749.00		5,000.00	
	Less: Unamortised Upfront Fee	(33.60)	3,715.40	(68.34)	4,931.66
	9.10% p.a. repayable by 30.04.2025 (12 Quarterly installments starting from 31.07.2022 and ending on 30.04.2025)				
	VI. Term Loans from Indian Bank	4,000.00		4,000.00	
	Less: Unamortised Upfront Fee	(48.55)	3,951.45	(70.77)	3,929.23
	10.25% p.a. repayable by 31.01.2027 (16 Quarterly installments starting from 30.04.2023 and ending on 31.01.2027)				
	VII. Term Loans from Punjab & Sind Bank	4,166.49		5,000.00	
	Less: Unamortised Upfront Fee	(38.06)	4,128.43	(68.28)	4,931.72
	9.15% p.a. repayable by 30.09.2025 (12 Quarterly installments starting from 31.12.2022 and ending on 30.09.2025)				
	VIII. Term Loans from SIDBI	-		4,000.00	
	Less: Unamortised Upfront Fee	-	-	-	4,000.00
	IX. Term Loans from UCO Bank	5,000.00		5,000.00	
	Less: Unamortised Upfront Fee	(49.32)	4,950.68	(86.25)	4,913.75
	9.95% p.a. repayable by 31.03.2026 (12 Quarterly installments starting from 30.06.2023 and ending on 31.03.2026)				
	X. Term Loans from Canara Bank	3,000.00		-	
	Less: Unamortised Upfront Fee	(17.14)	2,982.86	-	-
	9.20% p.a. repayable by 03.07.2027 (12 Quarterly installments starting from 03.10.2023 and ending on 03.07.2027)				
	XI. Term Loans from Bank of Baroda	4,333.33		-	
	Less: Unamortised Upfront Fee	(75.08)	4,258.25	-	-
	9.05% p.a. repayable by 31.07.2027 (60 Monthly installments starting from 31.08.2022 and ending on 31.07.2027)				



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	As at March 31, 2023		As at March 31, 2022	
18	Borrowings (Other than Debt Securities)	At Amortised Cost		At Amortised Cost	
Cont.	XII. Term Loans from India Infrastructure Finance Company Ltd	5,000.00		-	
	Less: Unamortised Upfront Fee	(21.59)	4,978.41	-	-
	8.95% p.a. repayable by 31.03.2028 (12 Quarterly installments starting from 30.06.2025 and ending on 31.03.2028)				
	XIII. Term Loans from Indian Overseas Bank	2,000.00		-	
	Less: Unamortised Upfront Fee	(33.62)	1,966.38	-	-
	9.80% p.a. repayable by 09.02.2028 (20 Quarterly installments starting from 09.05.2023 and ending on 09.02.2028)				
	XIV. WCDL - State Bank of India		3,000.00		7,000.00
	XV. Cash Credits - Indian Bank		-		1,000.00
	TOTAL		62,572.64		64,333.65
	Borrowings in India		62,572.64		64,333.65
	Borrowings outside India		-		-

Note No.	Particulars	As at March 31, 2023		As at March 31, 2022	
19	Other Financial Liabilities				
	Interest & Other Charges Accrued but not due on Borrowings		1,402.50		2,132.34
	Unclaimed Dividend/Unpaid dividend		143.39		188.70
	Amount Received Pending Adjustment		446.20		280.63
	Lease Liability against right to use asset		91.13		175.20
	Retention towards DSRA		595.19		496.00
	Liability towards Unclaimed Interest-on-Interest during Moratorium period		10.65		10.65
	TOTAL		2,689.06		3,283.52

Note No.	Particulars	As at March 31, 2023		As at March 31, 2022	
20	Provisions				
	Provision for Employee Benefits		69.31		91.51
	Provision for Expenses		54.96		110.39
	TOTAL		124.27		201.90

Note No.	Particulars	As at March 31, 2023		As at March 31, 2022	
21	Other Non-financial liabilities				
	Statutory Dues		72.25		51.22
	TOTAL		72.25		51.22



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	As at March 31, 2023		As at March 31, 2022	
22	Equity Share Capital				
	<u>Authorised Share Capital</u>				
	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 RS.10/- each		25,000.00		25,000.00
	TOTAL		50,000.00		50,000.00
	<u>Issued, subscribed and fully paid</u>				
	9,03,72,448 Equity Shares (P.Y. 9,03,72,448) of ₹ 10/- each Fully Paid Up		9,037.24		9,037.24
	TOTAL		9,037.24		9,037.24
	Reconciliation of Issued Share Capital				
		No of Shares	Amount	No of Shares	Amount
	Equity shares outstanding at the beginning of the year	90372448	9,037.24	80716748	8,071.67
	Issued During period	-	-	9655700	965.57
	Brought Back During period	-	-	-	-
	Equity shares outstanding at the end of the period	90372448	9,037.24	90372448	9,037.24
	Shareholders holding more than 5% of Shares in the company				
		No of Shares	% of shares	No of Shares	% of shares
	(a) India Opportunities III Pte Ltd	0	0.00%	80,61,597	8.92%
	(b) Shri Koppara Sajeeve Thomas	44,48,533	4.92%	60,27,633	6.67%
	(c) Pransatree Holding Pte Ltd.	79,59,800	8.81%	53,62,700	5.93%
	(d) Rajasthan Global Securities Pvt Ltd	1,68,95,875	18.70%	23,92,045	2.65%
	Shareholding of promoters/promoter group				
		No of Shares	% of shares	No of Shares	% of shares
(a) Life Insurance Corporation of India (LICI ASM NON PAR)	29,60,644	3.28%	29,60,644	3.28%	
(b) The Oriental Insurance Co. Ltd	8,61,527	0.95%	8,61,527	0.95%	
(c) India Opportunities III Pte Ltd.	0	0.00%	80,61,597	8.92%	
(d) Tamaka Capital(Mauritius) Ltd.	0	0.00%	24,21,502	2.68%	
(e) Shri Koppara Sajeeve Thomas	44,48,533	4.92%	60,27,633	6.67%	
(f) Pransatree Holding Pte Ltd.	79,59,800	8.81%	53,62,700	5.93%	
Changes in Shareholding held by promoters/promoter group					
		% Change during the period		% Change during the year	
(a) Life Insurance Corporation of India (LICI ASM NON PAR)		0.00%		(0.39%)	
(b) The Oriental Insurance Co. Ltd		0.00%		(0.12%)	
(c) India Opportunities III Pte Ltd.		(8.92%)		(1.07%)	
(d) Tamaka Capital(Mauritius) Ltd.		(2.68%)		(0.32%)	
(e) Shri Koppara Sajeeve Thomas		(1.75%)		(2.85%)	
(f) Pransatree Holding Pte Ltd.		2.88%		5.93%	



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	As at	
		March 31, 2023	March 31, 2022
23	Other Equity		
	Reserves and Surplus		
	(i) Capital Reserves	11.55	11.55
	(ii) Security Premium Reserve	11,531.22	11,601.25
	(iii) General Reserve	28,220.04	25,720.04
	(iv) Retained Earnings	13,055.22	11,436.13
	SUB - TOTAL	52,818.03	48,768.97
	Special Reserves		
	(i) Under Section 36(1)(viii) of the Income Tax Act 1961	19,976.53	17,969.53
	(ii) Under Section 45 IC of RBI Act, 1934	18,458.07	16,699.07
	SUB - TOTAL	38,434.60	34,668.60
	Other Reserves		
	(i) Equity Instruments through Other Comprehensive Income	1,420.62	1,221.09
	SUB - TOTAL	1,420.62	1,221.09
	TOTAL	92,673.25	84,658.66
	Reserves and Surplus		
	(i) Capital Reserves		
	Balance at the beginning of the year	11.55	11.55
	Add: Transfer	-	-
	Balance at the end of the period	11.55	11.55
	(ii) Security Premium Reserve		
	Balance at the beginning of the year	11,601.25	6,232.42
	Add: Additions during period	-	5,552.03
	Less: Amortization of Bond/Share Issue Expenses	(70.03)	(183.20)
	Balance at the end of the period	11,531.22	11,601.25
	(iii) General Reserve		
	Balance at the beginning of the year	25,720.04	23,320.04
	Add: Transfer	2,500.00	2,400.00
	Balance at the end of the period	28,220.04	25,720.04
	(iv) Retained Earnings		
	Balance at the beginning of the year	11,436.13	9,664.62
	- Less: Payment of Dividend	(1,084.47)	(645.73)
	- Add/Less: Other Comprehensive Income directly recognised. (Remeasurement of Actuarial Gain /(Loss))	65.19	60.84
	- Add: Reclassification of Realised gain from OCI to Reserves	109.42	18.53
	- Add: Profit for the period	8,794.95	8,531.87
	Less: Appropriations		
	- Transfer to General Reserve	(2,500.00)	(2,400.00)
	- Transfer to Special Reserve under Section 36(1)(viii) of the Income Tax Act 1961	(2,007.00)	(2,087.00)



