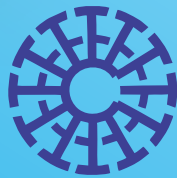
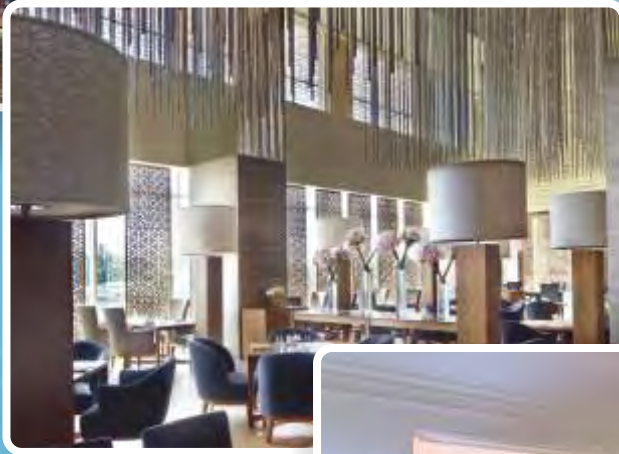


26th Annual Report 2014-15



Tourism Finance Corporation of India Limited
(An IFCI Initiative)



BOARD OF DIRECTORS*



Shri Malay Mukherjee
Chairman



Shri S.K. Sangar
Managing Director



Shri M.M. Dawla
Nominee Director,
Ministry of Finance



Smt. Usha Sharma
Nominee Director,
Ministry of Tourism



Shri Niraj Agarwal



Shri S. Ravi



Shri Vivek Nair



Shri S. Sridhar



Shri S.C. Sekhar



Shri A.S. Bhattacharya



BOARD OF DIRECTORS*

Shri Malay Mukherjee	Chairman
Shri S.K. Sangar	Managing Director
Shri M.M. Dawla	Nominee Director, Ministry of Finance, Govt. of India
Smt. Usha Sharma	Nominee Director, Ministry of Tourism, Govt. of India
Shri Niraj Agarwal	Representing LIC of India

INDEPENDENT DIRECTORS

Shri S. Ravi
Shri Vivek Nair
Shri S. Sridhar
Shri S.C. Sekhar
Shri A.S. Bhattacharya

CHIEF FINANCIAL OFFICER

Shri B.M. Gupta

COMPANY SECRETARY

Shri Sanjay Ahuja

STATUTORY AUDITORS

M/s V.C. Gautam & Co.
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 :admin@mcsdel.com

REGISTERED OFFICE

IFCI Tower, 61, Nehru Place, New Delhi-110 019
Phone: +91-11-41732000, 26291151
Fax: +91-11-26291152 E-mail: ho@tfciltd.com Website: www.tfciltd.com
CIN No.L65910DL1989PLC034812

*as on August 20, 2015

Note: 1. No Gift will be given in the AGM

2. Shareholders are requested to send shares for transfer and other correspondence directly to the Company's Registrar and Transfer Agent at the above-mentioned address.

**HIGHLIGHTS**

(₹ in Lakh)

		As at March 31, 2015	As at March 31, 2014
Resources			
Share Capital		8072	8072
Reserves and Surplus		39838	35575
Secured Loans		17500	8000
Unsecured Loans		78150	78150
Total		143560	129797
Operations			
	Cumulative	2014-2015	2013-2014
Assistance sanctioned			
Rupee Loan	713834	80732	68086
Leasing	2491	—	—
Subscription to Equity/Preference Share/ Mutual Fund/Debenture	75335	7638	8624
Guarantee	1483	—	—
Total	793143	88370	76710
Assistance disbursed			
Rupee Loan	410637	50802	35463
Leasing	1580	—	—
Subscription to Equity/Preference Share/ Mutual Fund/Debenture	68876	7638	8624
Guarantee	1443	—	—
Total	482536	58440	44087
Earnings			
Profit before tax		8186	8406
Profit after tax		6018	5850
Earning per share (₹)		7.46	7.25



NOTICE

NOTICE is hereby given that the Twenty Sixth Annual General Meeting of the members of Tourism Finance Corporation of India Ltd. will be held on Monday, the 21st day of September, 2015 at 2.00 p.m., at Air Force Auditorium, Subroto Park, Dhaula Kuan, New Delhi-110010 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements of the Company including the Balance Sheet as at March 31, 2015 and the statement of Profit and Loss Account for the year ended March 31, 2015 and the report of the Board of Directors' and Auditors' thereon.
2. To declare Dividend on Equity Shares.
3. To appoint a Director in place of Shri Malay Mukherjee (DIN: 02272425), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
4. To fix remuneration of the Statutory Auditors of the Company in terms of the provisions of section 139(5) and 142 and other applicable provisions of the Companies Act, 2013 and to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139(5) and 142 and all other applicable provisions, if any of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Audit Committee of Directors of the Company be and is hereby authorised to decide and fix the remuneration of the Statutory Auditor(s) of the Company appointed by Comptroller and Auditor General of India (CAG) for the financial year 2015-16, as may be deemed fit.”

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV to the Act and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Subrahmoneyan Chandra Sekhar (DIN:00024780), who was appointed as an Additional Director of the Company by the Board of Directors of the Company on March 18, 2015 and who as per the provisions of Section

161(1) of the Companies Act, 2013 holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a term upto 3 (Three) consecutive years commencing from March 18, 2015.

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

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

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things and give such directions as may be deemed necessary or expedient, to give effect to this Resolution.”

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV to the Act and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Anup Sankar Bhattacharya (DIN:02719232), who was appointed as an Additional Director of the Company by the Board of Directors of the Company on August 8, 2015 and who as per the provisions of Section 161(1) of the Companies Act, 2013 holds office up to the date of this Annual General Meeting and



in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a term upto 3 (Three) consecutive years commencing from August 8, 2015.

By order of the Board of Directors

Date : August 20, 2015
Place : New Delhi

(Sanjay Ahuja)
Company Secretary

Notes:

1. ***A member entitled to attend and vote at the Annual General Meeting (the meeting) is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing the proxy in order to be valid and effective must be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting. A BLANK PROXY FORM IS ENCLOSED.***
2. **A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.**
3. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013, setting out material facts in respect of the Special Business to be transacted at the meeting under item no(s). 5 to 7 are annexed hereto.
4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. In terms of Article 135 of the Articles of Association of the Company, read with Section 152 of the Companies Act, 2013, Shri Malay Mukherjee Chairman/Director, retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. The Board recommends his re-appointment.
6. 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 clause 49 of the Listing Agreement" annexed to the notice.
7. Members seeking any information with regard to accounts or operations are requested to write to the Company at an early date preferably at least 7 days prior

to the date of meeting, to enable the Company to keep the information ready.

8. Members are requested to
 - (a) bring their attendance slip duly filled in along with their copy of annual report to the meeting. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting.
 - (b) note that all correspondence relating to share transfer should be addressed to Registrar & Share Transfer Agents of the Company, MCS Share Transfer Agents Ltd. at F-65, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi-110020.
 - (c) quote their DP ID No./Client ID No, or folio number in all correspondence.
9. 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.
10. (a) The Register of Members and Share Transfer Books for equity shares of the Company will remain closed from September 12, 2015 to September 21, 2015 (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 as on September 21, 2015 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 September 11, 2015
11. 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 Registrar & Share Transfer Agent(R&TA), M/s MCS Share Transfer Agents Ltd. at F-65, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi-110020



12. Members holding shares in more than one folio in identical order of the names are requested to write to R&TA enclosing their share certificates to enable them to consolidate the holdings in one folio to facilitate better service.
13. Pursuant to the provisions of Section 125 of the Companies Act, 2013 (relevant section 205C of the Companies Act, 1956), 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 Central Government. Members who have not yet encashed their dividend warrants for the previous years, are requested to make their claims to the Company immediately. Members who have not yet encashed their dividend warrants or are not in receipt of the dividend warrants are requested to seek issuance of demand draft from the Company. 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
2007-08	12.10.2015
2008-09	18.10.2016
2009-10	17.10.2017
2010-11	13.10.2018
2011-12	17.08.2019
2012-13	12.10.2020
2013-14	22.10.2021
2014-15(interim)	27.04.2022

14. As per the provisions of the Companies Act, 2013, facility for making nominations is available for shareholders, in respect of shares held by them. Nomination forms can be obtained from the Registrar and Share Transfer Agents of the Company.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Transfer Agents M/s MCS Share Transfer Agents Ltd.
16. Ministry of Corporate Affairs has taken a “Green Initiative in Corporate Governance” by allowing paperless compliance by the Companies. In order to support the said initiative, your Company shall send the copy of the Annual Report along with the notice convening the AGM through e-mail to those members

whose e-mail IDs have been provided by them through their DPs/RTAs. The Annual Report is also uploaded on the website of the Company at www.tfcilt.com.

17. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
18. In terms of the provisions of Section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (the Rules) and clause 35B of the Listing Agreement, the Items of Business given in 26th AGM Notice may be transacted through electronic voting system and the Company is providing e-voting facility to the members who are the members as on September 14, 2015 (End of Day) being the “Record Date” fixed for the purpose, to exercise their right to vote at the 26th AGM by electronic means. For the purpose, the Company has entered into an agreement with Central Depository Services (India) Ltd. (CDSL) for facilitating remote e-voting as the authorised agency to provide remote e-voting facilities.

The instructions for members for voting electronically are as under:-

- (i) The voting period begins on September 18, 2015 at 9.00 a.m. and ends on September 20, 2015 at 5.00 p.m. (IST). During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 14, 2015, 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) Log on to the e-voting website www.evotingindia.com
- (iv) Click on “Shareholders” tab.
- (v) Now Enter your User ID which is as under
 - a. For CDSL accountholders: 16 digits beneficiary ID,
 - b. For NSDL accountholders: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.



- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the last 8 digits of the sequence number in the PAN field. Sequence number is printed on Annual Report’s Envelop. • In case the sequence number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 100 then enter RA00000100 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <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 as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login

password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for remote 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.

- (xi) For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name >(TOURISM FINANCE CORPORATION OF INDIA LIMITED) on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **For Institutional Shareholders**
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.



- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xx) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. September 14, 2015 may follow the same instructions as mentioned above for e-Voting.
- (xxi) In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions (“FAQs”) and remote e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

The Scrutinizer will scrutinize the remote e-voting process in a fair and transparent manner.

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

Important Note:

Tourism Finance Corporation of India Ltd., being a listed company and having more than 1000 shareholders, is compulsorily required to provide e-voting facility to members in terms of Section 108 of the Act read with Rule 20 of the Rules and Clause 35B of the Listing Agreement, voting by show of hands will not be available to the members at the 26th AGM in view of the further provisions of Section 107 read with Section 114 of the Act.

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

ITEM NO. 5

Shri Subrahmoneyan Chandra Sekhar was appointed as an Additional Director w.e.f. March 18, 2015. By virtue of Section 161 of the Companies Act, 2013 he holds office upto the date of ensuing Annual General Meeting of the Company and is eligible for reappointment. The Company has received notice in writing along with deposit from a member of the company in terms of Section 160 of the Companies Act, 2013, proposing the candidature of Shri Subrahmoneyan Chandra Sekhar for the office of Director at the ensuing Annual General Meeting.

Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an

independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

In order to comply with the provisions Sections 149(4), (10) & (11) and 152(6) (e) of the Companies Act, 2013 read with clause 49 of the listing agreement, it is proposed to formally appoint Shri Subrahmoneyan Chandra Sekhar as Independent Director for an initial term of 3 consecutive year w.e.f. March 18, 2015, the date of his appointment in the company.

The Company has received a declaration from Shri Subrahmoneyan Chandra Sekhar that he meets with the criteria of independence as provided in section 149(6) of the Companies Act, 2013. In the opinion of the Board, Shri Subrahmoneyan Chandra Sekhar fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Shri Subrahmoneyan Chandra Sekhar is independent of the management.

Brief profile of Shri Subrahmoneyan Chandra Sekhar is set out in the “Information about Directors seeking appointment/reappointment as mandated under clause 49 of the Listing Agreement” which is annexed with the notice.

The Board recommends the resolution set out in item no. 5 of the Notice for approval of the members of the Company. Shri Subrahmoneyan Chandra Sekhar is interested in the resolution as it relates to his appointment. None of other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution, except to the extent of their shareholding in the Company.

ITEM NO. 6

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 through various sources including raising funds through issuance of bonds/debentures. Your Company has issued non-convertible bonds in the last few years by way of private placement basis as the same is 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 Rs.600 crore on a private placement basis, in one or more tranches, during the period of one year from the date of passing of this Resolution, 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. 6.

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.

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

ITEM NO. 7

Shri Anup Sankar Bhattacharya was appointed as an Additional Director w.e.f. August 8, 2015. By virtue of Section 161 of the Companies Act, 2013 he holds office upto the date of ensuing Annual General Meeting of the Company and is eligible for reappointment. The Company has received notice in writing along with deposit from a member of the company in terms of Section 160 of the Companies Act, 2013, proposing the candidature of Shri Anup Sankar Bhattacharya for the office of Director at the ensuing Annual General Meeting.

Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

In order to comply with the provisions Sections 149(4), (10) & (11) and 152(6) (e) of the Companies Act, 2013 read with clause 49 of the listing agreement, it is proposed to formally appoint Shri Anup Sankar Bhattacharya as Independent Director for an initial term of 3 consecutive year w.e.f. August 8, 2015, the date of his appointment in the company.

The Company has received a declaration from Shri Anup Sankar Bhattacharya that he meets with the criteria of independence as provided in section 149(6) of the Companies Act, 2013. In the opinion of the Board, Shri Anup Sankar Bhattacharya fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Shri Anup Sankar Bhattacharya is independent of the management.

Brief profile of Shri Anup Sankar Bhattacharya is set out in the “Information about Directors seeking appointment/reappointment as mandated under clause 49 of the Listing Agreement” which is annexed with the notice.

The Board recommends the resolution set out in item no. 7 of the Notice for approval of the members of the Company. Shri Anup Sankar Bhattacharya is interested in the resolution as it relates to his appointment. None of other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution, except to the extent of their shareholding in the Company.

By order of the Board of Directors

Date : August 20, 2015

Place : New Delhi

(Sanjay Ahuja)

Company Secretary

INFORMATION ABOUT DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AS MANDATED IN CLAUSE 49 OF THE LISTING AGREEMENT

Shri Malay Mukherjee

Shri Malay Mukherjee age 60 years is CEO and Managing Director of IFCI Ltd. Shri Malay Mukherjee is post graduate in Physics. He joined Indian Bank as Probationary Officer in 1976 and has more than 35 years of experience in the Banking Industry. Shri Mukherjee has a wide field exposure, having worked in various branches in Assam, Bihar, West Bengal, Maharashtra, Gujarat, New Delhi, as Branch Manager in Indian Bank. He had also worked in Risk Management Department and Technology Management Department of Indian Bank at its Corporate Office. As Zonal Manager of Bangalore and Delhi Zones and General Manager of Kolkata Zone of Indian Bank, he headed operations of branches in West Bengal, Sikkim, Andaman & Nicobar, Delhi NCR, Karnataka and Goa. He has attended various training programmes – both internal and external in India and abroad. He has widely travelled in India and abroad.

As Executive Director of Central Bank of India, he oversaw the portfolios such as Credit, HR, General Administration, IT, Corporate Communications, Publicity, Marketing, Client coverage and New Initiatives etc. He is presently the CEO & Managing Director of IFCI Limited, Chairman of IFCI Infrastructure Development Limited, IFCI Factors Limited, IFCI Venture Capital Fund Limited, IFCI Financial Services Limited and on the Board of Stock Holding Corporation Of India Limited. He is also Chairman, Board of Governors of Management Development



Institute & Institute of Leadership Development and member Governing Body of Entrepreneurship Development Institute of India. He is member of Committees of Executive Committee of Directors (Chairman), Human Resources Committee, Risk Management Committee (Chairman), Corporate Social Responsibility Committee, Recovery & NPA Management Committee, Review Committee on Willful defaulters (Chairman) and Committee of Directors Public Issue of Bonds (Chairman) of IFCI Ltd. He is Member/Chairman of Willful Defaulter Review Committee of Tourism Finance Corporation of India Limited. He does not hold shares of the Company.

Shri Subrahmoneyan Chandra Sekhar

Shri Subrahmoneyan Chandra Sekhar age 62 years is science graduate from Delhi University and fellow member of the Institute of Chartered Accountant of India. He joined ITC Ltd. in its hotel division in 1978 and during 36 years he held various positions in the finance function besides working as Executive Assistant to Chairman of ITC's hotel division. He retired in February, 2015 as senior Executive Vice President of the hotel division of ITC Ltd. He was holding Board level positions in the subsidiary/associates of ITC Ltd. before his

superannuation from ITC Ltd. He is a thorough professional in the tourism/travel industry and has been with ITC Ltd. for more than 36 years.

He is an Independent Director of Sinclairs Hotels and Resorts Ltd. He is member of Audit Committee of Tourism Finance Corporation of India Ltd. and Sinclairs Hotels and Resorts Ltd. He holds 500 equity shares of the Company.

Shri Anup Sankar Bhattacharya

Shri Anup Sankar Bhattacharya age 63 years is a graduate in Agriculture Science and thorough professional in the Banking Industry. Prior to resuming the post of Director of Indian Banking of Personnel Selection (IBPS), Shri Anup Sankar Bhattacharya worked as CMD, Bank of Maharashtra. He is Director of Indian Institute of Banking and Finance. He is also member of Governing Council and Member of Executive Committee of Indian Institute of Banking and Finance. He is honorary Fellow of Indian Institute of Banking and Finance. He has rich experience coupled with an in depth knowledge of the Banking Industry from across various markets in India. He does not hold any shares in the Company.

Important Communication to Members

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



DIRECTORS' REPORT

To the Members:

1. Presentation of the Annual Report

Your Directors have pleasure in presenting the Twenty Sixth Annual Report on the business and operations of the Company and the audited accounts for the financial year 2014-15.