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	As at March 31, 2023		As at March 31, 2022	
23	Other Equity				
Cont.	- provision Under Section 45 IC of RBI Act, 1934	(1,759.00)		(1,707.00)	
	Balance at the end of the period		13,055.22		11,436.13
	Special Reserves				
	(i) Under Section 36(1)(viii) of the Income Tax Act 1961				
	Balance at the beginning of the year	17,969.53		15,882.53	
	Add: Transfer	2,007.00		2,087.00	
	Less: Utilised for Write-off	-		-	
	Balance at the end of the period		19,976.53		17,969.53
	(ii) Under Section 45 IC of RBI Act, 1934				
	Balance at the beginning of the year	16,699.07		14,992.07	
	Add: Transfer	1,759.00		1,707.00	
	Less: Written Back in Current period	-		-	
	Balance at the end of the period		18,458.07		16,699.07
	Other Reserves				
	Equity Instruments through Other Comprehensive Income				
	Balance at the beginning of the year	1,221.09		987.72	
	Add: Other Comprehensive Income	308.95		251.90	
	Less: Reclassification of Realised gain from OCI to reserves	(109.42)		(18.53)	
	Balance at the end of the period		1,420.62		1,221.09

(₹ in lakh)

Note No.	Particulars	Year ended March 31, 2023			Year ended March 31, 2022		
		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	On Financial Assets measured through OCI
24	Interest Income						
	1. Interest on Loans						
	(a) Interest on Loans & Advances	19,287.44	-	-	24,008.73	-	-
	(b) Interest on Loans to Staff	1.62	-	-	3.38	-	-
	2. Interest on Investments						
	(a) Interest on investment in bonds & T-Bills	147.86	-	-	544.55	-	-
	(b) Interest on term deposit with banks	170.73	-	-	230.38	-	-
	(b) Interest on certificate of deposits	110.03	-	-	-	-	-
	3. Interest income (due to fair valuation of security deposit)	2.25	-	-	2.28	-	-
	Total	19,719.93	-	-	24,789.32	-	-



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	Year ended March 31, 2023			Year ended March 31, 2022		
		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	On Financial Assets measured through OCI
25	Dividend Income						
	Dividend Received	-	-	79.97	-	-	69.69
	Total	-	-	79.97	-	-	69.69

Note No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
26	Fees & Commission Income		
	Premium on prepayments of loan	700.58	30.28
	Legal fee	34.21	-
	Appraisal and Advisory fee	794.99	62.35
	Management fee	41.15	53.26
	Total	1,570.93	145.89

Note No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
27	Net gain/(loss) on fair value changes		
	Net Gain/(Loss) on financial instruments at fair value through profit or loss		
	(i) On trading portfolio - Investments		
	-Gain/(Loss) on fair valuation of Mutual Funds	6.35	1.54
	- Gain/(Loss) on fair valuation of Shares	(6.35)	2.13
	(ii) On non-trading portfolio - Investments		
	- Gain/ (Loss) on fair valuation of security receipts	0.00	(354.30)
	Net Gain/(Loss) realised on sale of financial instruments		
	(i) On trading portfolio - Investments		
	- Gain/(Loss) on investment in mutual funds (debt based)	1,437.60	56.02
	- Gain/(Loss) on sale of Bonds/Debentures	-	92.73
	(ii) On non-trading portfolio - Investments		
	- Gain/(Loss) on sale of Shares	84.15	23.42
	(iii) On financial instruments designated at fair value through profit or loss		
	- Gain/ (Loss) on redemption of security receipts	(4.37)	2.07
	Total Net gain/(loss) on fair value changes	1,517.38	(176.39)
	Fair Value changes:		
	- Realised	1,517.38	174.24
	- Unrealised	-	(350.63)
	Total	1,517.38	(176.39)



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
28	Other Operating Income		
	Bad Debt Recovered	257.00	590.00
	Total	257.00	590.00

Bad debt recovery during FY2023 is net of pro-rata share of CIRP/liquidation cost as demanded & paid to official liquidator, which may vary on closure of liquidation.

Note No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
29	Other Income		
	Profit on Sale/Derecognition of Assets	12.29	-
	Miscellaneous Income	12.78	12.53
	Total	25.07	12.53

Note No.	Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
		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
30	Finance Cost				
	Interest on borrowings	4,319.06	-	4,949.37	-
	Interest on debt securities	4,434.90	-	6,801.14	-
	Interest on lease liability	12.96	-	18.55	-
	Other Fee and charges	297.70	-	235.30	-
	Total	9,064.62	-	12,004.36	-

Note No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
31	Employee Benefit Expenses		
	Salaries & Allowances	1,029.09	1,334.51
	Contribution to Provident Fund	67.95	85.33
	Contribution for Gratuity	38.98	41.60
	Contribution for Leave Encashment	9.31	41.51
	Staff Welfare Expenses & Others	13.58	15.15
	Total	1,158.91	1,518.10



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
32	Depreciation & Amortisation		
	Building (NBCC Plaza)	26.48	26.48
	Furniture & Fixture	2.05	0.84
	Office Equipment	6.34	6.37
	Electricals	1.64	1.53
	Computers	50.95	34.24
	Vehicles	1.34	2.55
	Computer Software	15.75	8.02
	Right of Use Assets	61.69	66.66
	Total	166.24	146.69

Note No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
33	Other Expenses		
	Rent Rates & Taxes	10.46	10.02
	Office Upkeep & Maintenance	136.02	101.61
	Insurance Premium	16.16	25.71
	Electricity charges	7.33	7.22
	Travelling and Conveyance	110.67	118.78
	Printing and Stationery	8.15	6.40
	Postage, Telephone and Internet	31.36	43.55
	Advertisement & Publicity	30.22	38.53
	Books & Periodicals	11.56	9.25
	Membership and Subscription	4.17	6.29
	Directors Sitting Fee	73.75	61.66
	Board Meeting Expenses	9.19	2.55
	AGM Expenses	2.06	3.21
	Registrar & Transfer Agent Fee	6.06	9.05
	Listing Fee	10.65	11.14
	Rating Fees	58.74	57.12
	Audit Fee	8.34	12.17
	Legal and Professional Charges	290.31	236.55
	Miscellaneous Expenses	3.87	3.81
	Corporate Social Responsibility(CSR) Expenses	203.47	207.30
	Total	1,032.54	971.92



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	31 March 2023	31 March 2022
34	Provisions, Contingent Liabilities and Contingent Assets (Ind AS - 37)		
a)	Contingent Liabilities:		
	Income Tax	614.07	512.39
	Total	614.07	512.39

Contingent liabilities not provided for where order of CIT(Appeals)/ITAT, in similar matters, in previous years, are in favour of TFCI.

6 cases are filed against TFCI which are pending in Hon'ble Courts/Tribunals/Forums. Based on merits, no liability is likely to arise on TFCI.

(₹ in lakh)

b)	Contingent Assets:		
	Contingent Assets	Nil	Nil

35	Effects of changes in Foreign Exchange Rates (Ind AS - 21) : NIL (PY-NIL)
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(₹ in lakh)

36	Employee Benefits (IND AS - 19)		
	The summarized position of various defined benefits recognized in the Statement of Profit & Loss, Other Comprehensive Income (OCI) and Balance Sheet & other disclosures.		
	Summary of membership data (Gratuity & Leave Encashment)	31 March 2023	31 March 2022
	Number of Regular employees	33	34
	Total Monthly Salary for gratuity	49.25	51.48
	Total Monthly Salary for leave encashment	90.78	98.41
	Total Monthly Salary for leave availment	90.78	98.41
	Average Past Service (in Years)	16.33	15.26
	Average Age of Employees (in Years)	45.92	45.12
	Average remaining working life (in Years)	14.08	14.88
	Leave balance considered on valuation date (No's)	2,219	2175
	Weighted average duration of PBO (in Years)	11.67	12.39

(₹ in lakh)

Balances of defined benefit obligation				
Particulars	31 March 2023		31 March 2022	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Defined Benefit Obligation	510.82	217.45	516.25	255.53
Fair Value of Plan Assets	564.80	208.14	529.12	214.02
Net Defined Benefit Assets/(Liabilities)	53.98	(9.31)	12.87	(41.51)



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Movement in present value of defined benefit obligation				
Particulars	31 March 2023		31 March 2022	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Defined benefit obligation at the beginning of the year	516.25	255.53	556.63	416.50
Interest Cost	26.05	18.14	37.98	28.82
Service Cost	36.65	23.76	38.52	48.17
Benefits Paid	-	(59.79)	(46.32)	(215.51)
Total actuarial loss/(gain) on obligation	(68.13)	(20.19)	(70.56)	(22.45)
Defined benefit obligation at the end of the year	510.82	217.45	516.25	255.53

(₹ in lakh)

Movement in fair value of plan asset				
Particulars	31 March 2023		31 March 2022	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Fair value of plan assets at the beginning of the year	529.12	214.02	504.34	337.64
Actuarial return on the plan assets	34.62	12.42	25.18	13.02
Mortality charges	-	-	-	-
Recovered from fund	-	-	-	-
Employer contribution	1.06	41.49	45.92	78.86
Benefit paid	-	(59.79)	(46.32)	(215.51)
Fair value of plan assets at end of year	564.80	208.14	529.12	214.02

Amount Recognized in Statement of Profit and Loss				
Particulars	31 March 2023		31 March 2022	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current service cost	26.05	23.76	37.98	48.17
Past Service Cost including Curtailment loss/gain	-	-	-	-
Gain or loss on non-routine settlement	-	-	-	-
Service Cost	26.05	23.76	37.98	48.17
Net interest cost	(0.91)	2.95	3.62	5.46
Net actuarial (gain) / loss recognized in the period	-	(17.40)	-	(12.11)
Adhoc Benefits Paid*	13.84	-	-	-
Cost Recognized in P&L	38.98	9.31	41.60	41.51

*Paid as per employment contract

Amount recognized in Other Comprehensive Income (OCI)				
Particulars	31 March 2023		31 March 2022	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Net cumulative unrecognised actuarial gain/(loss) - opening balance	-	-	-	-
Actuarial gain/(loss) for the year on PBO	68.13	-	70.56	-
Actuarial gain/(loss) for the year on Asset	(2.94)	-	(9.72)	-
Unrecognised actuarial gain/(loss) at the end of the year	65.19	-	60.84	-



NOTES FORMING PART OF FINANCIAL STATEMENTS

Sensitivity Analysis

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.

(₹ in lakh)

Assumptions	31 March 2023		31 March 2022	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Present Value of Obligation at the end of the period	510.82	217.45	516.25	255.53
Impact due to increase of 0.50% in discount rate	(29.52)	(9.69)	(32.41)	(12.16)
Impact due to decrease of 0.50 % in discount rate	29.15	10.34	38.54	13.02
Impact due to increase of 0.50% in salary	31.03	10.32	32.86	12.97
Impact due to decrease of 0.50 % in salary	(29.96)	(9.73)	(31.80)	(12.23)

Actuarial Assumption	31 March 2023		31 March 2022	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Method used	Projected Unit Credit (PUC)		Projected Unit Credit (PUC)	
Discount rate	7.34%	7.34%	7.10%	7.10%
Rate of salary increase	7.00%	7.00%	7.00%	7.00%

(₹ in lakh)

Maturity Profile of Defined Benefit Obligation

Year of payment	31 March 2023		31 March 2022	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
0 to 1 Year	12.77	7.97	11.01	8.55
1 to 2 Year	8.40	3.70	7.69	4.17
2 to 3 Year	8.62	3.66	8.32	4.22
3 to 4 Year	69.76	33.46	8.59	4.23
4 to 5 Year	52.14	13.16	59.99	25.89
5 to 6 Year	27.84	4.45	50.97	13.77
6 Year onwards	331.29	151.04	369.49	194.69

Category of investment in Plan assets

Category of Investment	31 March 2023		31 March 2022	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	% of fair value of plan assets			
Funds Managed by Insurer	100%	100%	100%	100%

**NOTES FORMING PART OF FINANCIAL STATEMENTS****37 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) /Whole Time Director (WTD) 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.
- c) The Company has filed an application with Registrar of Companies – Delhi & Haryana on 28.10.2022 for striking/removal of the name of its wholly owned subsidiary TFCI Capital Limited, which was promoted on 12.07.2019 and had not commenced business, under section 248(2) of Companies Act 2013. The application for striking-off the name of TFCI Capital Limited was approved by ROC on 23.03.2023.

d) Entity-Wide Disclosures-**(i) Information about major customers**

The company is not reliant on single customer for revenue and hence revenue from no single external customer amounts to 10 per cent or more of an entity’s revenues.

(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 :-

(₹ in lakh)

Particulars	Geographical Location - INDIA			
	Non Current Assets		Revenue from External Customers	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Property, Plant & Equipment	1,431.17	1,534.63	23,145.21	25,418.51
Loans & Advances (Gross)	1,62,147.73	1,83,154.55		
Total	1,63,578.90	1,84,689.18	23,145.21	25,418.51

(iii) Revenue from Major Products

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

(₹ in lakh)

Particulars	31 March 2023	31 March 2022
Interest Income	19,719.93	24,789.32

Company is in the business of financing primarily to entities engaged mainly in tourism sector and derives its major revenue from interest on loans to such entities.

38 Earning Per Share (Ind AS - 33)**a) Basic EPS**

(₹ in lakh)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Net Profit Attributable to Equity Shareholders	8,794.95	8,531.87
Weighted Average Number of Equity Shares (No’s)	9,03,72,448	8,52,66,831
Basic Earning Per Share (Face Value ₹ 10/- each)	9.73	10.01



NOTES FORMING PART OF FINANCIAL STATEMENTS

b) Diluted EPS

(₹ in lakh)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Net Profit Attributable to Equity Shareholders (₹ in lakh)	8,794.95	8,531.87
Weighted Average Number of Equity Shares (No's)	9,03,72,448	8,52,66,831
Diluted Earning Per Share (Face Value ₹ 10/- each)	9.73	10.01

- c) Company by preferential offer issued 9655700 equity shares of face value ₹ 10/- at a premium of ₹ 57.50 on 11.10.2021. The EPS during the year ended 31.03.2022 was calculated on weighted average equity shares of the year.

39 Dividends (Ind AS - 10)

- a) The Board of Directors have recommended dividend of ₹ 2.40 per share (24%) for the Financial Year 2022-23 subject to its approval by shareholders in forthcoming AGM.

(₹ in lakh)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Dividend Paid During Year	1,084.47	645.73
Equity Shares (No's)	9,03,72,448	8,07,16,748
Dividend Per Share (Face Value ₹ 10/- each)	1.20	0.80
Dividend(as % of per equity share)	12%	8%

40 Related Part Disclosure (Ind AS -24)

(a) List of Related Party and their Relationship

Sr. No.	Name	Relationship	Related Party During	
			FY 2022-23	FY 2021-22
- Directors & Key Managerial Persons				
1	Dr. S. Ravi	Non-Executive Chairman (w.e.f. 4.4.2022)	✓	✓
2	Shri Koppa Sajeve Thomas	Promoter Group Director	✓	✓
3	Shri G.D. Mundra	Non-Executive Director (w.e.f 10.8.2022)	✓	-
4	Shri Rajesh Kumar Dubey	Non-Executive Director (Representing LIC of India) w.e.f 14.2.2023	✓	-
5	Shri Bapi Munshi	Independent Director	✓	✓
6	Mrs.Thankom T Mathew	Independent Director	✓	✓
7	Shri Anoop Bali	Whole Time Director (w.e.f 18.4.2022) and Chief Financial Officer	✓	✓
8	Shri S.C. Sekhar	Independent Director (upto 28.2.2023)	✓	✓
9	Shri R.K. Sood	Non-Executive Director (Representing LIC of India) upto 3.11.2022	✓	✓
10	Shri Anirban Chakraborty	Managing Director & CEO (upto 14.4.2022)	✓	✓
11	Shri Shyam Maheshwari	Nominee of India Opportunities III Pte Ltd (upto 31.12.2021)	-	✓
12	Shri Sanjay Ahuja	Company Secretary	✓	✓
13	Shri Vasam Paulraj	Director - TFCI Capital Ltd (upto 28.12.2021)	-	✓
14	Shri Ajit Kumar Dash Choudhury	Director - TFCI Capital Ltd (upto 12.5.2021)	-	✓
15	Mrs. Charu Singh	Director - TFCI Capital Ltd (Strike off on 23.03.2023)	✓	✓