2. Financial Results

The Company's financial performance for the year ended 31st March, 2015 is summarized below:

(Amount in Crore)

Particulars	2014-15	2013-14
Total Income	188.05	187.26
Total Expenditure	102.19	98.59
Provision for doubtful debts/investment	4.00	4.60
Profit before Tax	81.86	84.07
Provision for Tax	21.68	25.57
Profit After Tax	60.18	58.50
Less: Provision for doubtful debts u/s 36(1)(viiia) of the Income Tax Act, 1961	2.95	3.70
Surplus Brought Forward	14.99	19.59
Profit Available For Appropriation	72.22	74.39
Special Reserve under Section 36(1)(viii) of the Income Tax Act, 1961	14.47	16.37
Special Reserve u/s 45 IC of RBI Act	12.04	11.70
General Reserve	20.00	20.00
Proposed Dividend	14.53	9.69
Dividend Tax	2.91	1.64
Depreciation Adj for earlier years	0.11	-
Balance Carried to Balance Sheet	8.16	14.99
	72.22	74.39

3. Operational Performance

The Company has recorded profit after tax of Rs. 60.18 crore during the year under review, as against that of Rs. 58.50 crore, during the previous year recording growth of 2.87% over the previous year. The Company had sanctioned project related loan assistance aggregating to Rs. 807.32 crore as compared to Rs. 680.86 crore in the corresponding period of previous year. The project related sanctions registered growth of 19% over the previous year whereas disbursements recorded growth of 43% over the previous year. TFCI had disbursed Rs. 508.02 crore as compared to Rs. 354.63 crore in the previous year. The growth in profit after tax is not commensurate with growth in business as the Corporation reduced its base lending rate from 13.5%

to 12.75% during the current year with a view to attract new business and ensure balance sheet growth. The balance sheet size has increased from Rs. 1361.79 crore to Rs. 1500.87 crore during the year under review. Further, the company has approved a sum of Rs. 1.46 crore for meeting its Corporate Social Responsibility. Despite difficult business environment, the company has been able to achieve modest growth in terms of its book size, income from operations and net profit.

The company, during the year under review, deliberately decided to extend financial assistance to projects having sound fundamentals and increase its balance sheet size by concentrating on take-over financing for potentially viable projects so as to ensure quick disbursement. Further, TFCI decided to explore and exploit possibilities for diversification and expansion into adjacent and parallel financial areas to ensure continuous growth in business. TFCI has been in constant touch with its erstwhile customers who might have financial requirements for renovation, modernisation and/or expansion. Further, TFCI is also on the lookout for providing short-term corporate loans to various borrowers having satisfactory financial background. Your Company, during the last few years, has been pursuing to expand its portfolio by not only extending financial assistance to hospitality projects but also actively pursuing consultancy assignments for private Sector and state governments and their agencies.

3.1. Asset Quality:

Your Company adhered to the prudential norms for Non-Performing Assets (NPAs) prescribed by the regulatory authority. During the year under review, with a view to reduce its NPAs, your Company sold its stake in one sub-standard asset to Asset Care Enterprise Ltd. (ACER). Further, your Company recovered an amount of Rs. 4.67 crore from other NPAs during 2014-15. Despite vigorous follow up, three accounts have slipped from standard to sub-standard category and recognized as NPA as on March 31, 2015. The Gross NPA's of your Company as on 31st March, 2015 were 3.29% of the total assets. Your Company is confident of realising the entire over-dues alongwith further interest/principal during the year. TFCI has adequate provisions in the books of accounts. The Net NPAs of the company were Rs.18.96 crore as on March 31, 2015.

4. Contribution to Tourism and Infrastructure Sector by TFCI

TFCI is the only institution in the country exclusively for funding tourism projects with more than 25 years of existence. The assistance provided by TFCI since its inception has catalysed the addition of 45910 rooms and



provided direct employment to about 86465 persons in tourism industry. The assistance provided by TFCI has also led to catalysing investments to the tune of Rs. 25657 Crore in the tourism sector by providing assistance to more than 758 projects thereby contributing to the creation of required tourism infrastructure, which has direct bearing on the development of industry.

Awards and Recognitions

During the year under review, your Company was recognised in various ways by various Institutions and some of the awards presented to the Company are listed below:

1. Best Financial Institution to create Tourism Infrastructure by Today's Traveller Award 2014.
2. Indian Hospitality Award 2014 by Epicurus Hospitality.
3. Most Outstanding Financial Institution by Travel and Hospitality Award 2014.
4. MSME Banking Excellence Award 2014 to the Managing Director of the Company.

5. Dividend

Your Directors have recommended and paid interim dividend of Rs.1 per Equity Share i.e. @ 10% on March 27, 2015 for the financial year ended March 31, 2015. The Board of Directors have further recommended final dividend of Rs.0.80 per Equity Share i.e. @ 8% on the paid-up Equity Share Capital for the financial year ended March 31, 2015. The aggregate payout due to payment of final dividend, if approved, will be Rs.7.75 Crore inclusive of dividend tax of Rs.1.29 Crore.

The final dividend will be paid to those members holding shares in physical form, whose names appear in the Register of Members as on September 21, 2015 and in respect of shares held in dematerialized 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 September 11, 2015.

6. Resource Mobilization

Your Company constantly monitors its resource base and taps the appropriate source in its endeavor to minimize the weighted average cost of funds. During the year, your Company met its fund requirements for disbursement as well as repayment/redemption of loans/bonds by way of financial assistance from banks and internal accruals. Your Company redeemed high interest bearing loan aggregating Rs.80 crore during 2014-15 out of internal accruals and availed term loan of Rs.175 crores from banks. Further, your Company has tied up with various banks for financial assistance to meet its future disbursement obligations.

The Company has not invited any deposit from the public under Section 73 and 74 of the Companies Act, 2013 during the year under review. There was no public deposit outstanding as at the beginning or end of the year ended on March 31, 2015.

7. Regulatory Compliances

Your Company has been classified as Non-Deposit Accepting Non-Banking Financial Company. RBI has been issuing guidelines from time to time with regard to capital adequacy standards, income recognition, asset classification, provisioning and other related matters. The accounting policies of your Company conform to these guidelines. The capital adequacy for your Company stands at a very comfortable level of 37.65% as on the March 31, 2015 as against the prescribed norm of 15%.

8. Management's Discussion and Analysis Report

Management's Discussion and Analysis report containing Industry outlook, its environment, outlook for tourism and other details as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

9. Directors and Key Managerial Personnel

During the year under report, Ministry of Finance, Govt. of India appointed Shri M.M.Dawla as its nominee director on the Board of TFCI in place of Shri Sanjeev Kumar Jindal. Shri Subrahmoneyan Chandra Sekhar was appointed as additional director in the Independent category on March 18, 2015 by the Board of Directors for a period upto three consecutive years subject to the approval of the shareholders in the ensuing Annual General Meeting. Shri V.P.Singh, Independent Director has resigned from the Board w.e.f. May 8, 2015 due to personal reasons. Shri Anup Sankar Bhattacharya was appointed as additional director in the independent category by the Board of Directors w.e.f. August 8, 2015 for a period of three years subject to approval of shareholders in the ensuing Annual General Meeting.

The Board appreciates the contribution made by the outgoing directors viz. Shri Sanjeev Kumar Jindal and Shri V.P. Singh during their tenure. In terms of the provisions of the Companies Act read with Article 135 of the Articles of Association of the Company, Shri Malay Mukherjee would retire at the forthcoming Annual General Meeting. The Board recommends the re-appointment of Shri Malay Mukherjee and appointment of Shri Subrahmoneyan Chandra Sekhar and Shri Anup Sankar Bhattacharya in the forthcoming Annual General Meeting.

During the year under review, the members approved the appointments of Shri Niraj Agarwal and Shri Malay Mukherjee as Non-Executive Non-Independent Directors



who are liable to retire by rotation and of Shri Vivek Nair, Shri S. Ravi, Shri S. Sridhar, and Shri V. P. Singh (since resigned w.e.f. 8.5.2015) as Independent Directors who are not liable to retire by rotation. The members had also appointed Shri S.K. Sangar as the Managing Director.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as required under Section 149 of the Companies Act 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

9.1 Performance Evaluation of the Board

The Companies Act, 2013 and clause 49 of the Listing Agreement entered with the Stock Exchanges stipulates the performance evaluation of the Directors including Chairperson, Board and its Committees. Accordingly, your Company has devised the process and the criteria for the performance evaluation which has been recommended by the Nomination & Remuneration Committee and approved by the Board.

The process of evaluation has been stipulated for the entire Board for its own performance and that of its committees, independent directors and other directors based on the attendance; participation and contribution; responsibility towards stakeholders; exercised their duties with due and reasonable care, skill and diligence and have exercised independent judgment. The committee of independent directors will also evaluate the performance of non-independent directors including Chairman/Managing Director. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment/reappointment of the independent and other director(s).

9.2 Director Orientation Programme

The Company has established orientation program for its Independent directors (ID). The Directors are made aware on business models, nature of industry and its dynamism, the roles, responsibilities and liabilities of independent directors, etc. Further, business updates, legal updates and industry updates are made available to independent directors, especially to the Audit Committee members on an ongoing basis by internal teams, external consultants, statutory and internal auditors on a quarterly basis.

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

9.3 Details of Board meetings

During the year, 9 Board Meetings were held on April 9, 2014, May 9, 2014, May 27, 2014, July 7, 2014,

August 5, 2014, September 22, 2014, November 13, 2014, February 12, 2015 and March 18, 2015. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013. For the details of Audit Committee and other Committee meeting, please refer report on Corporate Governance of this Annual Report.

9.4 Appointments/Resignations of the Key Managerial Personnel

Shri S.K. Sangar was appointed Managing Director during the year under review; Shri B.M. Gupta, Chief Financial Officer and Shri Sanjay Ahuja, Company Secretary are the other Key Managerial Personnel as per the provisions of the Companies Act, 2013. None of the Key Managerial Personnel has resigned during the year under review.

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.

Remuneration Policy

I. Board Level Remuneration Structure

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

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

The Non-Executive Directors (except Government Servants) were paid sitting fees of Rs.13,333/- (plus service tax) for attending a Meeting of the Board and Rs.6,667/- (plus service tax) for attending a meeting of the committee of directors. The sitting fees may be revised by the Board of Directors from time to time subject to the overall limits as prescribed under the applicable provisions. However, the sitting fee has been revised to Rs. 20,000 (plus service tax) and Rs. 10,000 (plus service tax) for the attending the meeting of Board and its committee respectively with effect from July 27, 2015.



No Director, who is a government employee is entitled to receive any remuneration except as authorized by the Government.

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

The pay structure, allowances, facility etc. of Key Managerial Personnel and all other regular employees are as per the pay scale, allowances and other facilities etc. as approved by the Board and its committee from time to time in line with the salary structure prevalent in other similar organization particularly IFCI Ltd. The Performance Linked Incentives both for the Managing Director/Senior Management / Other employees is as per the Board approved scheme.

10. Directors' Responsibility Statement

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

As per the Securities and Exchange Board of India (SEBI) directives, the transactions of the Company's shares must be compulsorily in dematerialized form. Your Company had entered into agreements with National Securities Depository Ltd. and Central Depository Services (India) Ltd. to facilitate holding and trading of shares in electronic form. Shareholders

holding shares in physical form are requested to convert their holding into dematerialized form.

Shareholders may utilize the nomination facility available by sending duly filled form prescribed to our Registrar and Share Transfer Agent, M/s MCS Share Transfer Agent Limited.

Your Company's equity shares are listed with Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE). The Company has paid the annual listing fees to said stock exchanges for the financial year 2014-15 and 2015-16. The addresses of the said stock exchanges are stated elsewhere in the Annual Report.

12. Auditors

M/s V.C. Gautam & Co., Chartered Accountants (Registration No 000365N) has been appointed by the Comptroller & Auditor General of India (C & AG) as Statutory Auditors of Your Company for FY 2015-16.

12.1 Auditors' Report

The Auditors' Report along with the Notes on Accounts referred to in the Auditors' Report is self-explanatory and does not call for any further comments or explanation. There are no adverse remarks or qualifications in the Audit Report.

12.2 Secretarial audit

In terms of Section 204 of the Act and Rules made there under, M/s Arun Kumar Gupta & Associates, Practicing Company Secretary, have been appointed as Secretarial Auditors for the year 2014-15. The report of the Secretarial Auditors is enclosed as Annexure 4 to this report. The report is self-explanatory and do not call for any further comments.

13. Particulars of Employees

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no employees is drawing remuneration in excess of the limits set out in the said rules.

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

Committee on Sexual Harassment

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



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

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

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

15. Transfer of amount to Investor Education and Protection Fund

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years as required under Section 124 of the Companies Act 2013.

Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF). 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 22, 2014), with the Ministry of Corporate Affairs.

16. Corporate Social Responsibility

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

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

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

Your Company during the year under review has undertaken CSR activities/projects amounting Rs. 1.46 crore (2% of the average net profit of the last three years)

in compliance with CSR objectives and policy of the Company. Out of total CSR approved projects of Rs. 1.46 crore, Rs. 1.27 crore was spent and unspent amount of Rs. 18.63 lakh is linked with the progress of the projects wherein advance payment to implementing agencies was made and project progress is being monitored. The residual expenditure has also been provided for. The detailed report on the CSR contribution made during the year 2014-15 is annexed as Annexure 2.

17. Corporate Governance and other disclosures

Your Directors reaffirm their continued commitment to good corporate governance practices and endorse such practices in accordance with the provisions of Clause 49 of the Listing Agreement. Your company has complied with all the mandatory requirements. The Report on the Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report. The requisite Certificate from the M/s Arun Kumar Gupta & Associates, Practicing Company Secretary, confirming compliance with the conditions as stipulated under the aforesaid Clause 49 is attached to this report.

17.1 Vigil Mechanism

Pursuant to the requirement of the Companies Act 2013 and Listing Agreement, 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 can be disclosed to the Audit Committee. Employees can also report directly to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee. The policy on Vigil Mechanism and Whistle Blower Policy may be accessed on the Company's website at the link: <http://www.tfcilt.com/policies.html>

17.2 Related Party Transactions

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

There were no materially significant related party transactions entered by the Company with promoters, directors, key managerial personnel or other persons which may have a potential conflict with the interest of the Company during the year. The Company's related party transactions are generally with its associates. The related party transactions are entered into based on synergy in operations, long-term strategy for sectoral investments and profitability. All related party transactions are on an arms length basis, and are intended to further the Company's interests. Your Directors draw attention of the members to Note 24 to the financial statement which sets out related party disclosures.



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

17.3 Extract of Annual Return

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return is attached as Annexure 3.

17.4 Statement containing salient features of financial statements of subsidiaries

Your Company does not have any subsidiary or holding company.

17.5 Risk Management Policy

The Company has developed and implemented the Risk Management Policy and Asset Liability Management Policy and the Board/Audit 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 manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its planned objectives. The Company's management systems, structures, processes, standards, code of conduct and behaviours together form the system that governs how it conducts the business of the Company and manages associated risks.

17.6 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.

17.7 Internal financial controls

The Company has in place set of standards, processes and structure which enables it to implement internal

control system and ensure that same are adequate and operating effectively. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

17.8 Particulars of Loans given, Investments made, Guarantees given and Securities provided

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

17.9 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.

17.10 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, 2015 and the date of the Directors' report i.e. July 27, 2015.

18. Acknowledgements

The Board expresses and places on record their gratitude for the consistent support and guidance given by the promoter institutions namely IFCI Ltd., LIC, SBI and others Banks.

Your Directors wish to place on record their sincere gratitude to valued customers, bankers and members for their continued patronage.

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

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

For and on behalf of the Board of Directors

Date : August 20, 2015 S. Ravi
Place: New Delhi. (Director)

S.K. Sangar
(Managing Director)



Management's Discussion and Analysis

1. Business and Economic Environment

After a turbulent initial phase in 2013-14, the outcome for the year as a whole was robust owing to the economic policies that were put in place to correct the extraordinary situation.

All major service-sector activities are estimated to have done well in the current year too. Financing, insurance, real estate, and business services, one of the most dynamic sectors in the economy in recent years, is reckoned to have driven growth in the current year. The services sector triggered the growth momentum in 2013-14. Services like trade and repair services, rail transport, communication and broadcasting services and miscellaneous services achieved double-digits/close to double-digits growth during the year.

The annual growth rate of the Indian economy is estimated to have improved to 7.4% in 2014-15 as compared with 6.9% in the fiscal year 2013-14. During the current financial year ending on March 31, 2016, the Indian economy is likely to grow marginally higher to 7.6%. India's current account deficit (CAD) is expected to fall by 42% to a 9-year low of USD 11.83 billion in 2015-16 driven by a decline in the merchandise trade deficit particular low cost of oil and rise in earnings from software exports.

World Travel & Tourism Council (WTTC) forecasts that the tourism industry in India is likely to grow at much faster rate as compared to other South East Asian countries. Its contribution to GDP will grow by 7.5% and in employment generation by 1.8% this year. This demonstrates the sector's enduring ability to generate economic growth and create jobs at a faster rate than the national economy, which is estimated to have grown by 6.7% in 2014-15.

By the end of 2015, the travel & tourism sector will contribute Rs 8,21,500 crore, 7% of India's GDP, and 37.4 million jobs, almost 9% of total employment, once all direct, indirect and induced impacts are taken into account. Tourism sector is now considered as the main engine for economic growth with high potential to generate employment in backward areas.

2. Industry Structure and Development

Tourism is one of the most promising drivers of growth for the world economy. Tourism has emerged as an instrument of employment generation, poverty alleviation and sustainable human development. Travel & Tourism is one of the leading job creators in the world. The Tourism Industry in India is vibrant and

country is fast becoming a major global destination both for inbound and outbound tourism. The tourism and hospitality sector is among the top 10 sectors in India to attract the highest foreign direct investment (FDI).

The tourism and hospitality sector in India is highly optimistic with a large number of hotel chains having lined up their expansion plans. The renewed sense of optimism comes on the back of a volatile economic environment for most part of 2014 and the sector hopes that initiatives announced by the new government, including those related to e-visas and specific funds for developing tourist circuits, would lead to good business. During April 2014- March 2015, a total of 109064 Visa on Arrival (VOA) were issued as compared to 20,391 VoA during corresponding period of 2013-14 registering a growth of 435%. This high growth is due to introduction of ETA enabled VoA for 43 countries in November 2014.

The policies and changes implemented by the Government of India have been instrumental in providing the necessary boost to the Indian tourism and hospitality industry and attracting more and more foreign tourists every year. Foreign Tourist Arrivals during the FY 2014-15 were 9.74 million as compared to the FTAs of 9.17 million during FY 2013-14. In 2014, foreign exchange earnings from tourist arrivals increased by 9% to Rs.153119 as compared to Rs.140144 crore during FY 2013-14. In 2014, the industry contributed Rs7.64 trillion and 36.7 million jobs to the Indian economy.

India is also currently experiencing a domestic tourism boom. The number of domestic trips reached over 1.3 billion in 2014, representing an increase of 14.1% over 2013 figures.

3. Opportunities and threats

India is one of the biggest travel and tourism economies in the world contributing significantly to economic wealth and job creation. Much needed reforms to its visa rules will provide the foundation for very strong growth in the sector during 2015. The year 2013-14 was a challenging year for industry on account of the global and domestic slowdown, which was visible in the pressure witnessed in hotel occupancy and average room rates. However, the early sign of revival were visible in FY 2014-15, as ARR and Rev Par increased by about 6% and 2% respectively, though the occupancy reduced marginally.

Indian hotel industry revenue is expected to grow by 9%-11% in 2015-16 -- after a subdued growth rate of



5%-8% in the current fiscal. The growth is expected to strengthen in 2015-16 mainly on account of modest increase in occupancy and small upward traction in rates. However, in luxury segment the supply has overtaken the latent demand and unless the World economy revives, there would be excess supply in the segment in the next 2-3 years.

The country has around 29,000 rooms under development, which would be launched over the next six years. The next supply bump will hit the market in 2016 across Bengaluru, Mumbai, Kolkata and Noida with over 6,500 rooms. Markets like Pune and Gurgaon will also see sizable room additions, it revealed. India will be investing about Rs.448 billion in the hospitality industry in next five years.

Your Company is well poised to take advantage of the growing opportunities in the tourism and hospitality sector by expanding and diversifying its operations in line with its business strategy of maintaining sustainable and continuous growth in operations and performance. In addition to the normal project financing activities, your Company will continue to explore possibilities for new businesses for short and medium term with the aim of establishing a niche market for itself in products like short and medium term loans against liquid securities, take out finance, promoters' funding etc. With the growth in the tourism sector, your Company expects ample opportunities in future where the Company can involve itself in appraisal, advisory services, syndication of debts etc. resulting in non-fund based income for the Company.

4. Performance

The operational performance of the Company has marginally improved over the previous year as detailed in para 3 of the Directors' Report. The Company with a view to withstand the operational and market risk associated with the industry, proposes to diversify its operations in other related sectors including entertainment and infrastructure sectors in participation with other lenders. The Company intends to grow its balance sheet size by aggressively pursuing the emerging opportunities which would enable us to leverage its capital and thereby improve return on equity.

5. Outlook

India is a fast growing market and sees a positive growth with respect to occupancy in hotels. The Indian hoteliers are very optimistic and tourist inflow is expected to increase in future. According to 2014 statistics published by the Ministry of External Affairs, Government of India, the Indian hospitality sector has been growing at a cumulative annual growth rate of 10

to 15 per cent every year, adding significant amounts of foreign exchange to the economy. According to a report from HVS, the overall occupancy rates showed a marginal increase in the 2013-14 fiscal year, with 58.9 percent occupancy, an increase of 1.9 per cent from the previous year.

The availability of good quality and/or affordable hotel rooms plays an important role in boosting the growth of tourism in country. The country wide active development of supply was lower in 2013-14 when compared to the previous fiscal in absolute terms. Presently India has about 1,63,000 rooms in classified hotels and it needs additional 1,37,000 rooms, out of which 90,000 rooms in the mid-market/budget segment, over next-five years to meet the gap.

Since tourism is a multi-dimensional activity, and basically a service industry, it would be necessary that all wings of the Central and State governments, private sector and voluntary organizations become active partners in the endeavour to attain sustainable growth in tourism if India is to become a world player in the tourism industry. Government needs to look for strategic initiatives to market brand India in tourist market. Apart from showcasing India as an affordable tourist destination, it should also venture into alternate segments such as adventure and heritage tourism. The campaigns need to highlight various aspects to concretize the image of India as a safe and easy destination to traverse. Demand needs to be created in world tourism market in order to attract more tourists. While e-visa and visa-on-arrival is being seen as a major step in this direction, the facility should be made available for citizens of all countries except negative list countries.

With so many things happening, the mood among industry people is buoyant. A renewed energy is seen in the tourism industry and the efforts made by government are expected to boost it further. The Indian hoteliers are very optimistic and tourist inflow is expected to increase in future. Further, with both the state and central government and tourism industry players looking at domestic tourism for demand generation, the growth momentum is likely to improve in 2015-16. This is evident from the fact that the hotel chains which used to focus on business towns are looking at pilgrimage and holiday destinations for expansion of their operations.

6. Risks and concerns:

The risk management philosophy and policy of the company is an embodiment of the Company's approach to understand measure and manage risk and aims at ensuring sustained growth of healthy asset portfolio. This would entail adopting leadership approach in



products and segments well understood by the Company. An innovative approach is undertaken in high-risk areas by taking limited exposure and optimizing return. The Company has robust credit risk framework which provides a scientific method for assessing credit risk rating of a client. Further, the mapping of internal rating grades vis-à-vis external rating agencies' grades has been undertaken. The output of the rating models is used in the decision making. TFCI regularly monitors portfolio distribution in terms of Low Risk, Medium Risk and High Risk categories.

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

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

Liquidity risk: Liquidity risk arises out of lack of adequate funds in its day-to-day operations. The Company manages the liquidity risk through prudent resource planning to ensure the availability of adequate funds at all times to meet its obligations on its liabilities as well as disbursements on due dates.

7. Internal control systems and their adequacy:

The Company has an Internal Audit System commensurate with its size and nature of the business activities aimed at achieving efficiency of operations, management of resources, accuracy and promptness of financial reporting and compliance with laws and regulations. The framework of the system comprises of a well-defined organizational structure, authority levels, documented policy/guidelines/procedures, management reviews etc. The internal audit is carried out by independent firm of Chartered Accountants and covers all the key areas of the Company's operations. The internal audit reports and the adequacy of internal controls are reviewed by the Audit Committee of the Board of Directors. Asset-Liability Committee of the Company reviews regularly the liquidity/gap and interest-rate-sensitivity analysis.

8. Discussion on financial performance

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

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

Financial Services sector is a knowledge intensive sector where employees' skills form a critical aspect in proper service delivery. The nature of your Company's business requires trained employees. In pursuance of the Company's commitment to develop and retain the best available talent, the Company had been regularly sponsoring the employees for training programmes organized by professional institutions for upgrading the skill and knowledge in different functional areas. Your company has offices in Delhi and Mumbai to provide effective & prompt service to the clients and also for constant follow-up with assisted units in these regions. The work force strength of your Company as on March 31, 2015 was 33.



CORPORATE GOVERNANCE REPORT

Company's Philosophy on Corporate Governance

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

1. Board of Directors:

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

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

The Board consists of 10 Directors as on March 31, 2015 including a Managing Director. Out of 9 Non Executive Directors, 5 are Independent Directors, two Nominee Directors, representing Ministry of Finance and Ministry of Tourism, Govt. of India and rest two represents IFCI and LIC, on the Board.

The Company follows a structured process of decision making by the Board and its Committees. Meetings are governed by a structured agenda backed by comprehensive background information to enable the Board to take informed decisions. Agenda Papers are

circulated well in advance to all the Board/Committee members. The Board has complete access to all the relevant information about the Company.

During the year, 9 Board Meetings were held on April 9, 2014, May 9, 2014, May 27, 2014, July 7, 2014, August 5, 2014, September 22, 2014, November 13, 2014, February 12, 2015 and March 18, 2015. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

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, 2015, are given below:-

Sl. No.	Name of Director	Cat-egory of Director-ship	No. of Board Meet-ing At-tended	Atten-dance at Last AGM	No. of other Directorships/ Committee Chairmanships/ Other Memberships*		
					Direc-torship	Committee	
						Member	Chairman
1	Shri Malay Mukherjee	Chairman	9	Yes	6	Nil	Nil
2	Shri S.K.Sangar*	Managing Director	4	Yes	Nil	1	Nil
3	Smt. Usha Sharma	NED	1	NO	1	Nil	Nil
4	Shri M.M. Dawla%	NED	2	N.A	Nil	1	Nil
5	Shri Niraj Agarwal	NED	8	Yes	Nil	Nil	1
6	Shri Vivek Nair	NEID	4	Yes	17	1	Nil
7	Shri V. P. Singh	NEID	9	Yes	Nil	1	Nil
8	Shri S. Ravi	NEID	8	Yes	13	3	5
9	Shri S. Sridhar@	NEID	3	NO	13	3	3
10	Shri Subrahmon-eyan Chandra Sekhar\$	NEID	-	NO	Nil	Nil	Nil
11	Shri Sanjeev Kumar% Jindal	NED	2	NO	N.A	N.A	N.A
12	Shri Satpal Arora**	Managing Director	4	N.A	N.A	N.A	N.A

* Appointed as Director/Managing Director w.e.f. August 7, 2014.

** Appointed as Director/Managing Director on April 9, 2014 and Resigned as Director/Managing Director w.e.f. August 7, 2014.

% Ministry of Finance, Govt. of India vide its letter dated October 1, 2014 has appointed ShriM.M.Dawla in place of Shri Sanjeev Kumar Jindal, Director, as Government Nominee Director

@ Appointed on May 27, 2014

\$ Appointed on March 18, 2015

NED : Non-Executive Director

NEID : Non-Executive Independent Director



Notes:

1. Other directorship includes directorship held in private companies and alternate directorship.
2. For the purpose of no. of committees, only two committees namely Audit Committee and Investors’/Shareholders’ Grievance Committee in Indian Public Limited Company, whether listed or not, have been considered pursuant to Clause 49 of the Listing Agreement.

2. Board Committee Meetings and Procedures

The Company currently has the following committees in compliance of the listing agreement:

(A) Audit Committee:

Constitution and Composition:

The Audit Committee of the Board comprised of 3 Non-Executive Directors including 2 independent director. The Chairman of the Committee is an independent director. The Chairman of the Committee attended the last AGM. The Committee met 7 times on May 9, 2014, July 7, 2014, August 5, 2014, September 9, 2014, November 13, 2014, February 12, 2015 and March 18, 2015. The attendance of the members at the meetings was as follows:

Sl. No.	Name of member	Status Attended	No. of Meetings
1.	Shri S. Ravi	Chairman (Independent Director)	7
2.	Shri V.P. Singh	Independent Director	6
3.	Shri M.M. Dawla	Non-Executive Director*	1
4.	Shri Niraj Agarwal	Non-Executive Director#	1
5.	Shri Sanjeev Kumar Jindal	Non-Executive Director%	1

Ceased to be member of the committee on May 9, 2014

*Appointed as member on November 13, 2014

% Nomination withdrawn by Ministry of Finance vide letter dated October 1, 2014

The 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 the 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 after assessing the qualifications, experience and background, etc. of the candidate;

(B) Nomination and Remuneration Committee

i) Composition:

During the year under report, the Nomination and Remuneration Committee of the Board comprised of 3 Non-Executive Independent Directors. The Committee met 5 times during the year on April 9, 2014, May 27, 2014, July 7, 2014, February 12, 2015 and March 18, 2015. The names of the members are as follows:

	Name of Member	Status	No. of Meetings Attended
1.	Shri V. P. Singh	Independent Director (Chairman)	5
2.	Shri Vivek Nair	Independent Director	Nil
3.	Shri S. Ravi@	Independent Director	3

4.	Shri M.M. Dawla*	Non-Executive Director	1
5.	Shri Sanjeev Kumar Jindal#	Non-Executive Director	1

* Appointed as member on November 13, 2014

@ Appointed as member on May 9, 2014

Ceased to be member on May 9, 2014

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 a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
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 their appointment and removal.

iii) Selection of Independent Directors

Considering the requirement of skill sets on the Board, individuals having an independent standing in their respective field/profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee of directors, for appointment, as Independent Directors on the Board. The Committee, *inter alia*, considers qualification, positive attributes, area of expertise and number of directorships and memberships held in various committees of other companies by such persons in accordance with the Company's Policy for selection of directors and determining directors' independence. The Board considers the Committee's recommendation, and takes appropriate decision.

iv) Remuneration Policy:

Remuneration of employees consists of basic remuneration, perquisites and performance-linked incentive. The components of total remuneration vary for different cadres and are governed more or less by the structure prevalent



in other All-India Financial Institutions particularly IFCI Ltd.. 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 2014-15:**

- (i) Shri S.K.Sangar, Managing Director joined on August 7, 2014 during the financial year 2014-15 and aggregate remuneration of Rs.19,69,883/- was paid to him.
- (ii) During the year under review, no incentive was payable to the Managing Director.
- (iii) Notice period for termination of appointment of Managing Director is three months on either side or three months' pay in lieu thereof.
- (iv) No severance pay is payable on termination of appointment.
- (v) No Stock Appreciation Rights (SARs) have been granted.

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

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

Name of the Director	Amount (in Rs.)
Shri Niraj Agarwal (LIC of India)	1,94,758
Shri V.P. Singh	2,24,721
Shri Vivek Nair	1,49,816
Shri S. Ravi	2,09,740
Shri S. Sridhar	97,380
Shri S.C. Sekhar	Nil

During the year under report, the Company has not paid any remuneration to Non Executive Directors except by way of Sitting Fee paid @ Rs.13,333/- and Rs.6,667/- (plus service tax) per meeting for attending the meetings of Board and its Committees respectively.

(vii) **Details of Number of Shares and Convertible Instruments Held by Directors as on March 31, 2015:**

Sl. No.	Name of Director	Equity Shares/ Convertible Instruments
1	Shri Malay Mukherjee Chairman	Nil
2.	Shri S.K.Sangar Managing Director	Nil

3.	Shri M.M.Dawla	Nil
4.	Smt. Usha Sharma	Nil
5.	Shri V. P. Singh (since resigned)	Nil
6.	Shri Niraj Agarwal	Nil
7.	Shri Vivek Nair	Nil
8.	Shri S. Ravi	Nil
9	Shri S. Sridhar,	Nil
10	Shri S.C. Sekhar	500 Equity Shares

(C) **Stakeholder Relationship Committee:**

- i) **Composition:** During the year under report, the Stakeholder Relationship Committee of the Board comprised of 2 Directors including 1 Non-Executive Director (Chairman of the meeting). During the financial year 2014-15, the Committee met once. The names and the attendance of the members at the meeting were as follows:

ii) Name of Member	Status	No. of Meetings Attended
1. Shri Niraj Agarwal	Chairman (Non-Executive Director)	1
2. Shri S.K. Sangar	Managing Director	1

iii) **Terms of reference:**

- 1. Consider and resolve the grievances of security holders of the Company, and
- 2. Redressal of shareholder and investors complaints.

During the year, 229 complaints were received from the shareholders and were replied/solved to the satisfaction of the shareholders. As on March 31, 2015, no request for transfer/transmission was pending.

(d) **Corporate Social Responsibility Committee**

i) **Composition**

During the year under report, the Corporate Social Responsibility Committee of the Board comprised of 4 Directors including 2 Independent Directors. The Chairman of the Committee is an Independent Director. The Committee met on November 13, 2014 and February 12, 2015. The names of the members are as follows:



Name of Member	Status	No. of Meetings Attended
Shri S.Sridhar,	Chairman (Independent Director)	2
Shri S.K. Sangar	Managing Director	2
Smt. Usha Sharma	Non-Executive Director	1
Shri Vivek Nair	Independent Director	1

ii) **Terms of reference:**

- 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;
- recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- monitor the Corporate Social Responsibility Policy of the company from time to time

(e) **Risk Management Committee**

Composition

- Shri S.Ravi (Chairman) Independent Director
- Shri S.K.Sangar, Managing Director
- Shri B.M.Gupta, Chief Financial Officer

The Risk Management Committee was constituted adhering to the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement. 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 Clause 49 of the Listing Agreement. Role and Responsibilities of the Committee includes periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes, overseeing implementation of risk management plan.

(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 2014-15.

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

- review the performance of non-independent directors and the Board as a whole;
- review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- assess 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 23 meetings. A report on the meetings of Share Transfer Committee is placed before the Board for information.

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
2013-14	September 22, 2014	11.00 a.m.	Air Force Auditorium, Subroto Park, New Delhi
2012-13	September 12, 2013	11.00 a.m.	Air Force Auditorium, Subroto Park, New Delhi
2011-12	July 18, 2012	2.00 p.m.	Air Force Auditorium, Subroto Park, New Delhi

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

AGM Date	Relevant provisions of the Companies Act, 2013 (or Resolutions Companies Act, 1956)	Particulars of Special
22.9.2014	(i) Section 14	Alteration in Articles of Association
	(ii) Section 180(1) (a)	Borrowings/ mortgage
	(iii) Section 180(1) (c)	Borrowings/ mortgage
	(iv) Section 42,71	Issue of Bonds / Debentures
12.9.2013	Section 224A	Appointment of Statutory Auditors
18.7.2012	Section 224A	Appointment of Statutory Auditors

6. Disclosures

(A) None of the directors hold any shares in the Company except Shri S.C.Sekhar as detailed above.

(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.24 to the financial statement as required under the Accounting Standard 18 of the Company (Accounting Standards) Rules, 2006. There was no transaction of material nature with the directors or the management or their subsidiaries or relatives during the year.

(D) Disclosure of Accounting Treatment

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

(E) Disclosure on Risk Management

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

(F) The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement

(G) Means of Communication:

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

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 and Companies Act, 2013 with a view to regulate trading in securities by the Directors and designated employees of 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. With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.



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.

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 September 21, 2015 at 2.00 p.m. at Air Force Auditorium, Subroto Park, New Delhi-110010

9.2 Financial calendar (tentative)

Financial Year: April 1, 2015 to March 31, 2016

Results for the quarter ending:

- June 30, 2015 - July/August 2015
- September 30, 2015 - October/November 2015
- December 31, 2015 - January/February 2016
- March 31, 2016 - April/May 2016
- Annual General Meeting - September, 2015

9.3 Date of Book Closure

September 12, 2015 to September 21, 2015

9.4 Dividend Payment

Credit/dispatched between October 13, 2015 to October 20, 2015.

9.5 Listing on Stock Exchanges

1. Bombay Stock Exchange Ltd.,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001.
2. National Stock Exchange of India Ltd.
Exchange Plaza, Bandra-Kurla Complex,
Bandra (E), Mumbai - 400 051

9.6 Stock-Market price data for the year 2014-2015

TFCI Share Price (in Rs.)