NOTES FORMING PART OF FINANCIAL STATEMENTS

Sr. No.	Name	Relationship	Related Party During	
			FY 2022-23	FY 2021-22
16	Shri Debashish Dutta	Director - TFCI Capital Ltd (Strike off on 23.03.2023)	✓	✓
- Other Related Parties				
1	TFCI Capital Ltd	Subsidiary Company (Strike off on 23.03.2023)	✓	✓
2	Sunbright Consulting Pvt. Ltd.	Director is Member (upto 31.12.2021)	-	✓
3	Varanium Advisory Pvt. Ltd.	Director is Member (upto 31.3.2022)	-	✓
4	S.Ravi Financial Management Services Pvt. Ltd.	Company with Common Director	✓	✓
5	SBI Payment Services Pvt. Ltd.	Company with Common Director (upto 14.11.2022)	✓	✓
6	Abhay Capital Services Pvt. Ltd.	Director relative is Member/Director	✓	✓
7	Abhay Financial Consultancy Pvt. Ltd.	Director relative is Member/Director	✓	✓
8	Drishya Education Scholarship Foundation	Director relative is Member/Director	✓	✓
9	Ravi Rajan Consultancy Pvt. Ltd.	Director relative is Member/Director	✓	✓
10	Fidas Tech Pvt. Ltd.	Director relative is Member/Director	✓	✓
11	Benzai10 Investment Ventures Pvt Ltd	Director relative is Member/Director	✓	✓
12	Ravi Rajan & Co. LLP	Director is Managing Partner	✓	✓
13	Billmart Fintech Pvt. Ltd.	Company with Common Director	✓	✓
14	Mynvax Pvt. Ltd.	Director is Member	✓	✓
15	Harper Partner 1 (AOP)	Director relative is Member/Director	✓	✓
16	AAR & Co.	Director relative is Partner	✓	✓
17	Ebixcash Ltd. (earlier know as Ebixcash Pvt. Ltd.)	Company with Common Director (w.e.f. 25.5.2021)	✓	✓
18	Bangur Trading Pvt. Ltd.	Company with Common Director (w.e.f. 10.8.2022)	✓	-
19	Revenue Trading Pvt Ltd.	Company with Common Director (w.e.f. 10.8.2022)	✓	-
20	Bluediamond Infrastructure & Reality Pvt. Ltd.	Director relatives are Member/Director (w.e.f. 10.8.2022)	✓	-
21	Goldenlife Investments	Director is Partner (w.e.f. 10.8.2022)	✓	-
22	Mundra Agro Farm	Director and relatives are Partner (w.e.f. 10.8.2022)	✓	-
23	Bluechip Investment	Director and relatives are Partner (w.e.f. 10.8.2022)	✓	-
24	Good Investments	Director relatives are Partner (w.e.f. 10.8.2022)	✓	-
25	Surftube Developers LLP	Director relatives are Partner (w.e.f. 10.8.2022)	✓	-
26	Rishita Trading LLP	Director relatives are Partner (w.e.f. 10.8.2022)	✓	-
27	Mytemple Capital Advisors LLP	Director relatives are Partner (w.e.f. 10.8.2022)	✓	-
28	Kiansh Mundra Trust	Director relatives are Trustee (w.e.f. 10.8.2022)	✓	-
29	Shivaan Anant Trust	Director relatives are Trustee (w.e.f. 10.8.2022)	✓	-
30	Pransatree Holdings Pte Limited (Promoter Group)	Director is Member (w.e.f 11.10.2021)	✓	✓



NOTES FORMING PART OF FINANCIAL STATEMENTS

(b) Transactions with Related Parties

(₹ in Lakh)

Sr. No.	Name	Nature of Transaction	FY 2022-23	FY 2021-22
1	Anirban Chakraborty	Salary including perquisites, gratuity & leave encashment	74.27	226.71
2	Anoop Bali	Salary including perquisites	106.40	71.20
		Compulsory EL encashment [#]	-	24.98
3	Sanjay Ahuja	Salary including perquisites	50.35	44.61
		Compulsory EL encashment [#]	-	17.07
4	Pransatree Holdings Pte Limited (Promoter Group)	Preferential Allotment of Equity Share	-	2500.00

[#] Includes compulsory EL encashment due to migration of salary from pay-scale to CTC w.e.f 1.4.2021. in FY 2021-22

Note : The remuneration of KMP have been considered as per Form 16.

(c) Closing Balances with related Parties

(₹ in Lakh)

Sr. No.	Name	Nature	FY 2022-23	FY 2021-22
1	Anirban Chakraborty	Gratuity & Leave Encashment	-	75.52
3	Anoop Bali	Gratuity & Leave Encashment	63.27	47.20
4	Sanjay Ahuja	Gratuity & Leave Encashment	40.82	37.55

41 Leases (Ind AS 116)

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 is for 5 years ending on 09th January 2028. Under lease arrangement, refundable interest-free security deposit of ₹ 9.90 lakh has been provided to the Lessor. The company has applied the incremental borrowing rate to lease liabilities recognised in the balance sheet at the date of initial application.

2. 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.

(₹ in Lakh)

Maturity analysis – contractual undiscounted cash flows	As at 31 March 2023	As at 31 March 2022
Up to 30/31 Days	1.80	6.61
Over 1 months and upto 2 months	1.80	6.61
Over 2 months and upto 3 months	1.80	6.61
Over 3 months and upto 6 months	5.40	19.83
Over 6 months and upto 1 year	11.04	41.31
Over 1 year and upto 3 years	46.98	114.16
Over 3 and upto 5 years	45.58	-
Over 5 years	-	-
Total undiscounted lease liabilities as at 31 March	114.40	195.13
Lease liabilities included in the statement of financial position	91.13	175.20
Current	13.85	80.97
Non-Current	77.28	94.23



NOTES FORMING PART OF FINANCIAL STATEMENTS

3. Amounts recognised in profit or loss

(₹ in Lakh)

Particulars	Period ended 31 March 2023	Period ended 31 March 2022
Interest on lease liabilities	12.96	18.55
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	2.32	2.22
Depreciation charge for right-of-use assets by class of underlying asset;	61.69	66.66

4. Amounts recognised in the statement of cash flows

(₹ in Lakh)

Particulars	Period ended 31 March 2023	Period ended 31 March 2022
Total cash outflow for leases	83.09	77.09

5. Amounts recognised in the Balance Sheet

(₹ in Lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
Recognition of Lease Liability - Gross	96.51	316.62
Recognition of Rights of Use Assets - Gross	96.51	316.62

42 Fair Value Measurement (IND AS - 113)

Financial instrument by category

(₹ in Lakh)

A. Particulars	As at 31 March 2023				
	At Amortised Cost	At Fair Value		At Cost	Total
		Through Other Comprehensive Income*	Through profit or loss		
Financial assets					
Cash and cash equivalents	6,097.72	-	-	-	6,097.72
Bank balances other than (i) above	147.63	-	-	-	147.63
Other receivables	11.67	-	-	-	11.67
Loans & Advances (net of provision)	1,58,240.62	-	-	-	1,58,240.62
Loan to employees	17.81	-	-	-	17.81
Investment in debt securities	15,905.01	-	11,908.64	-	27,813.65
Investment in equity securities	-	2,318.24	0.00	-	2,318.24
Investment in security receipts	-	-	3,624.96	-	3,624.96
Other financial assets	1,692.49	-	-	-	1,692.49
Total financial assets	1,82,112.95	2,318.24	15,533.60	-	1,99,964.79



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakh)

A. Particulars	As at 31 March 2023				
	At Amortised Cost	At Fair Value		At Cost	Total
		Through Other Comprehensive Income*	Through profit or loss		
Financial liabilities					
Payables	-	-	-	-	-
Debt Securities	37,310.48	-	-	-	37,310.48
Borrowings (other than debt securities)	62,572.64	-	-	-	62,572.64
Other financial liabilities	2,689.06	-	-	-	2,689.06
Total financial liabilities	1,02,572.18	-	-	-	1,02,572.18

Particulars	As at 31 March 2022				
	At Amortised Cost	At Fair Value		At Cost	Total
		Through Other Comprehensive Income	Through profit or loss		
Financial assets					
Cash and cash equivalents	20,950.48	-	-	-	20,950.48
Bank balances other than (i) above	197.05	-	-	-	197.05
Other receivables	14.32	-	-	-	14.32
Loans & Advances	1,80,435.21	-	-	-	1,80,435.21
Loan to employees	17.88	-	-	-	17.88
Investment in debt securities	1,500.00	-	5,901.54	-	7,401.54
Investment in equity securities	-	2,314.46	6.35	-	2,320.81
Investment in security receipts	-	-	6,811.36	-	6,811.36
Investment in subsidiary	-	-	-	5.00	5.00
Other financial assets	1,381.34	-	-	-	1,381.34
Total financial assets	2,04,496.28	2,314.46	12,719.25	5.00	2,19,534.99
Financial liabilities					
Payables	-	-	-	-	-
Debt Securities	62,890.45	-	-	-	62,890.45
Borrowings (other than debt securities)	64,333.65	-	-	-	64,333.65
Other financial liabilities	3,283.52	-	-	-	3,283.52
Total financial liabilities	1,30,507.62	-	-	-	1,30,507.62