Month & Year	BSE		NSE	
	High	Low	High	Low
Apr-14	27.45	21.8	27.55	23.20
May-14	41.5	25	41.80	25.00
Jun-14	46.15	34.6	46	34.55
Jul-14	40.8	33	40.90	33.05
Aug-14	40.8	32.9	40.95	32.65
Sep-14	54.25	38.6	54.50	38.40
Oct-14	49.25	39.5	49.25	39.30
Nov-14	67.95	45.55	68.00	45.60
Dec-14	89.35	62.5	89.40	62.60
Jan-15	93.7	82.25	93.75	82.10
Feb-15	95.65	76.75	95.80	77.30
Mar-15	79.35	61.2	79.70	61.05

Stock code: BSE: 526650, NSE: TFCILTD

Demat ISIN code: INE305A01015

9.7 Performance in comparison to broad-based indices:

TFCI’s share-price performance relative to NSE Nifty and BSE sensx during the year 2014-15

	(% change)	(% change)	(% change)
TFCI’s share	TFCI’s share Price	Index	TFCI relative to index
BSE Sensx	+286.50%	+248.86%	+37.64%
NSE Nifty	+285.47%	+266.55%	+18.92%

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 Agents and are approved by the Share Transfer Committee. Pursuant to Clause 47(c) of the Listing Agreement with the Stock exchanges, 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, 2015

No. of Shares	No. of Share-holders	% of Share-holders	No. of shares held	% of share capital
1-500	53472	91.04	6647405	8.24
501-1000	2550	4.34	2208308	2.74
1001-2000	1347	2.30	2116991	2.62
2001-3000	453	.77	1177893	1.46
3001-4000	183	.31	663838	.82
4001-5000	213	.36	1027452	1.27
5001-10000	277	.47	2112742	2.62
10001-50000	188	.32	4117090	5.10
50001-100000	19	.03	1243700	1.54
100001 & above	36	.06	59401329	73.59
	58738	100.00	80716748	100.00

**9.11 Categories of Shareholders as on March 31, 2015**

SHAREHOLDING PATTERN AS ON 31.3.2015		
Name of Shareholder	No. of share	%
1. Promoters/Promoters Group		
(i) IFCI Ltd.	3,15,58,613	39.10
(ii) State Bank of India	74,16,296	9.19
(iii) Life Insurance Corporation of India	54,13,180	6.71
(iv) Bank of India	37,90,024	4.70
(v) United India Insurance Co. Ltd.	11,98,002	1.48
(vi) The Oriental Insurance Co. Ltd	8,61,527	1.06
Total Shareholding of Promoters and Promoters Group	5,02,37,642	62.24
2.Mutual Fund	48,08,703	5.96
3.Other Banks/Financial institutions	68,300	0.08
4.FII	10,50,879	1.30
5.Bodies Corporates	48,26,691	5.98
6.General Public	1,89,66,499	23.50
7.Trust	7,712	0.01
8.NRI	7,50,322	0.93
Total Public shareholding	3,04,79,106	37.76
Grand Total	8,07,16,748	100.00

9.12 Dematerialization of Shares

Sl. No.	Electronic/physical	Mode of holding %
1	NSDL	89.10
2	CDSL	7.69
3	Physical	3.21
	TOTAL	100.00

Trading in Equity Shares of the Company is permitted only in dematerialized form. As on March 31, 2015, 96.79 % of Company's total equity shares representing 78125071 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:

IFCI Tower, 61 Nehru Place,
New Delhi-110019

Phone No.: 011-41732000

Fax: 011-26291152

Email: ho@tfcilt.com,

Website: www.tfcilt.com

Designated Email-id for investors' queries:
complianceofficer@tfcilt.com

The Company's other office is situated at:

9th Floor, Earnest House, Nariman Point

Mumbai 400 021

022- 61293428

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: admin@mcsdel.com

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

10. Review of Directors' Responsibility Statement

The Board, in its Report, has confirmed that the annual accounts for the year ended March 31, 2015 have been prepared as per applicable accounting standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

11. Compliance Certificate of the Auditors

The Secretarial Auditors have issued certificate confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement. The same is attached to the Directors' Report forming part of the Annual Report.

12. Management Discussion and Analysis

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

13. Managing Director/CFO Certification

The Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement. The Managing Director and the Chief Financial Officer of the Company also give quarterly certification on financial results while placing financial results before the Board in terms of the Clause 41 of the Listing Agreement.



Annexure 1

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

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 S.K.Sangar MD 1.86 : 1								
2	The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year	Shri S.K.Sangar, MD Not Applicable as the MD has joined during the year. Shri B.M.Gupta, CFO 13.12% Shri Sanjay Ahuja, CS 13.49%								
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 14.61%.								
4	The number of permanent employees on the rolls of the Company	There were 33 permanent employees as on March 31, 2015								
5	The explanation on the relationship between average increase in remuneration and Company performance	The Company follows fixed pay structure for all the permanent employees which are comparable with other public sector financial institutions. However, performance linked incentives are based on the financial performance of the Company.								
6	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	KMPs were paid remuneration approximately 0.93% of the net profit (PBT) for the year.								
7	Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current FY and previous FY and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer	The Market capitalization of the Company has increased from Rs.191.70 Crores as of March 31, 2014 to Rs.547.26 Crores as of March 31, 2015. Over the same period, the price to earnings ratio moved from 3.28 to 9.09. TFCI stock price as at March 31, 2015 has increased by 285.47% to Rs.67.80 per share as compared to Rs.23.75 per share as on March 31, 2014.								
8	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Not Applicable to the Company.								
9	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company	The comparison of remuneration of each of the Key Managerial personnel against the performance of the Company is as under: <table border="1"> <thead> <tr> <th>Particulars</th> <th>% of Net Profit for FY 2014-15</th> </tr> </thead> <tbody> <tr> <td>MD</td> <td>0.2140% *</td> </tr> <tr> <td>CFO</td> <td>0.4248%</td> </tr> <tr> <td>CS</td> <td>0.2888%</td> </tr> </tbody> </table> (*MD has joined on 7 th August, 2014).	Particulars	% of Net Profit for FY 2014-15	MD	0.2140% *	CFO	0.4248%	CS	0.2888%
Particulars	% of Net Profit for FY 2014-15									
MD	0.2140% *									
CFO	0.4248%									
CS	0.2888%									



10	The key parameters for any variable component of remuneration availed by the directors	The Non-Executive Directors (except Government employee) are being paid only Sitting Fee of Rs. 13,333/- for attending a meeting of the Board and Rs. 6,667/- for attending a meeting of the Committee of Directors. No variable remuneration was paid to Directors during 2014-15.
11	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	There are two Top Management Executives who are not directors but receive remuneration in excess of that of Managing Director during the year. Shri B.M. Gupta, CGM/CFO 1.13 : 1 Shri Anoop Bali, CGM 1.09 : 1
12	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, the remuneration payable to MD/Employees are as per the remuneration policy of the company approved by the Board.

General Notes

1. Remuneration in case of MD 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 (on an annualized basis).



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

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

Vision Statement

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

Objective

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

Web-link to the CSR policy

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

2. The composition of the CSR Committee

The Corporate Social Responsibility Committee of the Board comprised of 4 directors including 2 independent directors. The Chairman of the Committee is an independent director. The Committee met on November 13, 2014 and February 12, 2015. The names of the members are as follows:

Name of Member	Status	No. of Meetings Attended
1. Shri S. Sridhar, Chairman	Independent Director	2
2. Shri S.K.Sangar	Managing Director	2
3. Smt. Usha Sharma	Non-Executive Director	1
4. Shri Vivek Nair	Independent Director	1

3. Average Net Profit of the company for last 3 financial years **Rs.73.19 crore**

4. Prescribed CSR expenditure (2% of amount) **Rs.1.46 crore**

5. Details of CSR activities/projects undertaken during the year:

a) (i) total amount to be spent for Financial Year: **Rs.1.46 crore**

(ii) total amount spent during FY2014-15 **Rs.1.28 crore**

b) amount un-spent, if any **Rs.18.63 lakh**

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

1	2	3	4	5	6	7	8
Sr. No	CSR project/ activity identified	Sector in which the Project is covered	Projects/Programmes 1. Local area/others- 2. specify the state /district (Name of the District/s, State/s where project/ programme was undertaken	Amount outlay (budget) project/ programme wise (Rs. in lakh)	Amount spent on the project/ programme (Rs. in lakh) <u>Sub-heads:</u> 1.Direct expenditure on project/ programme, 2.Overheads:	Cumulative spend upto to the reporting period (Rs. in lakh)	Amount spent: Direct/ through implementing agency* (Rs. in lakh)
1.	Renovation/ up gradation of 10 seated Delux Sulabh Shauchalaya Complex	Sanitation	Renovation/up gradation of 10 seated Delux Sulabh Shauchalaya Complex at ASSI GHAT, VARANASI and 3 seated Community Toilet Complex for GIRLS School with Leach Pit at GOVERNMENT SCHOOL, Vasant Kunj, New Delhi through M/s Sulabh International Social Service Organisation.	23.35	11.675	11.675	11.675 (Sulabh Sanitation Mission Foundation)



2.	Programs to organize Investor Awareness Programs	Promoting Education	Programs to organize Investor Awareness Programs in New Delhi in partnership with FICCI and Ministry of Tourism regarding soliciting investment in Tourism Infrastructure.	5.00	1.00	1.00	1.00 (FICCI)
3.	Contribution for holding 10 eye-care camps	Health	Contribution for holding 10 eye-care camps to MAHAVIR INTERNATIONAL, New Delhi a voluntary Charitable and Non-religious NGO established in 1979.	3.80	1.90	1.90	1.90 Mahavir International
4.	Contribution for annapoorna noon meals for differently abled children	Malnutrition	Contribution for annapoorna noon meals for differently abled children for one year to MANOVIKAS, Kerala – special school for mentally handicapped,	2.12	1.06	1.06	1.06 (Manovikas)
5.	Contribution to Clean Ganga Fund	Contribution to Clean Ganga Fund	Contribution to Clean Ganga Fund	50.00	50.00	50.00	
6.	Contribution to Prime Minister's National Relief Fund	Contribution to Prime Minister's National Relief Fund	Contribution to Prime Minister's National Relief Fund	62.12	62.12	62.12	
				146.39	127.755	127.755	15.635

RESPONSIBILITY STATEMENT

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

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

Sd/-
(Managing Director)

Sd/-
(Chairman of CSR Committee)

Date: July 27, 2015
Place: New Delhi

Date: July 27, 2015
Place: Mumbai



Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2015 of
TOURISM FINANCE CORPORATION OF INDIA LIMITED
[Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN	L65910DL1989PLC034812
ii) Registration Date	27.1.1989
iii) Name of the Company	Tourism Finance Corporation of India Limited
iv) Category/Sub-Category of the Company	Company having Share Capital
v) Address of the Registered Office and contact details	IFCI Tower, 61 Nehru Place, New Delhi 110019 Ph: 011-26291151
vi) Whether listed company	Yes
vii) Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	MCS Share Transfer Agent Ltd. F-65, Okhla Ind Area Phase I, New Delhi 110020

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	North East Tourism Development Company Pvt. Ltd.	U74999DL2005PTC133504 (Since Liquidated)	Associate	26%	Section 2(6)

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

(i) Category-wise shareholding

Category code	Category of shareholder	No of Shares held at the beginning of the year 31.03.2014					No of Shares held at the end of the year 31.03.2015					percentage Change during the Years
		Number of share-holders	Number of shares held in Dematerialised form	Number of shares held in Physical form	Total number of shares	Total share-holding as a percentage of total number of shares	Number of share-holders	Number of shares held in Dematerialised form	Number of shares held in Physical form	Total number of shares	Total share-holding as a percentage of total number of shares	
(A)	Shareholding of Promoter and Promoter Group											
(1)	Indian											
(a)	Individuals/ HUF	0	0	0	0	0.00	0	0	0	0	0.00	0.00
(b)	Central Government/ State Government(s)	0	0	0	0	0.00	0	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0	0.00	0	0	0	0	0.00	0.00



TOURISM FINANCE CORPORATION OF INDIA LIMITED

Category code	Category of shareholder	No of Shares held at the beginning of the year 31.03.2014					No of Shares held at the end of the year 31.03.2015					percentage Change during the Years
		Number of shareholders	Number of shares held in Dematerialised form	Number of shares held in Physical form	Total number of shares	Total share-holding as a percentage of total number of shares	Number of shareholders	Number of shares held in Dematerialised form	Number of shares held in Physical form	Total number of shares	Total share-holding as a percentage of total number of shares	
						As a percentage of (A+B)					As a percentage of (A+B)	
(d)	Financial Institutions/ Banks	6	53963767	0	53963767	66.86	6	50237642	0	50237642	62.24	-4.62
(e)	Any Other (specify)	0	0	0	0	0.00	0	0	0	0	0.00	0.00
	Sub-Total (A)(1)	6	53963767	0	53963767	66.86	6	50237642	0	50237642	62.24	-4.62
(2)	Foreign			0					0			0.00
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	0	0	0.00	0	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0	0.00	0	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0	0.00	0	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0	0.00	0	0	0	0	0.00	0.00
(e)	Any Other (specify)	0	0	0	0	0.00	0	0	0	0	0.00	0.00
	Sub-Total (A)(2)	0	0	0	0	0.00	0	0	0	0	0.00	0.00
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	6	53963767	0	53963767	66.86	6	50237642	0	50237642	62.24	-4.62
(B)	Public shareholding			0								0.00
(1)	Institutions			0								0.00
(a)	Mutual Funds/ UTI	3	0	3200	3200	0.00	32	4805503	3200	4808703	5.96	5.95
(b)	Financial Institutions/ Banks	4	223500	1900	225400	0.28	5	66400	1900	68300	0.09	-0.19
(c)	Central Government/ State Government(s)	0	0	0	0	0.00	0	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0	0.00	0	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0	0.00	0	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	1	195000	0	195000	0.24	8	1050879	0	1050879	1.30	1.06
(g)	Foreign Venture Capital Investors	0	0	0	0	0.00	0	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0	0.00	0	0	0	0	0.00	0.00
(i)	Any Other	0	0	0	0	0.00	0	0	0	0	0.00	0.00
	Sub-Total (B)(1)	8	418500	5100	423600	0.52	45	5922782	5100	5927882	7.34	6.82



Category code	Category of shareholder	No of Shares held at the beginning of the year 31.03.2014					No of Shares held at the end of the year 31.03.2015					percentage Change during the Years
		Number of shareholders	Number of shares held in Dematerialised form	Number of shares held in Physical form	Total number of shares	Total share-holding as a percentage of total number of shares	Number of shareholders	Number of shares held in Dematerialised form	Number of shares held in Physical form	Total number of shares	Total share-holding as a percentage of total number of shares	
						As a percentage of (A+B)					As a percentage of (A+B)	
(2)	Non-institutions			0					0			0.00
(a)	Bodies Corporate	633	4562642	82601	4645243	5.75	737	4744190	82501	4826691	5.97	0.22
(b)	Individuals -			0					0			0.00
	i. Individual shareholders holding nominal share capital up to Rs. 1 lakh.	58763	12918222	2555017	15473239	19.17	57585	12283446	2482076	14765522	18.29	-0.88
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	149	5762028	22000	5784028	7.17	132	4178977	22000	4200977	5.20	-1.96
(c)	Qualified Foreign Investor	0	0	0	0	0.00	0	0	0	0	0.00	0.00
(d)	Any Other	0	0	0	0	0.00	0	0	0	0	0.00	0.00
I	Trust & Foundations	3	17200	0	17200	0.02	3	7712	0	7712	0.01	-0.01
	ii. Coperative-Societies	0	0	0	0	0.00	0	0	0	0	0.00	0.00
	iii. Educational Institutions	0	0	0	0	0.00	0	0	0	0	0.00	0.00
	iv. Non Resident Individual	226	409671	0	409671	0.51	230	750322	0	750322	0.94	0.43
	v. Foreign Companies	0	0	0	0	0.00	0	0	0	0	0.00	0.00
	vi. OCBs	0	0	0	0	0.00	0	0	0	0	0.00	0.00
	Sub-Total (B)(2)	59774	23669763	2659618	26329381	32.62	58687	21964647	2586577	24551224	30.42	-2.20
	Total Public Shareholding (B)= (B)(1)+(B)(2)	59782	24088263	2664718	26752981	33.14	58732	27887429	2591677	30479106	37.76	4.62
	TOTAL (A)+(B)	59788	78052030	2664718	80716748	100.00	58738	78125071	2591677	80716748	100.0	0.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued			0					0			0.00
(1)	Promoter and Promoter Group	0	0	0	0	0.00	0	0	0	0	0.00	0.00
(2)	Public	0	0	0	0	0.00	0	0	0	0	0.00	0.00
	GRAND TOTAL (A)+(B)+(C)	59788	78052030	2664718	80716748	100.00	58738	78125071	2591677	80716748	100.0	0.00



(II) Shareholding of Promoters

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change In share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	IFCI Ltd.	34304266	42.50	NIL	3,15,58,613	39.10	NIL	-3.4
2.	State Bank of India	7416296	9.19	NIL	74,16,296	9.19	NIL	0
3.	Life Insurance Corporation of India	6213180	7.70	NIL	54,13,180	6.71	NIL	-0.99
4	Bank of India	3790024	4.70	NIL	37,90,024	4.70	NIL	0
5	United India Insurance Co. Ltd.	1198002	1.48	NIL	11,98,002	1.48	NIL	0
6	The Oriental Insurance Co. Ltd	1041999	1.29	NIL	8,61,527	1.07	NIL	-0.22
	Total Promoters Holding	5,39,63,767	66.86	NIL	5,02,37,642	62.24	NIL	-4.62

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

Sl. No.		Shareholding at the beginning of the year (1.4.2014)		Cumulative Shareholding during the year (1.4.2014 to 31.3.2015)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year 1.4.2014				
1.	IFCI Ltd.	34304266	42.50		
	Date of Change	No. of Share sold	Reason		
	23.9.2014	78,466	Sale		
	24.9.2014	46,534	Sale		
	29.9.2014	3,75,563	Sale		
	30.9.2014	4,00,000	Sale		
	1.10.2014	1,00,000	Sale		
	7.10.2014	35,618	Sale		
	8.10.2014	20,024	Sale		
	9.10.2014	1,10,361	Sale		
	10.10.2014	1,293	Sale		
	13.10.2014	27,936	Sale		
	16.10.2014	29,961	Sale		



	21.10.2014	45,000	Sale		
	22.10.2014	2,00,000	Sale		
	23.10.2014	4,30,738	Sale		
	27.10.2014	23,717	Sale		
	28.10.2014	92,639	Sale		
	26.11.2014	60,000	Sale		
	27.11.2014	18,116	Sale		
	28.11.2014	38,616	Sale		
	1.12.2014	34,095	Sale		
	2.12.2014	9,173	Sale		
	3.12.2014	1,50,000	Sale		
	4.12.2014	1,50,000	Sale		
	5.12.2014	50,000	Sale		
	8.12.2014	17,803	Sale		
	10.12.2014	1,00,000	Sale		
	11.12.2014	1,00,000	Sale		
	Total	27,45,653			
2.	State Bank of India	7416296	9.19		
3.	Life Insurance Corporation of India	6213180	7.70		
	Date of Change	No. of Share sold	Reason		
	21.11.2014	18,005	Sale	61,95,175	7.68
	21.11.2014	16,000	Sale	61,79,175	7.66
	24.11.2014	1,16,307	Sale	60,62,868	7.51
	24.11.2014	26,018	Sale	60,36,850	7.48
	26.11.2014	1,00,000	Sale	59,36,850	7.36
	26.11.2014	85,000	Sale	58,51,850	7.25
	26.11.2014	15,000	Sale	58,36,850	7.23
	27.11.2014	40,000	Sale	57,96,850	7.18
	27.11.2014	1,09,000	Sale	56,87,850	7.05
	27.11.2014	275	Sale	56,87,575	7.05
	28.11.2014	16,000	Sale	56,71,575	7.03
	28.11.2014	2,58,395	Sale	54,13,180	6.71
		8,00,000			
4	Bank of India	3790024	4.70		
5	United India Insurance Co. Ltd.	1198002	1.48		
6	The Oriental Insurance Co. Ltd	1041999	1.29		
	Date of Change	No. of Share sold	Reason		
	09-12-2014	100	Sale	1041899	1.29
	11-12-2014	1500	Sale	1040399	1.29
	12-12-2014	15000	Sale	1025399	1.27
	24-12-2014	15000	Sale	1010399	1.25
	26-12-2014	9000	Sale	1001399	1.24



	29-12-2014	7738	Sale	993661	1.23
	30-12-2014	14000	Sale	979661	1.21
	31-12-2014	14262	Sale	965399	1.20
	01-01-2015	10000	Sale	955399	1.18
	02-01-2015	10000	Sale	945399	1.17
	05-01-2015	10000	Sale	935399	1.16
	06-01-2015	5000	Sale	930399	1.15
	07-01-2015	10000	Sale	920399	1.14
	08-01-2015	10000	Sale	910399	1.13
	09-01-2015	15000	Sale	895399	1.11
	12-01-2015	10000	Sale	885399	1.10
	13-01-2015	851	Sale	884548	1.10
	14-01-2015	12500	Sale	872048	1.08
	15-01-2015	10000	Sale	862048	1.07
	16-01-2015	521	Sale	861527	1.07
		180472	Sale		
	Total Promoters Holding At the beginning of the year	5,39,63,767			
	At the end of the year 31.3.2015				
1.	IFCI Ltd.			3,15,58,613	39.10
2.	State Bank of India			74,16,296	9.19
3.	Life Insurance Corporation of India			54,13,180	6.71
4.	Bank of India			37,90,024	4.70
5.	United India Insurance Co. Ltd.			11,98,002	1.48
6.	The Oriental Insurance Co. Ltd			8,61,527	1.07
	Total Promoters Holding at the end of the Year			5,02,37,642	62.24

the change in shareholding is due to sale of shares.

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.2014/ end of the year 31.3.2015		Date/ (week ending on Friday)	Increase/ Decrease in shareholding {Reason Transfer/ Sale(-) / Purchase}	Cumulative shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company
1	Sbi Magnum Multiplier Plus Scheme 1993	Nil	Nil	1.4.2014			
				12-12-14	999483	999483	1.24
				19-12-14	600517	1600000	1.98
				31-12-14	286979	1886979	2.34
				23-01-15	113021	2000000	2.48



Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.2014/ end of the year 31.3.2015		Date/ (week ending on Friday)	Increase/ Decrease in shareholding {Reason Transfer/ Sale(-) / Purchase}	Cumulative shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company
		2000000	2.48	31.3.2015			
2	Indian Syntans Investments (P) Ltd			1.4.2014			
				30-09-14	70000	1172599	1.45
		1172599	1.45	31.3.2015			
3	Birla Sun Life Trustee Company Private Limited A/C Birla Sun	Nil	Nil	1.4.2014			
				23-01-15	135000	135000	0.17
				30-01-15	365000	500000	0.62
				13-03-15	100000	600000	0.74
		600000	0.74	31.3.2015			
4	Jodhan Investment and Finance Corporation Private Limited	925400	1.15	1.4.2014			
				21-11-14	-100000	825400	1.02
				28-11-14	-200000	625400	0.77
				30-01-15	-60000	565400	0.70
				20-03-15	-75000	490400	0.61
		490400	0.61	31.3.2015			
5	Kotak Tax Saver Scheme	Nil	Nil	1.4.2014			
				12-12-14	200000	200000	0.25
				19-12-14	180000	380000	0.47
		380000	0.47	31.3.2015			
6	L and T Mutual Fund Trustee Ltd-L and T India Value Fund	Nil	Nil	1.4.2014			
				19-09-14	97000	97000	0.12
				30-09-14	44715	141715	0.18
				10-10-14	49285	191000	0.24
				17-10-14	51100	242100	0.30
				21-11-14	45900	288000	0.36
				12-12-14	77200	365200	0.45
		365200	0.45	31.3.2015			
7	Kotak Opportunities	Nil	Nil	1.4.2014			
				12-12-14	180546	180546	0.22
				19-12-14	119454	300000	0.37
		300000	0.37	31.3.2015			
8	Vivek Bhimsaria	Nil	Nil	1.4.2014			
				10-10-14	98743	98743	0.12
				17-10-14	101257	200000	0.25



Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1.4.2014/ end of the year 31.3.2015		Date/ (week ending on Friday)	Increase/ Decrease in shareholding {Reason Transfer/ Sale(-) / Purchase}	Cumulative shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company
				31-10-14	100000	300000	0.37
		300000	0.37	31.3.2015			
9	Birla Sun Life Trustee Company Private Limited A/C Birla Sun	Nil	Nil	1.4.2014			
				09-01-15	272000	272000	0.34
				20-03-15	22989	294989	0.37
				27-03-15	11	295000	0.37
		295000	0.37	31.3.2015			
10	Rajkumar Harlalka	Nil	Nil	1.4.2014			
				10-10-14	255000	255000	0.32
		255000	0.32	31.3.2015			

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year 1.4.2014		Cumulative Shareholding during the year 1.4.2014 to 31.3.2015/end of the year 31.3.2015	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year					
1	Shri Malay Mukherjee Chairman	Nil	Nil	Nil	Nil
2.	Shri S.K.Sangar Managing Director	Nil	Nil	Nil	Nil
3.	Shri M.M.Dawla	Nil	Nil	Nil	Nil
4.	Smt. Usha Sharma	Nil	Nil	Nil	Nil
5.	Shri V. P. Singh (since resigned)	Nil	Nil	Nil	Nil
6.	Shri Niraj Agarwal	Nil	Nil	Nil	Nil
7.	Shri Vivek Nair	Nil	Nil	Nil	Nil
8.	Shri S.Ravi	Nil	Nil	Nil	Nil
9.	Shri S.Sridhar,	Nil	Nil	Nil	Nil
10	Shri S.C. Sekhar (Appointed w.e.f.18.3.2015)	N.A	N.A	500	0.00
11.	Shri Sanjeev Kumar Jindal (nomination withdrawn vide letter dt.1.10.14)	Nil	Nil	N.A	N.A
12	Shri B.M. Gupta, CFO	Nil	Nil	Nil	Nil
13.	Shri Sanjay Ahuja, CS	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	NIL	NIL	NIL	NIL



V. INDEBTEDNESS

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

(Rs. in crore)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	80.00	781.50	NIL	861.50
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	14.97	NIL	14.97
Total (i + ii + iii)	80.00	796.47	NIL	876.47
Change in Indebtedness during the financial year				
• Addition	175.00	NIL	NIL	
• Reduction	80.00	NIL	NIL	
Net Change	95.00	NIL	NIL	95.00
Indebtedness at the end of the financial year				
i) Principal Amount	175.00	781.50	NIL	956.50
ii) Interest due but not paid	NIL	NIL	NIL	--
iii) Interest accrued but not due	NIL	14.93	NIL	14.93
Total (i + ii + iii)	175.00	796.43	NIL	971.43

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		Shri S.K. Sangar	
1	Gross salary	(From 7th August, 2014 onwards)	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	13,24,023	13,24,023
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2,54,633	2,54,633
	(c) Profits in lieu of salary under	-	-
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	- Commission - as % of profit - others, specify...	NIL	NIL
5	Others - (Medical, LFC, Contribution to PF)	3,91,227	3,91,227
	Total (A)	19,69,883	19,69,883
	Ceiling as per the Act	Rs.4.09 crore (being 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)	

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
	Independent Directors	Shri V.P. Singh	Shri Vivek Nair	Shri S.Ravi	Shri S.Sridhar	
	• Fee for attending board/committee meetings	2,24,721	1,49,816	2,09,740	97,380	6,81,657
	• Commission	NIL	NIL	NIL	NIL	
	• Others, please specify	NIL	NIL	NIL	NIL	
	Total (1)	2,24,721	1,49,816	2,09,740	97,380	6,81,657
	Other Non-Executive Directors	Shri Niraj Agarwal (LIC of India)				



• Fee for attending board / committee meetings	1,94,758				1,94,758
• Commission	NIL				
• Others, please specify	NIL				
Total (2)	1,94,758				1,94,758
Total (B) = (1+2)					8,76,415
Total Managerial Remuneration					
Overall Ceiling as per the Act	Rs.81.86 lakh (being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)				

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Shri B. M. Gupta	Shri Sanjay Ahuja	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	23,03,754	15,52,473	38,56,227
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,57,717	1,46,935	3,04,652
	(c) Profits in lieu of salary under	-	-	-
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	- Commission - as % of profit - others, specify...	NIL	NIL	NIL
5	Others (PLI, Medical, LFC, Leave Encashment, Contribution to PF)	13,73,889	9,35,901	23,09,790
	Total (A)	38,35,360	26,35,309	64,70,669
	Ceiling as per the Act	Not Applicable		

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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



Form No. MR-3

SECRETARIAL AUDIT REPORT**For the financial year ended 31st March, 2015**

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule
No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

SECRETARIAL AUDIT REPORT**For the financial year ended 31st March, 2015**

To,
The Members,
Tourism Finance Corporation of India Limited
61, Nehru Place, New Delhi 110 019

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, 2015** 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, 2015 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, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit Period)
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the Audit Period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period) and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (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 Securitisation 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. (Not applicable to the Company during the Audit Period)
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and & National Stock Exchange of India Limited.

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

We further report that

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

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

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

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

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

- (i) Under Sec 180(1)(a) : Mortgage, charges and hypothecations as may be necessary on such of the assets of the Company, both present and future.
- (ii) Under Sec 180(1)(c) : Borrowing may exceed the aggregate of the paid-up capital of the Company and its free reserves.
- (iii) Under Section 42, 71: For issue of Bonds & Debenture.
- (iv) Under Section 14 : Alteration of Articles of Association of the Company, by substitution of clause 123.

For **ARUN KUMAR GUPTA & ASSOCIATES**
COMPANY SECRETARIES

(ARUN KUMAR GUPTA)
FCS: 5551
CP: 5086

Place : Delhi
Date :12.6.2015



MANAGING DIRECTOR (MD) / CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We, S.K. Sangar, Managing Director (MD) and B. M. Gupta, Chief Financial Officer (CFO) of Tourism Finance Corporation of India Ltd., certify to the Board that:

- a. We have reviewed financial statements and the cash-flow statement for the year and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the company which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee;
 - i. significant change in internal control over financial reporting during the year;
 - ii. significant change in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instance of significant fraud of which they have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control systems over financial reporting.

Place : New Delhi
Date : May 5, 2015

(B.M. Gupta)
Chief Financial Officer

(S.K. Sangar)
Managing Director

DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49(1D) OF LISTING AGREEMENT

I hereby confirm that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management Personnel for the financial year ended March 31, 2015.

Place : New Delhi
Date : May 5, 2015

(S.K. Sangar)
Managing Director

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, 2015, as stipulated in Clause 49 of Listing Agreement of the Company with Stock Exchanges.

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 Clause 49 of the Listing Agreements.

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 **Arun Kumar Gupta & Associates**
Company Secretaries

Place : New Delhi
Date : June 12, 2015

(Arun Kumar Gupta)
FCS-5551
CP 5086



APPENDIX TO DIRECTORS' REPORT

TYPE OF PROJECTWISE AND PURPOSE WISE CLASSIFICATION OF FINANCIAL ASSISTANCE SANCTIONED

(₹ in Lakhs)

Purpose	New		Expansion		Ren./Eq. Finance		Exp/Reno/ Acq./Restr.		Total	
	No	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
5 STAR HOTEL	2	6000	0	0	2	3600	8	20102	12	29702
	80	143575	16	17876	17	10408	35	73479	148	245338
4 STAR HOTEL	1	2800	0	0	1	400	0	0	2	3200
	46	65546	6	7457	6	2395	4	1590	62	76988
3 STAR HOTEL	9	14250	2	4800	0	0	3	5650	14	24700
	259	156642	24	17387	11	3743	42	30557	336	208329
2 STAR HOTEL	2	2230	0	0	0	0	0	0	2	2230
	26	12568	1	388	1	90	2	323	30	13369
HERITAGE	0	0	0	0	0	0	0	0	0	0
	17	3764	3	1030	2	425	2	586	24	5805
UNCLASSIFIED	0	0	0	0	0	0	0	0	0	0
	2	1210	0	0	1	24	1	56	4	1290
AMUSEMENT PARK/ SHOPPING COMPLEX- CUM-ENT. CENTRE/ WATER PARK/ MULTIPLEX/ACTIVITY CENTRE/ INTIGRATED	0	0	1	300	0	0	0	0	1	300
	34	31183	4	490	0	0	4	1417	42	33090
RESTAURANT	1	630	0	0	0	0	0	0	1	630
	17	6174	3	1835	3	109	2	1805	25	9923
TOURIST CARS/ COACHES	0	0	1	1500	0	0	0	0	1	1500
	2	241	4	2826	2	600	1	5000	9	8667
RTDC/PALACE ON WHEELS	0	0	0	0	0	0	0	0	0	0
	2	2150	0	0	1	1000	1	500	4	3650
OTHERS	0	0	0	0	0	0	6	14800	6	14800
	34	43085	3	3600	3	5273	27	70615	67	122573
INFRASTRUCTURE PROJECTS	1	900	0	0	0	0	1	2770	2	3670
	3	7200	1	3000	0	0	3	7270	7	17470
TOTAL	16	26810	4	6600	3	4000	18	43322	41	80732
	522	473338	65	55889	47	24067	124	193198	758	746492

Normal - Current Year (2014-2015)

Highlighted - Cumulative



INDEPENDENT AUDITORS' REPORT

To,
The Members of
Tourism Finance Corporation of India Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Tourism Finance Corporation of India Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and Notes to Financial Statements comprising of a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of the material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by the Company's Director, as well as evaluating the overall presentation

of the financial statements.

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

Opinion

In our opinion and to the best of our Information and according to the explanations given to us, the aforesaid financial statements give the Information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2015 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) 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 purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The company has no branch office;
 - d) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014;
 - f) There are no observations or comments on financial transactions or matters which have any adverse effect on the functioning of the Company;
 - g) On the basis of written representations received from the directors as on 31st March 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015, from being appointed as a director in terms of Section 164(2) of the Act;
 - h) The company has adequate and effective internal financial controls system in place over financial reporting of the Company;
 - i) With respect to the other matters to be included in the Auditors report in accordance with the Rule 11 of the Company (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements;
 - ii. the Company has made provision, as required under the applicable law or accounting standards, for material



foreseeable losses, if any, on long-term contracts including derivative contracts;

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- j) The observations/comments of the Auditors on the Directions/Sub-Directions issued by the C&AG of India under Section 143(5) of the Companies Act, 2013 are enclosed as Annexure-I & Annexure-II.

For **V C Gautam & Co.**
Chartered Accountants
Firm Reg. No: 000365N

(Vishnu Gautam)

Partner

M.No.: 016257

Place: New Delhi
Date: May 8, 2015

ANNEXURE TO THE AUDITOR'S REPORT

The Annexure referred to in our Independent Auditors Report to the members of **Tourism Finance Corporation of India Limited** on the financial statements for the year ended 31stMarch 2015; we report that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Company has a regular system of physical verification of its fixed assets every year. Accordingly, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (ii) The nature of the company's business/activities/transactions does not require it to hold inventories. Hence, the provisions of Clause 3(ii) of the Order are not applicable to the company
- (iii) The company has not granted any loan, secured or unsecured, to the companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, the provisions of Clause, 3(iii) (a)&(b) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the Information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for sale of services. The activities of the Company do not involve purchase of inventory and sale of goods. We have not observed any major weakness in the internal control system during the course of audit.
- (v) The Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act 2013 and rules framed there under are not applicable to the Company.
- (vi) According to Information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Companies Act, 2013 in respect of business carried out by the Company. Therefore, provisions of Clause 3(vi) of the Order are not applicable to the Company.

- (vii) (a) The Company has been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, Income tax, service tax, cess and any other statutory dues as applicable to it with appropriate authorities.
- (b) According to the Information and explanations given to us, dues of Income tax, which have not been deposited on account of a dispute as at 31stMarch, 2015 are as follows:

Name of Statute	Assessment Year	Amount (In ₹)	Forum where the dispute is pending
Income Tax	2008-09	1,38,51,455*	ITAT Delhi
Income Tax	2009-10	3,12,56,600	ITAT Delhi
Income Tax	2010-11	4,46,54,522	ITAT Delhi
Income Tax	2011-12	2,95,89,500	CIT(Appeals) Delhi IX
Income Tax	2012-13	72,71,890	CIT(Appeals) Delhi IX

*ITAT Delhi, while hearing TFCI appeal, referred back the matter to the Assessing Officer (DCIT) to decide the matter afresh by giving the assessee an opportunity of being heard.