B. Particulars	31 March 2023		31 March 2022	
	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 Private Limited (Sale of Shares)	305.00	198.56	51.67	41.96
Total	305.00	198.56	51.67	41.96



NOTES FORMING PART OF FINANCIAL STATEMENTS

42 Fair value hierarchy

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

(₹ in Lakh)

Particulars	Amount at Fair Value						Valuation Techniques & Significant Inputs
	As at 31 March 2023			As at 31 March 2022			
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	
I. FINANCIAL ASSETS							
Financial Investments at FVTOCI							
- Investment in Equity Instruments (refer foot note of Note No.7)	-	-	2,318.24	-	-	2,314.46	Fair value ascertained based on Book Value/ Market Value of Securities
Financial Investments at FVTPL							
- Investment in Debt Securities	-	-	-	-	-	-	Open Market Settlement Rate
- Investment in Equity Instruments	0.00	-	-	6.35	-	-	Share Market Quoted Price
- Investment in Security Receipts	-	-	3,624.96	-	-	6,811.36	NAV Declared by SR Trust/ Stage-3 ECL Rate of respective asset class
- Investment in Mutual Funds	11,908.64	-	-	5,901.54	-	-	NAV Declared by Mutual fund
TOTAL	11,908.64	-	5,943.20	5,907.89	-	9,125.82	
II. FINANCIAL LIABILITIES							
TOTAL	-	-	-	-	-	-	

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

Particulars	Amount at Amortised Cost						Valuation Techniques & Significant Inputs
	As at 31 March 2023			As at 31 March 2022			
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	
I. FINANCIAL ASSETS							
- Loan to Companies/LLP	-	-	1,58,240.62	-	-	1,83,136.67	Effective Interest Rate (EIR).
- Loan to Employees	-	-	17.81	-	-	17.88	NPV at SBI Rate for Perquisite.
- Investment in Debt Securities	-	-	15,905.01	-	-	1,500.00	Effective Interest Rate (EIR).
TOTAL	-	-	1,74,163.44	-	-	1,84,654.55	
II. FINANCIAL LIABILITIES							
- Debt securities	-	-	37,310.48	-	-	62,890.45	Effective Interest Rate (EIR).
- Borrowings(other than debt securities)	-	-	62,572.64	-	-	64,333.65	Effective Interest Rate (EIR).
TOTAL	-	-	99,883.12	-	-	1,27,224.10	

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



NOTES FORMING PART OF FINANCIAL STATEMENTS

- 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 2023		As at 31 March 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
I. FINANCIAL ASSETS				
- Cash & cash equivalent	6,245.35	6,245.35	21,147.53	21,147.53
- Receivables	11.67	11.67	14.32	14.32
- Loans & advances	1,62,165.54	1,62,064.94	1,83,453.31	1,83,154.55
- Investments	33,612.39	33,756.85	17,721.54	16,538.71
- Other Financial Assets	1,696.07	1,692.49	1,387.52	1,381.34
TOTAL	2,03,731.02	2,03,771.30	2,23,724.22	2,22,236.45
II. FINANCIAL LIABILITIES				
- Payables	-	-	-	-
- Debt securities	37,474.00	37,310.48	63,124.00	62,890.45
- Borrowings(other than debt securities)	62,998.82	62,572.64	64,750.00	64,333.65
- Other financial liabilities	2,689.06	2,689.06	3,283.52	3,283.52
TOTAL	1,03,161.88	1,02,572.18	1,31,157.52	1,30,507.62

The carrying amount of the cash & cash equivalent, receivables, payables, Other financial assets (except in case of security deposit given for lease) & other financial liabilities are considered as their fair values due to their short term nature.

43 Financial Risk Management

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 has 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.

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

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

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 tourism & non-tourism segments based on nature of substantive security, 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: $\frac{\text{No of Borrowers moving to Stage-3}}{\text{Total No of Borrowers}}$ X Loan Exposure (in % terms)

Stage-2: $\frac{\text{No of Borrowers moving to Stage-3}}{\text{Total No of Borrowers in Stage-2}}$ (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, confirmed 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.

Further, Wherever the management believes that there is increase in credit risk, the Company may provide additional ECL over and above the stagewise ECL requirement.

iii Analysis of risk concentration

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

(₹ in Lakh)

Particulars	31 March 2023	31 March 2022
Gross Loans to companies	1,62,147.73	1,83,435.43
Mortgage & Assets backed loans	1,62,147.73	1,83,435.43

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

- Government Guarantee on lending under ECLGS to tourism and non-tourism sectors.

(₹ in Lakh)

Loan to Value (LTV) range	31 March 2023	31 March 2022
Above 100% Coverage	1,62,147.73	1,83,435.43



NOTES FORMING PART OF FINANCIAL STATEMENTS

(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:

(₹ in Lakh)

Particulars	31 March 2023	31 March 2022
Floating rate		
- Expiring within one year (bank overdraft and other facilities)	23,000.00	3,000.00

Company has term loan & cash credit facility from banks at floating rate of interest.

(ii) Maturity profile of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity companyings 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 :-

(₹ in Lakh)

Particulars	Contractual maturities of financial liabilities					
	31 March 2023			31 March 2022		
	Bank Borrowings	Market Borrowings	Total	Bank Borrowings	Market Borrowings	Total
Up to 30/31 Days	3,750.33	-	3,750.33	8,700.00	5,650.00	14,350.00
Over 1 months and upto 2 months	183.33	-	183.33	5,700.00	-	5,700.00
Over 2 months and upto 3 months	4,041.66	-	4,041.66	700.00	-	700.00
Over 3 months and upto 6 months	4,975.32	-	4,975.32	7,317.00	15,000.00	22,317.00
Over 6 months and upto 1 year	11,575.65	-	11,575.65	11,667.33	5,000.00	16,667.33
Over 1 year and upto 3 years	30,464.08	19,974.00	50,438.08	25,755.34	4,000.00	29,755.34
Over 3 and upto 5 years	8,008.46	10,000.00	18,008.46	4,910.33	15,974.00	20,884.33
Over 5 years	-	7,500.00	7,500.00	-	17,500.00	17,500.00
Total	62,998.83	37,474.00	1,00,472.83	64,750.00	63,124.00	1,27,874.00

(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 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.

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

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 :-

(₹ in Lakh)

Particulars	31 March 2023	31 March 2022
Variable rate borrowings	62,998.83	64,750.00
Fixed rate borrowings	37,474.00	63,124.00
Total borrowings	1,00,472.83	1,27,874.00

(b) Sensitivity

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

(₹ in Lakh)

Particulars	0.50% increase in rates		0.50% decrease in rates	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Impact on Cost (on Borrowings)	(314.99)	(323.75)	314.99	323.75
Impact on Earnings (on Standard Loans)	778.93	910.41	(778.93)	(910.41)
Increase/(decrease) in Profit	463.93	586.66	(463.93)	(586.66)

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.

44 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

45 Tax Expense (Ind AS - 12)

(i) Movement of Deferred Tax

(₹ in Lakh)

Particulars	Net balance as at 1 st April 2022	Recognised in profit or loss	Recognised in OCI	Net balance as at 31 March 2023
Deferred Tax Asset				
a) Allowance for doubtful debts and advances	529.64	216.66	-	746.30
b) Allowance for diminution in value of investments	471.91	(221.71)	-	250.20
Deferred Tax Liabilities				
a) Depreciation	(227.64)	8.03	-	(219.61)
Total	773.91	2.98	-	776.89

(ii) Tax recognised in Statement of Profit and Loss

(₹ in Lakh)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Current Income Tax	2,145.00	2,150.00
Earlier Years Tax	-	164.75
Deferred Tax (Net)	(2.98)	(56.65)
Total	2,142.02	2,258.10

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

(₹ in Lakh)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Profit before tax	10,936.97	10,789.97
Applicable Income Tax Rate u/s 115BAA	25.17%	25.17%
Income Tax at Applicable Tax Rates	2,752.84	2,715.84
Adjustments		
- Tax Impact of Exempt Income	-	(28.68)
- Deductions/adjustments as per Income Tax Act	(607.84)	(537.16)
Income Tax expense recognised in P&L	2,145.00	2,150.00
Actual effective Tax Rate	19.61%	19.93%

46 Approval of Financial Statements (Ind AS - 10)

These financial statements are approved by the Board of Directors and authorized for issue on May 20, 2023

47 Recent Accounting Pronouncements (Ind AS - 8) :

- Ind AS 1, Presentation of Financial Statements:** Companies should now disclose material accounting policies rather than their significant accounting policies.
- Ind AS 8, Accounting policies, Change in Accounting Estimates and Errors:** Definition of 'change in account estimate' has been replaced by revised definition of 'accounting estimate'. As per revised definition, accounting estimates are monetary amounts in the financial statements that are subject to measurement uncertainty.
- Ind AS12, Income Taxes:** Narrowed the scope of the Initial Recognition Exemption regarding leases and decommissioning obligations).

The company has evaluated the above amendments and there is no significant impact on the financial statements of the company on application of these amendments



NOTES FORMING PART OF FINANCIAL STATEMENTS

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

The company has property consisting Land & Building having carrying value of ₹ 530.99 lakhs (Land ₹ 133.84 lakh & building ₹ 397.15 lakh) as on 31 March 2023 at “Mussoorie”. The company is in the process to sale of this asset, accordingly the property has been classified as “Non-current asset held for Sale”. The estimated market value of this property is ₹ 750.00 lakh and the appropriation of its sale proceeds shall be subject to the decision on our appeal in MPID Court/Bombay High Court.

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

Component wise revenue of Company

(₹ in Lakh)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest Income	19,719.93	24,789.32
Dividend Income	79.97	69.69
Fees and Commission Income	1,570.93	145.89
Net gain on fair value changes on investments	1,517.38	(176.39)
Other Operating Income	257.00	590.00
TOTAL	23,145.21	25,418.51

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

(₹ in Lakh)

Particulars	Note No.	As at 31 March 2023		As at 31 March 2022	
		Current	Non Current	Current	Non Current
ASSETS					
(1) Financial Assets					
(i) Cash and cash equivalents	3	6,097.72	-	20,950.48	-
(ii) Bank balances other than (i) above	4	143.88	3.75	190.71	6.34
(iii) Receivables	5		-		
- Other Receivables		11.67	-	14.32	-
(iv) Loans & Advances	6	25,552.72	1,32,705.71	42,142.00	1,38,311.09
(v) Investments	7	29,573.58	4,183.27	13,557.93	2,980.78
(vi) Other financial assets	8	1,681.65	10.84	1,350.00	31.34
		63,061.22	1,36,903.57	78,205.44	1,41,329.55
(2) Non-Financial Assets					
(i) Current tax assets (Net)	9	-	1,485.50	36.88	1,727.23
(ii) Deferred tax assets (Net)	10	-	776.89	-	773.91
(iii) Property, Plant and Equipment	11	-	1,413.06	-	1,500.77
(iv) Intangible Assets under Development	12	-	21.80	-	21.80
(v) Other Intangible Assets	13	-	18.11	-	33.86
(vi) Right of Use Assets	14	-	92.15	-	155.53
(vii) Other non-financial assets	15	172.32	3.58	134.50	6.18
		172.32	3,811.09	171.38	4,219.28
(3) Assets classified as held for sale		530.99	-	530.99	-
TOTAL ASSETS		63,764.53	1,40,714.66	78,907.81	1,45,548.83



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakh)

Particulars	Note No.	As at 31 March 2023		As at 31 March 2022	
		Current	Non Current	Current	Non Current
LIABILITIES AND EQUITY					
(1) Financial Liabilities					
(i) Payables					
- Other Payables	16	-	-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises					
(ii) Debt Securities	17	-	37,310.48	25,650.00	37,240.45
(iii) Borrowings (Other than Debt Securities)	18	24,526.29	38,046.35	34,084.33	30,249.32
(iv) Other financial liabilities	19	2,543.07	145.99	2,612.32	671.20
		27,069.36	75,502.82	62,346.65	68,160.97
(2) Non-Financial Liabilities					
(i) Provisions	20	124.27	-	201.90	-
(ii) Other Non-financial liabilities	21	72.25	-	51.22	-
		196.52	-	253.12	-
(3) Equity					
(i) Equity Share Capital	22	-	9,037.24	-	9,037.24
(ii) Other Equity	23	-	92,673.25	-	84,658.66
		-	1,01,710.49	-	93,695.90
TOTAL LIABILITIES AND EQUITY		27,265.88	1,77,213.31	62,599.77	1,61,856.87

51 The additional information required to be disclosed vide RBI norms - as certified by the management

1 Rating Assigned By Credit Rating Agencies for the Bonds/Borrowings of TFCI

- Acuite Rating & Research Ltd ACUITE AA- (reaffirmed vide letter dated 07.02.2023)
- Brickworks Ratings (India) Pvt. Ltd. BWR A+ (reaffirmed vide letter dated 06.07.2022)
- CARE Ratings Ltd (CARE) CARE A (reaffirmed vide letter dated 31.08.2022)

Migration

- Nil

2 No Penalty is levied by any regulator during the year.

3 Capital & Analytical Ratios

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
i) CRAR (%)	62.65%	54.59%
ii) CRAR - Tier I Capital (%)	62.30%	53.80%
iii) CRAR - Tier II Capital (%)	0.35%	0.79%
iv) Amount of Subordinate debt raised as Tier-II Capital	Nil	Nil
v) Amount raised by issue of perpetual debt instruments	Nil	Nil
vi) Liquidity Coverage Ratio	474.60%	335.49%



NOTES FORMING PART OF FINANCIAL STATEMENTS

4 Investments

- TFCI does not hold any Investments Outside India

(₹ in Lakh)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
1) Value of Investments		
(a) Gross Value of Investments	33,612.39	17,721.54
(b) Fair Value Changes(Net)	144.46	(1,182.83)
(c) Net Value of Investments	33,756.85	16,538.71
2) Movement in fair value changes of Investments (Net)		
(a) Opening Balance	(1,182.83)	(631.77)
(b) Add: Increase in Value	1,424.94	234.91
(c) Less: Decrease in Value	(97.65)	(785.97)
(d) Closing Balance	144.46	(1,182.83)

5 Derivatives

Exposure to Derivative Instruments/Products	Nil	Nil
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6 Securitisation

A. Details of SPVs Sponsored for Securitisation of Assets

SPVs Sponsored	Nil	Nil
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B. Details of Financial Assets (NPA) transferred to Asset Reconstruction Company.

No. of Accounts transferred	Nil	3
Aggregate Principal Outstanding of loan transferred	Nil	8,651.48
Weighted Average Residual Tenure of the Loans transferred	Nil	-
Net Book Value the Loans transferred	Nil	6,832.43
Aggregate consideration	Nil	8,603.00
Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil

ECL provision released on Securitisation of Stage-3 Loans utilised towards ECL/impairment on loans/investments.

C. Details of Assignment transaction undertaken

No. of Accounts assigned	Nil	Nil
Aggregate value (net of provisions) of accounts assigned	Nil	Nil
Aggregate consideration	Nil	Nil
Aggregate gain / loss over net book value	Nil	Nil

D. Details of Non-performing financial assets purchased/sold

1) Non-performing financial assets purchased	Nil	Nil
2) Non-performing financial assets sold	Nil	Nil

7 Exposures

A. Exposure to Real Estate Sector (Direct)

1) Residential Mortgage	Nil	Nil
2) Commercial Real Estate		
- Lending secured by mortgage on commercial real estate	4,125.67	Nil
- lending in mortgage backed securities & other exposure	1,381.71	Nil



NOTES FORMING PART OF FINANCIAL STATEMENTS

B. Exposure to Capital Market (Gross)

(₹ in Lakh)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
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;	1,122.47	1,323.22
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

8 Additional Disclosures

8.1 Breakup of Provision & Contingencies shown under the head expenditure in profit & loss account

1) Provision for Expected Credit Loss / NPA	811.00	-
2) Provision Made towards Income Tax	2,145.00	2,314.75
3) Other Provision and Contingencies (Deferred Tax Liability)	(2.98)	(56.65)

8.2 Concentration of Advances and NPAs.

8.2.1 Concentration of Advances.

1) Total Advances to Twenty Large Borrowers	1,13,151.17	1,21,818.53
2) Percentage of Advances to Twenty Large Borrowers	69.78%	66.41%

8.2.2 Concentration of NPAs.

1) Total Exposure to Top Four NPA Accounts	6,361.92	1,354.47
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8.2.3 Sector Wise NPAs.