- (c) According to the Information and explanations given to us, the amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder has been transferred to such fund within the stipulated time.
- (viii) The company has no accumulated losses as at 31stMarch, 2015 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- (ix) The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.
- (x) In our opinion and according to the information and explanations given to us the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) According to the Information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were obtained.
- (xii) Based upon the audit procedure performed for the purpose of reporting true and fair view and on the basis of the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For **V C Gautam & Co.**
Chartered Accountants
Firm Reg. No: 000365N

(Vishnu Gautam)

Partner

M.No.: 016257

Place: New Delhi
Date: May 8, 2015



Directions for the year 2014-15.

1. If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed & General Reserves) may be examined including the mode and present stage of disinvestment process.”

Not Applicable as the Central government is not holding any share in the Company.

2. Please report whether there are any cases of waiver/ write off of debts/loans/interest etc., if yes, the reasons thereof and the amount involved.

No such instance is reported during the year.

3. Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities.

Not applicable since the Company is engaged in the business of providing financial assistances to corporates. No Gifts received from Government and other authorities.

4. A report on age-wise analysis of pending legal/ arbitration cases including the reasons of pendency and existence/ effectiveness of a monitoring mechanism for expenditure on all legal cases(foreign and local) may be given.

Age wise details of legal cases pending for recovery in Debt Recovery Tribunal(DRT)/Debt Recovery Appellate Tribunal(DRAT)/other courts including reasons for their pendency are as follows:

Amount in ₹ Crore

Sl. No.	Age Wise analysis	No. of cases	Amount Involved	Reason of Pendency
1	Pending for less than 1 year	2	25.73	At different stages of arguments/evidence/auction/ recovery proceeding.
2	Pending for 1 to 5 years	1	0.87	
3	Pending for over 5 years	15	78.34	

The monitoring mechanism for expenditure on all such legal cases is found reasonable and adequate. Further all legal expenditures incurred in such cases are recoverable from respective borrowers.

For **V C Gautam & Co.**
Chartered Accountants
Firm Reg. No: 000365N

(Vishnu Gautam)
Partner
M.No.: 016257

Place: New Delh
Date: May 8, 2015



Sub-Directions under section 143(5) of Companies Act 2013 for the year 2014-15

On the basis of the Books of accounts of the Company, the reply to the following questions and/or information may be supplied:-

1. Land

Whether the Company has clear title/lease deeds for freehold and leasehold land respectively? If not, please state the area of freehold and leasehold for which title/lease deeds are not available.

The Company does not own any land. However, the Company owns 2 office premises situated at 4th Floor, NBCC Plaza, Pushp Vihar, Saket, New Delhi & at 2nd Floor, Core-III, Scope Minar, Laxmi Nagar, Delhi and also a non-functional hotel property at Mussoorie, Uttarakhand. All these properties are registered in Company's name & the title deeds are available with the Company.

2. Confirmation of balances

(i) Whether amount of (a) bank balances (b) trade receivables (c) trade payables (d) loans and advances for which third party confirmation was not made available has been reported?

All Bank balances are confirmed by respective Banks. Confirmations of trade receivables & trade payables are also available with the company although it is not very significant amount considering the business of the Company. The Company has received confirmation of loan outstanding balances as on March 31, 2015 from all borrowers.

(ii) Where such balances have been confirmed by respective parties, whether it varies widely from the amounts reflected under respective heads in the financial statements, and if so, difference to be disclosed.

No variation has been noticed.

Reconciliation of deposits

Whether the deposits/advances made by the Company to the Customs, Excise, Income tax, Sales tax (VAT), Service tax and other authorities have been verified and reconciled with the respective authorities?

The Company has not made any deposit/advances with Customs, Excise, and Service Tax except payment of advance tax/self-assessment under income tax to meet its statutory obligations under the Act. Full record of Advance Tax payment is available on record.

3. Employee Benefits

Independent verification may be made of information/inputs furnished to Actuary, viz number of employees, average salary, retirement age and assumptions made by the Actuary regarding discount rate, future cost increase, mortality rate, etc. for arriving at the provision for liability of retirement benefits, viz gratuity, leave encashment, post-retirement medical benefits etc.

The inputs/data furnished to Actuary for estimation of retirement benefits were verified and found to be correct. The Company has made provision for gratuity on the basis of valuation done by an Actuary and provision for leave encashment was made as per the staff regulation on actual basis.

4. Investments

Whether the titles of ownership in respect of CGS/SGS/Bonds/Debentures etc. are available in physical/demat form and these, in aggregate, agree with the respective amounts shown in the Company's books of Accounts? If not, details may be stated.

The Company's investments in Bonds/debentures are kept in demat form which agree with the amounts shown in the books of account.

For **V C Gautam & Co.**
Chartered Accountants
Firm Reg. No: 000365N

(Vishnu Gautam)
Partner
M.No.: 016257

Place: New Delhi
Date: May 8, 2015



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF TOURISM FINANCE CORPORATION OF INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2015.

The preparation of financial statements of Tourism Finance Corporation of India Limited for the year ended 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 8 May, 2015.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of Tourism Finance Corporation of India Limited for the year ended 31 March 2015 and as such have no comments to make under section 143(6)(b) of the Act.

**For and on the behalf of the
Comptroller & Auditor General of India**

**Sd/-
(Suparna Deb)
Principal Director of Commercial Audit
& Ex-officio Member, Audit Board-II,
New Delhi**

**Place: Delhi
Date: 03.06.2015**



BALANCE SHEET AS AT 31ST MARCH, 2015

(In ₹)

PARTICULARS	NOTENO.	AS AT 31 MARCH, 2015		AS AT 31 MARCH, 2014	
I. EQUITY AND LIABILITIES					
(1) Shareholder's Funds					
(a) Share Capital	2	80,71,67,480		80,71,67,480	
(b) Reserves and Surplus	3	3,98,38,43,659	4,79,10,11,139	3,55,75,02,550	4,36,46,70,030
(2) Non-Current Liabilities					
(a) Long Term Borrowings	4	9,56,50,00,000		8,61,50,00,000	
(b) Deferred Tax Liability (Net)	5	22,30,88,127		19,32,89,346	
(c) Other Long Term Liabilities	6	59,89,600		59,89,600	
(d) Long Term Provisions	7	9,60,06,805	9,89,00,84,532	7,77,42,345	8,89,20,21,291
(3) Current Liabilities					
(a) Other Current Liabilities	8	23,39,44,783		23,10,05,142	
(b) Short Term Provisions	9	9,37,07,419	32,76,52,202	13,02,78,013	36,12,83,155
TOTAL			15,00,87,47,873		13,61,79,74,476
II. ASSETS					
(1) Non Current Assets					
(a) Fixed Assets	10				
(i) Tangible Assets		29,53,24,010		30,19,51,383	
(ii) Intangible Assets		-		5,06,000	
(b) Non Current Investments	11A	1,16,85,19,279		72,17,93,279	
(c) Long Term Loans and Advances	12	10,66,54,00,585	12,12,92,43,874	9,45,66,56,357	10,48,09,07,019
(2) Current Assets					
(a) Current Investments	11B	73,46,27,191		66,20,04,971	
(b) Cash and Cash Equivalents	13	2,05,25,513		8,18,39,112	
(c) Short term Loans & Advances	12	1,98,44,13,337		2,23,85,31,305	
(d) Other Current Assets	14	13,99,37,958	2,87,95,03,999	15,46,92,069	3,13,70,67,457
TOTAL			15,00,87,47,873		13,61,79,74,476

Significant Accounting Policies

The Notes No. 1 to 32 are integral part of these financial statements

For and on behalf of the Board

As per our report of even date
for V C Gautam & Co.

(Chartered Accountants)
Firm Regn. No. 000365N

(Vishnu Gautam)
Partner
M.No. 016257

(S. Ravi)
Director

(S. K. Sangar)
Managing Director

(Sanjay Ahuja)
Company Secretary

(Malay Mukherjee)
Chairman

(B. M. Gupta)
Chief Financial Officer

Date : May 8, 2015
Place : New Delhi



STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

(In ₹)

PARTICULARS	NOTE NO.	YEAR ENDED 31 MARCH, 2015	YEAR ENDED 31 MARCH, 2014
Revenue			
I. Revenue from Operations	15	1,86,15,71,696	1,84,05,88,018
II. Other Income	16	1,89,13,522	3,20,15,537
III. Total Revenue (I +II)		1,88,04,85,218	1,87,26,03,555
IV. Expenses:			
Employee benefit expenses	17	6,50,22,881	6,38,14,556
Finance costs	18	85,17,60,522	80,77,60,434
Depreciation and Amortization expense	10	79,65,156	1,77,06,875
Other expenses	19	9,71,46,047	9,66,62,346
Provision for doubtful debts/investments		4,00,00,000	4,60,00,000
Total Expenses		1,06,18,94,606	1,03,19,44,211
V. Profit before exceptional & extraordinary items and tax (III - IV)		81,85,90,612	84,06,59,344
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		81,85,90,612	84,06,59,344
VIII. Extraordinary items		-	-
IX. Profit before tax (VII - VIII)		81,85,90,612	84,06,59,344
X. Tax expense:			
(1) Current Tax		18,70,00,000	23,81,50,000
(2) Deferred Tax Liability		2,97,98,781	1,75,19,522
XI. Profit/(Loss) for the period from continuing operations (IX - X)		60,17,91,831	58,49,89,822
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (after tax)(XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		60,17,91,831	58,49,89,822
XVI. Earnings per equity share			
(1) Basic		7.46	7.25
(2) Diluted		7.46	7.25

Significant Accounting Policies

The Notes No. 1 to 32 are integral part of these financial statements

For and on behalf of the Board

As per our report of even date
for V C Gautam & Co.(Chartered Accountants)
Firm Regn. No. 000365N(S. Ravi)
Director(S. K. Sangar)
Managing Director(Malay Mukherjee)
Chairman(Vishnu Gautam)
Partner
M.No. 016257(Sanjay Ahuja)
Company Secretary(B. M. Gupta)
Chief Financial OfficerDate : May 8, 2015
Place : New Delhi



CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2015

(in ₹)

Particulars	Year Ended 31 March, 2015	Year Ended 31 March, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	81,85,90,612	84,06,59,344
Adjustment for :		
Provision/(write off) for Doubtful Debts/Investments	4,00,00,000	4,60,00,000
Depreciation & Amortisation	79,65,156	1,77,06,875
(Profit)/Loss On Sale of Assets	(1,31,876)	29,064
Operating Cash before working capital changes	86,64,23,892	90,43,95,283
Adjustment for :		
(Increase)/Decrease in Long Term Loans & Advances	(1,26,17,37,838)	(3,99,07,288)
(Increase)/Decrease in Short Term Loans & Advances	25,41,17,968	(14,08,77,178)
(Increase)/Decrease in Non Current Investment	(44,67,52,000)	(47,66,67,276)
(Increase)/Decrease in Current Investment	(2,96,97,577)	90,05,97,168
Increase/(Decrease) in Long Term Borrowings	95,00,00,000	55,00,00,000
Increase/(Decrease) in Short Term Borrowings	-	(2,34,28,934)
Increase/(Decrease) in Other Current Liabilities	29,39,641	(1,19,38,72,056)
Increase/(Decrease) in Long Term Provisions	26,64,460	12,64,289
Increase/(Decrease) in Short Term Provisions	(7,33,401)	4,22,063
(Increase)/Decrease in Other Current Assets	1,47,54,111	(5,57,95,020)
Cash Generated from Operations	35,19,79,256	42,61,31,051
Direct Tax Paid	(20,13,05,033)	(23,94,72,592)
Net Cash Flow from Operating Activities	15,06,74,223	18,66,58,459
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(27,93,088)	(29,32,625)
Sale of Fixed Assets	9,82,087	1,78,265
Net Cash used in Investing Activities	(18,11,001)	(27,54,360)
C. CASH FLOW FROM FINANCIAL ACTIVITIES		
Share Capital and Reserves	-	-
Payment of Dividend and Dividend Distribution Tax	(21,01,76,821)	(11,25,73,228)
Net Cash used in Financing Activities	(21,01,76,821)	(11,25,73,228)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(6,13,13,599)	7,13,30,871
Cash and Cash Equivalent at the Beginning of the Year	8,18,39,112	1,05,08,241
Cash and Cash Equivalent at the End of the Year	2,05,25,513	8,18,39,112
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Cash in hand	1,172	2,144
Balance with Banks		
- Current Accounts	20,03,891	52,75,102
- Deposit Accounts	-	6,40,00,000
- Unclaimed Dividend Accounts	1,85,20,450	1,25,61,866
Total Cash and Cash Equivalents (Note 14)	2,05,25,513	8,18,39,112

For and on behalf of the Board

As per our report of even date
for V C Gautam & Co.

(Chartered Accountants)
Firm Regn. No. 000365N

(Vishnu Gautam)
Partner
M.No. 016257

Date : May 8, 2015
Place : New Delhi

(S. Ravi)
Director

(S. K. Sangar)
Managing Director

(Sanjay Ahuja)
Company Secretary

(Malay Mukherjee)
Chairman

(B. M. Gupta)
Chief Financial Officer

**NOTE No. 1****SIGNIFICANT ACCOUNTING POLICIES AS ON 31 March, 2015****1. Basis of Accounting:**

The financial statements are prepared under the historical cost convention on accrual basis and in accordance with the requirements of the Companies Act, 2013 and in compliance with the applicable accounting standards referred to in section 133 of the said Act. The accounting policies, except stated otherwise, have been consistently applied by the Company. The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amount of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

2. Revenue Recognition:

For recognition of revenue, the Company adopts the accrual basis except where there is uncertainty as to collection. Income on "Non-Performing Assets" is accounted on realisation. Dividend Income is recognized on actual receipt basis.

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

3. Fixed Assets and Depreciation:

a) Fixed Assets are shown at historical cost less accumulated depreciation.

b) Depreciation on Assets is provided as per method and rates prescribed under Schedule II of the Companies Act, 2013 and amortised over the useful life of the Asset. However in case of Household Furnishing provided to officers as per the extant policy, the cost of the same has been amortised over a period of 5 years or residual service of the officer whichever is less.

c) As per the provision contained in the schedule II of the Companies Act 2013, wherever the remaining useful life of the asset was Nil as on 31.03.2014, the carrying amount of such assets after retaining the residual value was charged to the opening balance of retained earnings. Accordingly, a sum of Rs.11,11,094/- was debited to the Surplus in Profit & Loss Statement.

d) Intangible assets are amortised over the expected duration of benefit or 10 years, whichever is lower. Accordingly, computer software is amortised over a period of 5 years.

4. Investments:

a) The Company acquires shares and securities in the normal course of its business and accordingly, purchases and sales made during the year are not required to be disclosed under Schedule III part I of the Companies Act 2013. Transaction details of Investments in units, that are not investment in body corporate, are also not shown separately.

b) The cost of acquisition of investments is arrived at after adjusting front-end fee/underwriting commission received on subscription/devolvement.

c) The investments are categorized into "Long Term Investments" and "Current Investments" as per Accounting Standard-13 on "Accounting for investments" referred to in Section 133 of the companies Act, 2013 for Investments.

d) The investment under "Current Investments" are valued on the basis of market value/break up value or cost whichever is lower.

e) The investment under "Long Term Investments" are valued at cost less permanent diminution in value, wherever applicable, for each individual Investment.

5. Loans to Companies :

a) Pursuant to the prudential norms of the Reserve Bank of India for the purposes of the revenue recognition and provisioning, loans given have been treated as

performing and non-performing based on the record of recovery of interest/ installments. Payments received up to the Balance Sheet date have been considered for treating the account as performing.

b) General provision for standard & substandard assets and specific provision for doubtful assets and loss assets is being made in accordance with applicable RBI guidelines. However, the Board of Directors, as a matter of prudence has decided to make additional provision against outstanding assets portfolio maximum up to 4% of the total assets outstanding in addition to the provisions as per RBI guidelines. The balance in the Special Reserve created in terms of Section 36(1)(viii) of the Income-tax Act, 1961, is also available to cover any loss on loans given.

6. Retirement Benefits :**a) Gratuity:**

The company has a defined employee benefit scheme in the form of gratuity. Accordingly the Company has taken a Group Gratuity scheme with the Life Insurance Corporation of India (LIC) for which the insurance premium is accounted for as an expense in the Statement of Profit & Loss. The insurance premium is determined on the basis of actuarial valuation of the available fund with LIC under the policy and the year end obligation under the scheme.

b) Provident Fund:

Contribution to the Provident Fund as per provisions of Employees Provident Fund Act 1952 is remitted to the P.F. Commissioner and is charged to the Statement of Profit & Loss.

c) Leave Encashment:

Leave Encashment benefits (short term compensated absences) are provided on the basis of calculations made by the Company based on average encashable salary of the Employees.

7. Taxation & Deferred Taxation:

The provision for taxation & deferred taxation is made as per the Income Tax Act 1961 and Accounting Standard 22, as issued by ICAI, respectively.

8. Lease:

Leases where the Lessor effectively retains substantially all risks and benefits of ownership are classified as operating leases. Operating Lease payments are charged to the statement of Profit & Loss.

9. Earning 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.

10. Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events/practices and it is probable that there will be an outflow of resources. Liabilities which are material, and whose future outcome cannot be ascertained with reasonable certainty, are treated as contingent, and disclosed by way of notes to the accounts. Contingent Assets are neither recognized nor disclosed in the financial statement.

11. Cash Flow:

Cash flows are reported using indirect method whereby a profit before tax is adjusted for the effects of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the Company are segregated.

12. The ALM Statement has been prepared as per RBI Guidelines.



NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS

(In ₹)

Note No.	Particulars	As At 31 March, 2015		As At 31 March, 2014	
2	SHARE CAPITAL				
	AUTHORISED SHARE CAPITAL				
	25,00,00,000 Equity Shares (P. Y. 25,00,00,000) of ₹10/- each		2,50,00,00,000		2,50,00,00,000
	25,00,00,000 Cumulative Redeemable Preference Shares (P. Y. 25,00,00,000) of ₹10/- each		2,50,00,00,000		2,50,00,00,000
	TOTAL		5,00,00,00,000		5,00,00,00,000
	ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL				
	8,07,16,748 Equity Shares (P.Y. 8,07,16,748) of ₹10/- each Fully Paid Up		80,71,67,480		80,71,67,480
	TOTAL		80,71,67,480		80,71,67,480
	Terms / rights attached to equity shares				
	The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share				
	Reconciliation of Issued Share Capital	No of Shares	Amount	No of Shares	Amount
	Equity shares outstanding at the begining of the year	8,07,16,748	80,71,67,480	8,07,16,748	80,71,67,480
	Issued During year	-	-	-	-
	Brought Back During year	-	-	-	-
	Equity shares outstanding at the end of the year	8,07,16,748	80,71,67,480	8,07,16,748	80,71,67,480
Shareholders holding more than 5% of Shares in the company	No of Shares	% of shares	No of Shares	% of shares	
(a) IFCI Ltd.	3,15,58,613	39.10%	3,43,04,266	42.50%	
(b) State Bank of India	74,16,296	9.19%	74,16,296	9.19%	
(c) Life Insurance Corporation of India	54,13,180	6.71%	62,13,180	7.70%	
3	RESERVES AND SURPLUS				
	(a) Capital Reserve				
	Balance at the beginning of the year		11,55,000		11,55,000
	Add: Current Year Transfer		-		-
	Less: Written Back in Current period		-		-
	Balance at the end of the year		11,55,000		11,55,000
	(b) Security Premium Reserve				
	Balance at the beginning of the year		62,34,68,170		62,34,68,170
	Add: Current Year Transfer		-		-
	Less: Utilised during the year		-		-
	Balance at the end of the year		62,34,68,170		62,34,68,170
	(c) Special Reserves				
	(i) Under Section 36(1)(viii) of the Income Tax Act, 1961				
	Balance at the beginning of the year		1,24,27,33,000		1,07,90,33,000
	Add: Current Year Transfer		14,47,00,000		16,37,00,000
Less: Written Back in Current period		-		-	
Balance at the end of the year		1,38,74,33,000		1,24,27,33,000	



NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS

(In ₹)

Note No.	Particulars	As At 31 March, 2015	As At 31 March, 2014
3	(ii) Under Section 45 IC of RBI Act, 1934		
	Balance at the beginning of the year	48,39,64,000	36,69,66,000
	Add: Current Year Transfer	12,04,00,000	11,69,98,000
	Less: Written Back in Current period	-	-
	Balance at the end of the year	60,43,64,000	48,39,64,000
	(iii) Under Section 36(1)(viiia)(c) of the Income Tax Act, 1961		
	Balance at the beginning of the year	3,43,00,410	7,71,49,000
	Add: Current Year Transfer	2,95,00,000	3,70,00,000
	Less: Utilisation in Current period	-	7,98,48,590
	Balance at the end of the year	6,38,00,410	3,43,00,410
	(d) General Reserve		
	Balance at the beginning of the year	1,02,20,04,446	1,04,92,09,294
	Add: Current Year Transfer	20,00,00,000	20,00,00,000
	Less: Deferred tax liability on a/c of Reserve created u/s 36(1)(viii) of Income Tax Act, 1961, from FY 1998 to FY 2013 (Prior Period)	-	22,72,04,848
	Balance at the end of the year	1,22,20,04,446	1,02,20,04,446
	(e) Surplus in Profit and Loss Statement		
	Balance at the beginning of the year	14,98,77,524	19,59,07,174
	Add: Current Year Transfer	60,17,91,831	58,49,89,822
	Less: Provision u/s 36(1)(viiia)(c) of the Income Tax Act 1961	2,95,00,000	3,70,00,000
	Less: Special reserve u/s 36(1)(viii) of the Income Tax Act 1961	14,47,00,000	16,37,00,000
	Less: Special reserve u/s 45 IC of the RBI Act, 1934	12,04,00,000	11,69,98,000
Less: General reserve	20,00,00,000	20,00,00,000	
Less: Dividend (Interim & Proposed)*	14,52,90,147	9,68,60,098	
Less: Provision for Dividend tax (Interim & Proposed)	2,90,49,481	1,64,61,374	
Less: Depreciation adjusted for Earlier Years (as per Companies Act 2013)	11,11,094	-	
Balance at the end of the year	8,16,18,633	14,98,77,524	
GRAND TOTAL	3,98,38,43,659	3,55,75,02,550	
*Interim Dividend Paid on 27.03.2015 @ 10% on Paid up Capital			



NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS

(In ₹)

Note No.	Particulars	As At 31 March, 2015	As At 31 March, 2014
4	LONG TERM BORROWINGS		
	a) Bonds		
	- Un Secured		
	9.65% Bonds (2033) (Series MB XLVI-C)	75,00,00,000	75,00,00,000
	750 Nos of 9.65% Bonds of ₹10,00,000/- each Redeemable at par on 25 February 2033		
	9.60% Bonds (2028) (Series MB XLVI-B)	1,00,00,00,000	1,00,00,00,000
	1000 Nos of 9.60% Bonds of ₹10,00,000/- each Redeemable at par on 25 February 2028		
	9.50% Bonds (2023) (Series MB XLVI-A)	50,00,00,000	50,00,00,000
	500 Nos of 9.50% Bonds of ₹10,00,000/- each Redeemable at par on 25 February 2023		
	9.95% Bonds (2022) (Series MB XLV)	75,00,00,000	75,00,00,000
	750 Nos of 9.95% Bonds of ₹10,00,000/- each Redeemable at par on 21 August 2022		
	9.95% Bonds (2022) (Series MB XLIV)	75,00,00,000	75,00,00,000
	750 Nos of 9.95% Bonds of ₹10,00,000/- each Redeemable at par on 01 July 2022		
	9.65% Bonds (2022) (Series MB XLIII)	56,50,00,000	56,50,00,000
	565 Nos of 9.65% Bonds of ₹10,00,000/- each Redeemable at par on 19 April 2022 With call option after 7 years (i.e 19 March 2019)		
	10.20% Bonds (2021) (Series MB XLII)	1,00,00,00,000	1,00,00,00,000
	1000 Nos of 10.20% Bonds of ₹10,00,000/- each Redeemable at par on 16 November 2021		
	10.15% Bonds (2021) (Series MB XLI)	1,00,00,00,000	1,00,00,00,000
	1000 Nos of 10.15% Bonds of ₹10,00,000/- each Redeemable at par on 01 September 2021		
	8.90% Bonds (2020) (Series MB XXXX)	50,00,00,000	50,00,00,000
	500 Nos of 8.90% Bonds of ₹10,00,000/- each Redeemable at par on 29 November 2020		
	TOTAL	6,81,50,00,000	6,81,50,00,000
	SUBORDINATE DEBT		
	9.50% Bonds (2019) [Series MB XXXVIII]	75,00,00,000	75,00,00,000
	750 Nos of 9.50% Bonds of ₹10,00,000/- each Redeemable at par on 30 April 2019		
	9.50% Bonds (2019) [Series MB XXXIX]	25,00,00,000	25,00,00,000
	250 Nos of 9.50% Bonds of ₹10,00,000/- each Redeemable at par on 30 April 2019		
	TOTAL	1,00,00,00,000	1,00,00,00,000
	TOTAL Bonds	7,81,50,00,000	7,81,50,00,000



NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS

(In ₹)

Note No.	Particulars	As At 31 March, 2015	As At 31 March, 2014
4	b) Term Loans from Banks		
	- Secured (Secured By Hypothecation of Book Debts/future receivables)		
	1. Bank of India	1,25,00,00,000	-
	(Rate of Interest is 10.20% p.a.)		
	Terms Loan is Repayable on 26 Dec. 2017 - ₹37,50,00,000/-		
	Terms Loan is Repayable on 26 Dec. 2018 - ₹37,50,00,000/-		
	Terms Loan is Repayable on 26 Dec. 2019 - ₹50,00,00,000/-		
	2. Federal Bank Ltd.	50,00,00,000	-
	(Rate of Interest is 10.20% p.a.)		
	Terms Loan is Repayable on 20 Mar. 2018 - ₹15,00,00,000/-		
Terms Loan is Repayable on 20 Mar. 2019 - ₹15,00,00,000/-			
Terms Loan is Repayable on 20 Mar. 2020 - ₹20,00,00,000/-			
3. State Bank of India	-	80,00,00,000	
TOTAL	1,75,00,00,000	80,00,00,000	
GRAND TOTAL	9,56,50,00,000	8,61,50,00,000	
5	DEFERRED TAX ASSETS/(LIABILITY) NET		
	Deferred tax asset due to:		
	a) Provision for doubtful debts and advances	9,53,49,562	7,39,34,853
	b) Provision for diminution in value of investments	93,64,523	2,04,46,272
	Deferred tax liability due to:		
	a) Depreciation	(2,09,30,242)	(1,81,77,984)
	b) Provision u/s 36(1)(viii) of Income Tax Act, 1961	(30,68,71,970)	(4,22,87,639)
	c) Provision u/s 36(1)(viii) of Income Tax Act, 1961 (Prior Period)	-	(22,72,04,848)
TOTAL	(22,30,88,127)	(19,32,89,346)	
6	OTHER LONG TERM LIABILITIES		
	Security Deposits Received	49,89,600	49,89,600
	Margin Money Against Leased Assets	10,00,000	10,00,000
	TOTAL	59,89,600	59,89,600



NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS

(In ₹)

Note No.	Particulars	As At 31 March, 2015		As At 31 March, 2014	
7	LONG TERM PROVISIONS				
	Provision for Employee Benefits		2,44,06,805		2,17,42,345
	Contingent Provision Against Standard Assets		7,16,00,000		5,60,00,000
	Balance at the beginning of the year	5,60,00,000		5,15,00,000	
	Add: Current Year Transfer	1,56,00,000		45,00,000	
	Less: Written Back in Current period	-		-	
	Balance at the end of the year	7,16,00,000		5,60,00,000	
TOTAL		9,60,06,805		7,77,42,345	
8	OTHER CURRENT LIABILITIES				
	Interest Accrued but not due on Borrowings		14,93,84,942		14,97,06,106
	Unclaimed Dividend		1,85,20,450		1,25,61,866
	Advance received from customers		38,70,550		4,77,534
	Statutory Dues		21,93,864		37,96,356
	Security Deposits Received		-		45,65,340
	Book Overdraft		891		-
	Other Payables		99,086		22,940
	Amount Received Pending Adjustment		5,98,75,000		5,98,75,000
	TOTAL		23,39,44,783		23,10,05,142
9	SHORT TERM PROVISIONS				
	Provision for Employee Benefits		1,03,81,724		1,35,98,562
	Other Provisions				
	- Proposed Dividend (including dividend distribution tax)		7,74,84,279		11,33,21,472
	- Provision for Expenses		58,41,416		33,57,979
TOTAL		9,37,07,419		13,02,78,013	



(In ₹)

NOTE NO. 10
FIXED ASSETS AS AT 31ST MARCH 2015

Particulars	Gross Block			Accumulated Depreciation			Net Block		
	As at 01.04.2014	Addition	Deletions	As at 31.03.2015	As at 01.04.2014	Addition	Deletions	As at 31.03.2015	As at 31.03.2014
Tangible Assets									
Leased Assets									
Plant & Machinery	1,30,33,143	-	-	1,30,33,143	1,30,33,143	-	-	1,30,33,143	-
Furniture & Fixture	31,08,500	-	-	31,08,500	31,08,500	-	-	31,08,500	-
Vehicles	69,66,857	-	-	69,66,857	69,66,857	-	-	69,66,857	-
Sub Total A	2,31,08,500	-	-	2,31,08,500	2,31,08,500	-	-	2,31,08,500	-
Other Assets									
Land (Mussorie)	1,33,84,350	-	-	1,33,84,350	-	-	-	1,33,84,350	1,33,84,350
Building									
- Building (Mussorie)	4,48,46,990	-	-	4,48,46,990	30,88,606	6,81,311	-	37,69,917	4,10,77,073
- Building (NBCC Plaza)	20,62,01,760	-	-	20,62,01,760	5,44,35,198	26,19,564	-	5,70,54,762	14,91,46,998
- Building (SCOPE Minar)	13,59,39,017	89,968	-	13,60,28,985	5,11,16,825	15,43,290	-	5,26,60,115	8,33,68,870
Furniture & Fixture	1,20,87,078	3,00,000	-	1,23,87,078	80,34,035	8,20,771	-	88,54,806	35,32,272
Office Equipment	52,01,141	2,41,095	-	54,42,236	37,05,143	12,30,869	-	49,36,012	5,06,224
Electricals	42,02,120	-	-	42,02,120	18,54,067	5,55,383	-	24,09,450	17,92,670
Computers	1,16,23,864	10,500	-	1,16,34,364	1,02,19,066	9,29,473	-	1,11,48,539	4,85,825
Vehicles	42,00,287	21,51,525	42,00,287	21,51,525	32,82,284	1,89,589	33,50,076	1,21,797	20,29,728
Sub Total B	43,76,86,607	27,93,088	42,00,287	43,62,79,408	13,57,35,224	85,70,250	33,50,076	14,09,55,398	29,53,24,010
Total C= (A+B)	46,07,95,107	27,93,088	42,00,287	45,93,87,908	15,88,43,724	85,70,250	33,50,076	16,40,63,898	29,53,24,010
Intangible Assets									
Computer Software	28,08,775	-	-	28,08,775	23,02,775	5,06,000	-	28,08,775	-
Sub Total D	28,08,775	-	-	28,08,775	23,02,775	5,06,000	-	28,08,775	-
Grand Total C+D	46,36,03,882	27,93,088	42,00,287	46,21,96,683	16,11,46,499	*90,76,250	33,50,076	16,68,72,673	30,24,57,383
As on 31.03.2014	46,19,06,239	29,32,625	12,34,982	46,36,03,882	14,44,67,277	1,77,06,875	10,27,653	16,11,46,499	30,24,57,383

*Please refer Note No.1 Significant Accounting Policies item no 3(c). Accumulated Depreciation Includes Rs.11,11,094/- Being Charged to the Surplus in Profit & Loss Statement.



NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS

(In ₹)

Note No.	Particulars	As At 31 March, 2015			As At 31 March, 2014		
		Face Value	Nos	Amount	Face Value	Nos	Amount
11A	NON CURRENT INVESTMENTS						
	Long Term Investments (Quoted)						
	a) Investments in Secured Bonds/Debentures						
	8.76% IFCI Ltd - Tax Fee Bonds - Series I	1000000	500	50,00,50,000	1000000	500	50,00,50,000
	9.40% IFCI Ltd - Bonds (NCD) - Series III	1000	150000	15,00,00,000	-	-	-
	11.50% Gayatri Projects Ltd - NCD	100000	281	2,80,69,275	100000	350	3,49,17,275
	TOTAL			67,81,19,275			53,49,67,275
	(Non-Trade - Unquoted)						
	b) Investments in Equity Instruments						
	- Associates						
	North East Tourism Development Company Pvt. Ltd.	10	2600	26,000	10	2600	26,000
	- Others						
	Cross Country Hotels Ltd.	10	250000	24,62,500	10	250000	24,62,500
	Balaji Hotels Ltd.	10	170000	2,55,00,000	10	170000	2,55,00,000
	Hotel Parag Ltd.	10	826258	82,62,580	10	826258	82,62,580
	Assets Care Enterprises Ltd.	10	2040000	2,04,00,000	10	2040000	2,04,00,000
	Shell Inn International Limited	10	13000000	13,00,00,000	10	13000000	13,00,00,000
	TOTAL			18,66,51,080			18,66,51,080
	c) Investments in Security Receipts / Debentures						
	Security Receipts			32,00,00,000			-
	Assets Care & Reconstruction Enterprise Ltd (Kamath Hotels Ltd)						
	0% Optionally Convertible Secured Debentures Rohini Hotels (Madras) Pvt. Ltd.	100000	500	1	100000	500	1
	TOTAL			32,00,00,001			1
	d) Investment in Preference Shares						
	IFCI Ltd. (0.10% Redeemable Cumulative Preference Shares)	10	2000000	2,00,00,000	10	2000000	2,00,00,000
	Royale Manore Hotel & Industries Ltd (4% Optionally Convertible Preference Shares)	-	-	-	100000	14	14,00,000
	Appu Hotels Ltd (6% Redeemable Cumulative Preference Shares)	-	-	-	10	1500000	1,50,00,000
	TOTAL			2,00,00,000			3,64,00,000
	GRAND TOTAL (a+b+c+d)			1,20,47,70,356			75,80,18,356
	Less: Provision for Diminution in Value of investments			3,62,51,077			3,62,25,077
	Net Long Term Investments			1,16,85,19,279			72,17,93,279
	Aggregate Amount of Quoted Investments			67,81,19,275			53,49,67,275
	Aggregate Amount of Unquoted Investments			52,66,51,081			22,30,51,081



NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS

(In ₹)

Note No.	Particulars	As At 31 March, 2015			As At 31 March, 2014		
		Face Value	Nos	Amount	Face Value	Nos	Amount
11B	CURRENT INVESTMENTS						
	Quoted						
a	Equity Shares						
	Nicco Parks and Resorts Ltd.	1	990918	14,86,377	1	990918	14,86,377
	Viceroy Hotels Ltd.	10	200000	2,00,00,000	10	200000	2,00,00,000
	Punjab Woolcombers Ltd.	10	2500	21,500	10	2500	21,500
	Reliance Power Ltd.	10	12275	34,52,400	10	12275	34,52,400
	IFCI Ltd.	10	5054414	14,80,66,914	10	12576393	36,84,20,087
b	Units of Liquid Mutual Funds (Debt oriented Schemes)			56,16,00,000			6,75,00,000
	Un-Quoted						
c	Certificate of Deposit						
	Axis Bank	-	-	-	1000000	2500	24,40,49,250
	Total Current Investments (a+b+c)			73,46,27,191			70,49,29,614
	Less: Provision for Diminution in Value of investments			-			4,29,24,643
	Net Current Investments			73,46,27,191			66,20,04,971
	Aggregate Amount of Quoted Investments			73,46,27,191			46,08,80,364
	Aggregate Market Value of Quoted Investments			75,09,37,860			41,79,55,721
	Total Investments (11A + 11B)			1,93,93,97,547			1,46,29,47,970
	Less: Provision for Diminution in Value of investments			3,62,51,077			7,91,49,720
	Total Net Investments			1,90,31,46,470			1,38,37,98,250



NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS

(In ₹)