Sector	% of NPA to Total Advances in that Sector	% of NPA to Total Advances in that Sector
Tourism Sector	4.74%	0.00%
Manufacturing Sector	0.00%	0.74%



NOTES FORMING PART OF FINANCIAL STATEMENTS

8.3 Movement of NPAs.

(₹ in Lakh)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
1) Net NPAs to Net Advances (%)	2.98%	0.37%
2) Movement of Gross NPAs		
(a) Opening Balance	1,354.47	6,948.48
(b) Add: Addition During Year	6,961.92	7,238.44
(c) Less: Write-off During Year	374.98	48.48
(d) Less: Upgradation, assignment & Recovery During Year	1,579.49	12,783.97
(e) Closing Balance	6,361.92	1,354.47
3) Movement of Net NPAs		
(a) Opening Balance	677.24	5,613.48
(b) Add: Addition During Year	4,784.42	677.24
(c) Less: Write-off, Upgradation & Recovery During Year	677.24	5,613.48
(d) Closing Balance	4,784.42	677.24
4) Movement in Provision for ECL (incl NPA/Stage-3 accounts)		
(a) Opening Balance	2,701.46	3,185.80
(b) Add: Provision made during the year	811.00	-
(d) Add: Utilised from provision on Security Receipts	669.03	-
(c) Less: Loans & Investments Written off during the year	374.98	48.48
(d) Less: Utilised for provision on Security Receipts	-	435.86
(d) Closing Balance	3,806.51	2,701.46

8.4 Loans and advances availed (including interest due thereon but not paid)

Particulars	Outstanding	Overdue	Outstanding	Overdue
Debentures (Bonds)				
- Secured	19,974.00	Nil	19,974.00	Nil
- Unsecured	17,500.00	Nil	43,150.00	Nil
Deferred Credits	Nil	Nil	Nil	Nil
Term Loans, WCDL/CC & FCNR(B)	62,998.82	Nil	64,750.00	Nil
Inter Corporate Deposits	Nil	Nil	Nil	Nil
Commercial Papers	Nil	Nil	Nil	Nil

8.5 Break-up of Loans and Advances including bills receivables (Net of provision).

Particulars	Amount Outstanding	Amount Outstanding
a) Secured	1,58,258.43	1,80,453.09
b) Unsecured	-	-



NOTES FORMING PART OF FINANCIAL STATEMENTS

8.6 Break up of Leased Assets and stock on hire and other assets counting towards AFC activities : NIL

8.7 Break-up of Investments (Net of Provision)

(₹ in Lakh)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Investment in Debt securities		
- at amortised cost	15,905.01	1,500.00
- at fair value through P&L	11,908.64	5,901.54
Investment in Equity Instruments		
- at fair value through OCI	2,318.24	2,314.46
- at fair value through P&L	0.00	6.35
- at cost	-	5.00
Investment in Other approved securities		
- at fair value through P&L	3,624.96	6,811.36
Total Investment	33,756.85	16,538.71

8.8 Borrower group-wise classification of assets financed as in (8.5) and (8.6) above

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	158258.43	Nil	158258.43	180453.09	Nil	180453.09

8.9 Investor group-wise classification of all investments in shares and securities (Both Quoted & Unquoted)

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		Nil	5.00	5.00
- Companies in Same Group		Nil	Nil	Nil
- Other Related Parties		Nil	Nil	Nil
ii) Other than Related Parties	33,756.85	33,612.39	16,533.71	17,716.54
TOTAL	33,756.85	33,612.39	16,538.71	17,721.54

8.10 Other Information

i) Gross Non-Performing Assets		
- Related parties	Nil	Nil
- Other than related parties	6,361.92	1,354.47
ii) Net Non-Performing Assets		
- Related parties	Nil	Nil
- Other than related parties	4,784.42	677.24
iii) Assets acquired in satisfaction of debt	Nil	Nil



NOTES FORMING PART OF FINANCIAL STATEMENTS

8.11 Complaints Received & Resolved

A. Customer & Investor Complaints

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
a) No. of complaints pending at the beginning of the year	Nil	Nil
b) No. of complaints received during the year	41	56
c) No. of complaints redressed during the year	41	56
d) No. of complaints rejected during the year	Nil	Nil
e) No. of complaints pending at the end of the year	Nil	Nil

B. Complaints received from Office of Ombudsman

a) No. of maintainable complaints received during the year	1	1
b) No. of complaints resolved in favour	1	1
c) No. of complaints resolved through conciliation/mediation/ advisories	Nil	Nil
d) No. of complaints resolved after passing of Awards by Office of Ombudsman against the Company	Nil	Nil
e) No. of Awards unimplemented within the stipulated time	Nil	Nil

C. Ground of Complaints received

1) Loans and advances	1	1
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8.12 Disclosure on Flexible Structuring of Existing Loans

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. F.Y. 2022-23 - Nil	-	-	-	-
2. F.Y. 2021-22 - Nil	-	-	-	-

8.13 Disclosure on MSME Restructured Loans

As per RBI Circular No.DBR.BP.BC.18/21.04.048/2018-19 dated 1st January 2019 and extended guidelines for the same vide RBI Circular No. DOR.No.BP.BC.34/21.04.048/2019-20 dated February 11, 2020 and again extended guidelines for the same vide RBI Notification No. DOR.No.BP.BC.4/21.04.048/2020-21 dated August 6, 2020 on "One-time MSME restructuring", the details of MSME restructured accounts as on 31st March, 2023 are as under

Particulars	As at 31.03.2023	As at 31.03.2022
No of Accounts Restructured	2	3
Amount (₹ In Lakh)	3,837.15	6,722.78

8.14 Disclosures on Liquidity Risk

8.14.1 Funding concentration based on significant counterparty

(₹ in Lakh)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
No. of Significant Counterparties	16	20
Amount	80,182.82	98,010.00
% of Total Deposit	N.A.	N.A.
% of total Liabilities	78.12%	74.95%



NOTES FORMING PART OF FINANCIAL STATEMENTS

8.14.2 Top 20 large deposits

Not applicable. The Company being a Systemically Important Non-Deposit taking Non-Banking Financial Company registered with Reserve Bank of India does not accept public deposit.

8.14.3 Top 10 Borrowings

(₹ in Lakh)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Amount	70,362.82	94,643.87
% of total Borrowings	70.03%	74.39%

8.14.4 Funding concentration based on significant instrument/product

(₹ in Lakh)

Name of the instrument/product	Amount	% of Total Liabilities	Amount	% of Total Liabilities
1. Secured Non-Convertible Debentures	19,974.00	19.44%	19,974.00	15.28%
2. Unsecured Non- Convertible Debentures	17,500.00	17.03%	43,150.00	33.00%
3. Term Loans from Bank/FI	59,998.82	58.38%	56,750.00	43.40%
4. Working Capital Limit/WCDL	3,000.00	2.92%	8,000.00	6.12%
Total Borrowings	1,00,472.82	97.77%	1,27,874.00	97.79%
Total Liabilities (Total Liabilities - Equity & other Equity)	1,02,768.70		1,30,760.74	

8.14.5 Stock Ratios

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	27.05%	26.45%	13.29%	49.19%	48.11%	28.03%

8.14.6 Institutional Set Up for Liquidity Risk Management

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

9 Details of Restructured & Negotiated Settlement Accounts (As at 31st March, 2023)

(₹ in Lakh)

S. No	Type of Restructuring Assets Classificatio	Under CDR Mechanism			Others			Total				
		Standard	Sub-Standard	Loss	Standard	Sub-Standard	Loss	Standard	Sub-Standard	Loss		
	Details											
1	Restructured Accounts as on 01.04.2022	No of Borrowers	-	-	5	-	-	5	-	-	-	5
		Amount Outstanding	-	-	12,499.13	-	-	12,499	12,499.13	-	-	12,499.13
		Provision Thereon	-	-	108.74	-	-	109	108.74	-	-	108.74
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	-	-	2	-	-	2	-	-	-	2
		Amount Outstanding	-	-	6,361.92	-	-	6,361.92	6,361.92	-	-	6,361.92
		Provision Thereon	-	-	1,577.50	-	-	1,577.50	1,577.50	-	-	1,577.50
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	-	-	3	-	-	3	-	-	-	3
		Amount Outstanding	-	-	5,956.80	-	-	5,956.80	5,956.80	-	-	5,956.80
		Provision Thereon	-	-	313.19	-	-	313.19	313.19	-	-	313.19



NOTES FORMING PART OF FINANCIAL STATEMENTS

10 Details of Provision as per Ind-AS 109 & RBI - IRACP Norms

(₹ in Lakh)

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)
Performing Assets						
Standard	Stage 1	1,27,748.46	553.05	1,27,195.41	609.69	(56.64)
	Stage 2	28,037.34	1,675.96	26,361.38	332.41	1,343.55
Sub total		1,55,785.80	2,229.01	1,53,556.79	942.10	1,286.91
Non-Performing Assets (NPA)						
Sub standard	Stage 3	6,361.92	1,577.50	4,784.42	636.19	941.31
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Sub total for doubtful		6,361.92	1,577.50	4,784.42	636.19	941.31
Loss	Stage 3	-	-	-	-	-
Sub total for NPA		6,361.92	1,577.50	4,784.42	636.19	941.31
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	-	-	-	-	-
Sub total		-	-	-	-	-
Total	Stage 1	1,27,748.46	553.05	1,27,195.41	609.69	(56.64)
	Stage 2	28,037.34	1,675.96	26,361.38	332.41	1,343.55
	Stage 3	6,361.92	1,577.50	4,784.42	636.19	941.31
	Total	1,62,147.72	3,806.51	1,58,341.21	1,578.29	2,228.22

Note:

In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 on Implementation of Indian Accounting Standards, NBFCs are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and IRACP norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP as at March 31, 2023 and accordingly, no amount is required to be transferred to impairment reserve.



NOTES FORMING PART OF FINANCIAL STATEMENTS

11 Asset Liability Management Maturity pattern of certain items of assets and liabilities (As at 31st March, 2023)

(₹ in Lakh)

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	3,750.33	183.33	4,041.66	4,975.32	11,575.65	30,464.08	8,008.46	-	62,998.83
- Market Borrowings	-	-	-	-	-	19,974.00	10,000.00	7,500.00	37,474.00
Assets									
- Advances	9,628.80	447.03	393.68	6,732.46	8,350.75	40,510.53	38,556.61	57,527.87	1,62,147.73
- Investments	26,307.30	-	-	3,235.07	31.21	3,231.19	109.49	698.13	33,612.39

52 Commitments

(₹ in Lakh)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Capital Commitments (Office Renovation)	23.52	Nil
Capital Commitments (IT Package)	Nil	280.00

53 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, 2023. 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.

54 Corporate Social Responsibility(CSR)

(i) Corporate Social Responsibility (CSR) Expenditure

(₹ in Lakh)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Gross amount required to be spend by the company	203.47	207.30
Amount spent during the period on		
i) Construction / acquisition of any assets	-	-
ii) On purposes other than (i) above	203.47	207.30
Total	203.47	207.30

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

(₹ in Lakh)

CSR Project/Activity	Outlay & Spent	
	Year ended 31 March 2023	Year ended 31 March 2022
Contribution to PM Cares/Prime Minister's National Relief Fund.	16.08	115.46
Health Fitness Trust for Athlete Training Programme for 5 national level Athletes.	20.97	-
Mahavir International, Delhi to support for six free eye & health check-up camps for benefits of needy patient.	4.20	-
Jeevshakti Foundation, Delhi for purchase Maruti EECO van (Ambulance), Honda two-wheeler for street/stray dogs and small domestic animals for their medical needs, including sterilizations, vaccinations and particularly to handle cases of accidents and injuries etc.	7.05	-



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakh)

CSR Project/Activity	Outlay & Spent	
	Year ended 31 March 2023	Year ended 31 March 2022
Earthlings Trust, Noida for setup of a gas crematorium to provide dignified cremation to small animals like dogs, cats, goats, birds etc.	10.50	-
Regional Centre for Entrepreneurship Development to conduct Skill development Training for Chef in Chandigarh for 30 beneficiaries belonging to Socially & Economically unprivileged communities.	5.00	-
Ruchika Social Service Organization for Skill Development Programme for House Keeping, Food & Beverages Services, Cooking Training and Light Vehicle Driving Training for 100 marginalized youth to acquire appropriate marketable skills and placing them to potential employers, thereby enhancing their quality of life, sustainable livelihoods, food & human security.	10.00	-
Ruchika Social Service Organization for Cleaning of Puri Sea Beach.	3.00	-
International Academy of Environmental Sanitation and Public Health (Sulabh International) for setting up a facility for provision of safe and palatable drinking water (installation of Water ATM) at Vidyapeeth Chauraha, Vrindavan for tourists and genral public.	12.98	-
The Akshaya Patra Foundation to support mid-day meal programme in Delhi.	9.04	-
Gautam Gambhir Foundation, Delhi to support Ek Asha Jan Rasoi as a part of mission Poshan Abhiyan, an initiative of the Ministry of Women and Child development, Govt. of India.	8.94	-
Parivaar Education Society for supporting education, nutritional and overall development of 150 destitute and needy children for one year for 2 Day Boarding Seva Kutir (Meal cum Education centres) in Madhya Pradesh.	15.00	-
ABHAS – Action Beyond Help And Support to support Children’s Education Programme to provide quality educational inputs to 400 vulnerable at-risk children in the age group 5 – 18 years from Tughlakabad Village and adjoining slums to help them attain grade level competencies, continue and complete schooling.	5.00	-
RAMAKRISHNA MISSION towards procurement of books and to make library fully computerized of the Ramakrishna Mission Vidyapith, Purulia, West Bengal.	8.00	-
Aseem Charitable Education Trust to support awareness programme on developing social life skills, career opportunity and all round sport and cultural capabilities of underprivileged children which will benefit around 350 children.	4.00	-
Saikripa for purchase of Suzuki EECO Van for medical needs of the children of Bal Kutir (Home for orphaned, abandoned and neglected children).	5.13	-
Bharat Vikas Parishad Social Welfare Trust for installation of Solar Power Plant at “Dr. Suraj Prakash Arogya Kendra, Faridabad, Haryana, an approved Multispecialty & Diagnostic Center in the memory of Dr. Suraj Prakash, founder Secretary General and architect of Bharat Vikas Parishad.	13.50	-
Army Wives Welfare Association to support grants/benefits for the armed forces veterans, war widows and their dependents.	10.00	-
V Care Foundation towards active treatment for patients with solid tumour cancers.	10.00	-
Friends of Tribal society to contribute for 114 “Ekal Vidyalayas”	25.08	-
Akshaya Patra Foundation towards contribution for packed meal for 26,000 students	-	7.80
Khelaghar Charitable Trust towards education, food and lodging to 150 underprivileged children.	-	17.90



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakh)

CSR Project/Activity	Outlay & Spent	
	Year ended 31 March 2023	Year ended 31 March 2022
Delhi Competitive & Vocational Society towards organising Skill Development Training to 30 persons in "Front Office Executive" as per the National Skill Qualification Framework guidelines with specified course curriculum (Level-II)	-	6.60
Special Olympic Bharat towards training preparation of national team members of speed & figure skating for Special Olympics World Winter Games.	-	3.97
Aseem Charitable Education Trust towards capital expenditure for operating 2 computer skill centers at Okhla and Mehrauli, New Delhi	-	3.54
Ramakrishna Mission towards contribution for construction of toilet at Ramakrishna Sadan of the Ramakrishna Mission Vidyapith, Purulia, Distt Howrah, West Bengal.	-	12.65
PARIVAR EDUCATION SOCIETY towards contribution for supporting education, nutritional and overall development of destitute and needy children.	-	14.30
Friends of Tribal Society towards contribution for supporting education of Destitute children	-	25.08
Total	203.47	207.30

55 Auditor Remuneration

(₹ in Lakh)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Audit fees (excluding GST)	7.50	10.31
Certification Fee (excluding GST)	2.44	2.58
Total	9.94	12.90

- 56 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.
- 57 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.
- 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.
- 59 TFCI has availed financial assistance from banks and financial institutions against the security of loan receivables. TFCI submits their statement of loan outstanding and other required return certified by management on monthly basis and duly certified by statutory auditors on quarterly basis. These statements are in agreement with the books of accounts.
- 60 Covid-19 pandemic has resulted in significant volatility in Global and Indian economy; however, Covid-19 has been controlled and is no longer a pandemic. Based on the post Covid-19 economic indicators and future estimates, the Company does not envisage any significant impact on its operations and financials.

As per our report of even date

for **M Verma & Associates**

Chartered Accountants

Firm Reg. No: 501433C

(CA Mohender Gandhi)

Partner

M.No.088396

Date : May 20, 2023

Place : New Delhi

for and on behalf of the Board

(Bapi Munshi)

Director

(Sanjay Ahuja)

Company Secretary

(S. Ravi)

Non Executive Chairman

(Anoop Bali)

Whole Time Director & CFO



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