Note No.	Particulars	As At 31 March, 2015		As At 31 March, 2014	
		Non Current Portion	Current Maturities	Non Current Portion	Current Maturities
12	LONG TERM LOANS & ADVANCES				
	Secured (Considered Good)*				
	Loan to Companies (Secured by Mortgage/Hypothecation of Assets)	10,70,37,44,746	1,97,61,67,079	9,44,10,38,422	2,22,89,31,445
	Less: Provision for Doubtful Loans	29,75,08,413	-	23,02,09,770	-
	Total	10,40,62,36,333	1,97,61,67,079	9,21,08,28,652	2,22,89,31,445
	Loans to Employees	5,99,20,055	39,70,116	6,10,52,041	39,70,116
	Unsecured (Considered Good)				
	Security Deposits	6,76,593	-	5,13,093	-
	Loans to Employees	-	22,21,800	-	-
	Advance to Employees	-	94,000	-	10,000
	Other receivables & Advances	-	19,60,342	-	56,19,744
	Advance Income Tax and TDS (Net of Provisions)	19,85,67,604	-	18,42,62,571	-
TOTAL	10,66,54,00,585	1,98,44,13,337	9,45,66,56,357	2,23,85,31,305	
12A	Letter of Comfort Issued in favour of Axis Bank Against Undisbursed Term Loan of Rs.2.00 Crore to Borrower (P.Y. Rs.2.00 Crore)				
13	CASH AND CASH EQUIVALENTS				
	a) Cash and cash equivalents				
	- Balances with Banks				
	Current Accounts		20,03,891		52,75,102
	- Deposit accounts		-		6,40,00,000
	- Cash In Hand		1,172		2,144
	b) Other Bank Balances				
- Unclaimed Dividend Accounts		1,85,20,450		1,25,61,866	
TOTAL		2,05,25,513		8,18,39,112	
14	OTHER CURRENT ASSETS				
	Interest accrued on Investments		18,15,616		24,69,489
	Interest & Other Charges accrued and due on loans and advances		7,02,32,846		8,95,44,929
	Interest accrued but not due on loans and advances		6,76,61,406		6,25,54,787
	Service Tax Paid (Unutilised Balance Cenvat Credit)		2,28,090		1,22,864
	TOTAL		13,99,37,958		15,46,92,069



NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS

(In ₹)

Note No.	Particulars	Year Ended 31 March, 2015	Year Ended 31 March, 2014
15	REVENUE FROM OPERATIONS		
	Interest on Loans & Deposits	1,71,72,99,932	1,74,76,36,159
	Other Fees & Charges	6,12,03,247	7,05,01,870
	Dividend Received	1,05,88,466	1,36,70,371
	Profit on Sale of Investments	7,05,99,037	53,43,066
	Other Financial Services		
	Consultancy Income	18,81,014	34,36,552
	TOTAL	1,86,15,71,696	1,84,05,88,018
16	OTHER INCOME		
	Interest on Loans to Staff	31,38,436	27,02,796
	Rental Income	1,16,83,594	2,70,48,663
	Miscellaneous Income	39,59,616	22,64,078
	Profit on Sale of Assets	1,31,876	
	TOTAL	1,89,13,522	3,20,15,537
17	EMPLOYEE BENEFIT EXPENSES		
	Salaries & Allowances	5,69,34,443	5,76,19,304
	Contribution to Provident Fund	39,81,815	35,39,550
	Contribution to Gratuity	28,69,893	10,77,464
	Staff Welfare Expenses & Others	12,36,730	15,78,238
	TOTAL	6,50,22,881	6,38,14,556
18	FINANCE COSTS		
	Interest on Borrowings	85,17,60,522	80,77,60,434
	TOTAL	85,17,60,522	80,77,60,434
19	OTHER EXPENSES		
	Rent Rates & Taxes	4,36,00,860	4,09,10,505
	Office Upkeep & Maintenance	1,18,55,753	45,26,360
	Travelling and Conveyance	68,68,550	51,83,976
	Printing and Stationery	7,54,497	6,46,969
	Postage, Telephone and Telex	27,05,909	17,76,319
	Sitting Fee	8,98,888	3,52,066
	Membership and Subscription	2,65,873	81,672
	Auditors Remuneration		
	- Audit Fee	4,24,720	5,11,061
	- Reimbursement of Expenses	1,06,180	1,12,360
	Insurance Expenses	1,46,275	3,60,865
			Contd...



NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS

(In ₹)

Note No.	Particulars	Year Ended 31 March, 2015	Year Ended 31 March, 2014
19 Contd...	Listing Fee	9,10,357	7,00,117
	Legal and Professional Charges	19,32,737	2,16,78,402
	Rating Fees	49,73,934	54,30,045
	Advertisement & Publicity	28,65,318	13,05,864
	Board Meeting Expenses	6,29,812	13,56,879
	Registrar & Transfer Agent Fee	5,56,608	4,71,533
	AGM Expenses	15,12,850	19,40,462
	Bank Charges	1,08,689	50,03,995
	Books & Periodicals	3,33,910	2,50,616
	Electricity Charges	2,89,886	-
	Training Expenses	1,03,511	1,27,987
	Entertainment Expenses	3,05,002	40,000
	Spending on Corporate Social Responsibility (CSR) Activities	1,46,89,000	20,60,000
	Miscellaneous Expenses	3,06,928	18,05,229
	Loss on Sale of Assets	-	29,064
TOTAL	9,71,46,047	9,66,62,346	

20	Contingent liabilities not provided for where order of CIT(Appeals)/ITAT, in similar matters, in previous years, are in favour of the TFCI		
	Income Tax	10,31,69,782	11,93,52,077
21	Expenditure in Foreign Currency	NIL	NIL
22	Remuneration to Managing Directors (w.e.f. 07.08.2014)		
	Salary	13,24,023	Nil
	Contribution to Provident fund	1,51,532	Nil
	Perquisites & Others	4,94,328	Nil
	Total	19,69,883	Nil
23	The Company is engaged mainly in the business of financing. Since all activities are related to the main activity, there are no reportable segments as per Accounting Standard Segment Reporting (AS-17)		
24	Related Party Disclosure		
	As per Accounting Standard – 18, the Company’s related parties and transactions are disclosed below :		
	A. Related Parties Transactions		
	1. IFCI Limited (Investing Company) - Associate		
	Transaction Description	Amount in ₹ (31.03.2015)	Amount in ₹ (31.03.2014)
	Transaction During period		
	- Dividend Paid	7,27,23,733	4,11,65,119
	- Dividend received	1,01,28,828	1,25,96,393
	- Rent & Other Charges Paid	4,34,85,347	4,11,03,814
	- Salaries for Deputation Staff Paid	7,51,668	40,06,817
	- Salaries for Deputation Staff Received	1,10,459	5,74,821
	- Interest on Bonds Received	4,66,58,630	Nil
			Contd...



NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS

(In ₹)

Note No.	Transaction Description	(31.03.2015)	(31.03.2014)
24	Outstanding Balances		
Contd..	- Investment in Equity Shares of IFCI Ltd.	14,80,66,914	36,84,20,087
	- Investment in Preference Shares of IFCI Ltd.	2,00,00,000	2,00,00,000
	- Investment in 8.76% Tax Free Bonds of IFCI Ltd.	50,00,50,000	50,00,50,000
	- Investment in 9.40% Bonds of IFCI Ltd.	15,00,00,000	Nil
	2. North-east Tourism Development Company Pvt Ltd - Associate		
	Transaction Description		
	- Dividend received	Nil	2,71,960
	- Investment in Equity Shares of NETDCPL Outstanding (Under Liquidation)	26,000	26,000
	B. Key Managerial Personnel		
	Name	Relation	
	1. Sh. S. K. Sangar	Managing Director (w.e.f. 7.8.2014)	
	2. Sh. S. P. Arora	Managing Director (upto 6.8.2014)	
25	Earning per Equity Share	Year Ended 31.3.2015	Year Ended 31.3.2014
	Net Profit Attributable to Equity Shareholders	60,17,91,831	58,49,89,822
	Weighted Average No. of Equity Shares (No's)	8,07,16,748	8,07,16,748
	Basic Earning Per share of Face Value ₹10/- each	7.46	7.25
	Diluted Earning Per share of Face Value ₹10/- each	7.46	7.25
26	Capital Commitments:	Nil	Nil
27	Interest on Loans & Deposits includes profit on sale of units of Debt based Mutual Funds	6,52,04,191	7,50,22,786
28	Previous year figures have been regrouped / rearranged wherever considered necessary to make them comparable with the current year's figures		
29	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, 2015. 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.		
30	Disclosure required in Accordance with AS-19 - Leases		
	A. Assets taken on operating lease:		
	1. The Company has taken Office Premises on non-cancellable operating lease. Minimum lease payments of ₹4,07,29,728/- (P.Y. ₹3,84,69,409/-) are charged to Statement of Profit & Loss during the year.		
	2. Future commitments in respect of minimum lease rentals payable in respect of aforesaid lease entered by the Company are as follows:		
	Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
	a) Not later than one year	66,04,272	92,08,080
	b) Later than one year but not later than five years	-	-
	c) Later than five years	-	-
	B. Assets given on operating lease:		
	Future minimum lease rent receivable by the Company in respect of non-cancellable operating lease for office premises entered by the Company are as follows:		
	Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
	a) Not later than one year	99,79,200	99,79,200
	b) Later than one year but not later than five years	1,74,63,600	2,74,42,800
	c) Later than five years	-	-



Note No.	Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
31	Disclosure required in Accordance with AS-15-Employees Benefits		
	a) Defined Contribution Plans:		
	Expense recognised in Statement of Profit & Loss.	28,69,893	10,77,464
	b) Defined Benefit Plans:		
	Gratuity – As per actuarial valuations as on March 31, 2015 and recognized in the financial statements		
	I Recognised in the Profit & Loss A/c		
	1 Current Service Cost	13,99,977	11,97,370
	2 Interest Cost	15,66,522	16,70,676
	3 Expected Return on Plan Asset	(88,352)	(58,454)
	4 Past Service Cost	-	-
	5 Actuarial (gain)/loss recognized	89,701	(17,91,133)
	6 Expense recognized in Statement of Profit & Loss / Reserves	29,67,848	10,18,459
	II Net Asset/(Liability) recognized in Balance Sheet		
	1 Present Value of Obligation at the year end	2,26,37,714	1,95,81,524
	2 Fair Value on Plan Assets	13,51,950	9,41,475
	3 Fund Status (Surplus/Deficit)	(2,12,85,764)	(1,86,40,049)
	4 Excess of Actual Over Estimate	(10)	(58,454)
	5 Unrecognised Past Service Cost	-	-
	6 Net Asset/(Liability) recognized in Balance Sheet	(2,12,85,764)	(1,86,40,049)
	III Change in Present value of Obligations during the year		
	1 Present Value of Obligation at the beginning of the year	1,95,81,524	1,85,63,065
	2 Current Service Cost	13,99,977	11,97,370
	3 Interest Cost	15,66,522	16,70,676
	4 Actuarial (gain)/loss on Obligations	89,691	(18,49,587)
	5 Benefits Paid	-	-
	6 Present Value of Obligation at the end of the year	2,26,37,714	1,95,81,524
	IV Change in Fair Value of Assets during the year		
	1 Fair Value of Plan Asset at the beginning of the year	10,39,430	6,49,487
	2 Expected Return on Plan Asset	88,352	58,454
	3 Actuarial gain/(loss) on Plan Asset	(10)	(58,454)
	4 Contributions	2,24,178	2,91,988
	5 Benefits Paid	-	-
	6 Fair Value of Plan Asset at the end of the year	13,51,950	9,41,475
	V Actuarial Assumptions		
	1 Mortality Table	IALM (2006-08)	IALM (2006-08)
	2 Discount Rate	8%	9%
	3 Salary Escalation	7%	7%
	VI Bifurcation of Present Value of Obligation at the end of year as per Schedule III to the Companies Act		
	1 Current Liability	4,52,806	4,71,551
	2 Non Current Liability	2,21,84,908	1,91,09,973
	Total Present Value of Obligation at the end of the year	2,26,37,714	1,95,81,524

	Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
32	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		
	- Credit Analysis & Research Ltd (CARE) : CARE A+ (reaffirmed vide letter dated 31.10.2014)		
	- Brickworks Ratings (India) Pvt. Ltd. : BWR AA (reaffirmed Vide letter dated 25.11.2014)		
	- No Migration of Ratings took place during the year		
	2. No Penalty is levied by any regulator during the year.		
	3. Capital		
	i) CRAR (%)	37.65%	39.86%
	ii) CRAR - Tier I Capital (%)	30.23%	32.05%
	iii) CRAR - Tier II Capital (%)	7.42%	7.81%
	iv) Amount of Subordinate debt raised as Tier-II Capital	1,00,00,00,000	1,00,00,00,000
	v) Amount raised by issue of perpetual debt instruments	Nil	Nil



(in ₹)

Note No	Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
32	4. Investments		
Contd.	- TFCI do not hold any Investments Outside India		
	1) Value of Investments		
	(a) Gross Value of Investments	1,93,93,97,547	1,46,29,47,970
	(b) Provision for Depreciation	3,62,51,077	7,91,49,720
	(c) Net Value of Investments	1,90,31,46,470	1,38,37,98,250
	2) Movement in Provision held for depreciation on Investments		
	(a) Opening Balance	7,91,49,720	7,84,62,878
	(b) Add: Provision made during the year	-	6,86,842
	(c) Less: Write-back of Excess Provision during the year*	4,28,98,643	-
	(d) Closing Balance	3,62,51,077	7,91,49,720
	*Utilised against NPAs.		
	5. Derivatives		
	Exposure to Derivative Instruments/Products	Nil	Nil
	6. Securitisation		
	A. Details of SPVs Sponsored for Securitisation of Assets		
	SPVs Sponsored	Nil	Nil
	B. Details of Financial Assets sold to Securitisation / Reconstruction Company for Assets Reconstruction		
	Financial Assets Sold	Nil	Nil
	C. Details of Assignment transaction undertaken		
	Assignment transaction undertaken	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		
	(a) No. of accounts sold	1	Nil
	(b) Aggregate outstanding	39,13,31,348	Nil
	(c) Aggregate consideration received	42,00,00,000	Nil
	(d) Gain over net book value	2,86,68,652	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	98,10,00,000	85,36,00,000
	- lending in mortgage backed securities & other exposure	Nil	Nil
	B. Exposure to Capital Market		
	-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;	35,96,78,271	58,00,31,444
	-Advances against shares / 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;	30,00,00,000	30,00,00,000
	-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



(in ₹)

Note No	Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014		
32	8. Additional Disclosures				
	8.1 Breakup of Provision & Contingencies shown under the head expenditure in profit & loss account				
	1) Provision for Depreciation on Investments	-	6,86,842		
	2) Provision for NPAs	2,44,00,000	4,08,13,158		
	3) Provision for Standard Assets	1,56,00,000	45,00,000		
	4) Provision Made Towards Income Tax	18,70,00,000	23,81,50,000		
	5) Other Provision and Contingencies (Deferred Tax Liability)	2,97,98,781	1,75,19,522		
	8.2 Concentration of Advances and NPAs.				
	8.2.1 Concentration of Advances.				
	1) Total Advances to Twenty Large Borrowers	7,67,39,61,585	7,68,96,07,990		
	2) Percentage of Advances to Twenty Large Borrowers	60.56%	65.70%		
	8.2.2 Concentration of NPAs.				
	1) Total Exposure to Top Four NPA Accounts	48,70,72,387	23,00,00,000		
	8.2.3 Sector Wise NPAs.				
	Sector	% of NPA to Total Advances in that Sector	% of NPA to Total Advances in that Sector		
	1) Tourism Sector	2.61%	2.26%		
	2) Infrastructure Sector	26.52%	Nil		
	8.3 Movement of NPAs.				
	1) Net NPAs to Net Advances (%)	1.50%	Nil		
	2) Movement of Gross NPAs				
	(a) Opening Balance	23,00,00,000	12,81,74,113		
	(b) Add: Addition During Year	25,70,72,387	23,00,00,000		
	(c) Less: Reduction/Write-off During Year	-	12,81,74,113		
	(d) Closing Balance	48,70,72,387	23,00,00,000		
	3) Movement of Net NPAs				
	(a) Opening Balance	-	-		
	(b) Add: Addition During Year	18,95,63,974	-		
	(c) Less: Reduction During Year	-	-		
	(d) Closing Balance	18,95,63,974	-		
	4) Movement in Provision for NPA				
	(a) Opening Balance	23,02,09,770	15,68,14,347		
	(b) Add: Provision made during the year	*6,72,98,643	7,33,95,423		
	(c) Less: Write-back of Excess Provision during the year	-	-		
	(d) Closing Balance	29,75,08,413	23,02,09,770		
	*Includes excess provision released from diminution in value of investments aggregating Rs.4,28,98,643, now being utilised against NPAs (as per Note no. 32 Sub Note No.5 above)				
	8.4 Loans and advances availed (including interest accrued thereon but not paid)				
	Particulars	Outstanding	Overdue	Outstanding	Overdue
	Debentures (Bonds)				
	- Secured	Nil	Nil	Nil	Nil
	- Unsecured	7,81,50,00,000	Nil	7,81,50,00,000	Nil
	Deferred Credits	Nil	Nil	Nil	Nil
	Term Loans	1,75,00,00,000	Nil	80,00,00,000	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	12,44,62,93,583	11,50,47,82,254		
	b) Unsecured	22,21,800	Nil		
	8.6 Break up of Leased Assets and stock on hire and other assets counting towards AFC activities : NIL				



(in ₹)

Note No	Particulars	Year Ended 31.03.2015		Year Ended 31.03.2014			
32	8.7 Break-up of Investments (Net of Provision)						
	A. Current Investments						
	Quoted						
	i) Shares						
	- Equity	13,67,76,114		35,71,55,287			
	- Preference	NIL		NIL			
	ii) Units of Mutual Funds	56,16,00,000		6,75,00,000			
	Un Quoted						
	i) Certificate of Deposits	NIL		24,40,49,250			
	B. Long Term Investments						
	Quoted						
	i) Bonds & Debentures	67,81,19,275		53,49,67,275			
	Un Quoted						
	i) Shares						
	- Equity	18,66,51,080		14,37,26,437			
	- Preference	2,00,00,000		3,64,00,000			
	ii) Bonds/Debentures & Security Receipts	32,00,00,001		1			
	Total Investments (Current + Long Term)	1,90,31,46,470		1,38,37,98,250			
	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	12,44,62,93,584	22,21,800	12,44,85,15,384	11,50,47,82,254	Nil	11,50,47,82,254
	8.9 Investor group-wise classification of all investments (current and long term) 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	Nil	Nil	Nil		
	- Companies in Same Group	85,90,14,707	83,85,16,914	86,87,19,857	90,88,96,087		
	- Other Related Parties	Nil	Nil	Nil	Nil		
	ii) Other than Related Parties	1,06,04,68,432	1,06,46,29,556	48,01,11,118	47,49,02,163		
	TOTAL	1,91,94,83,139	1,90,31,46,470	1,34,88,30,975	1,38,37,98,250		
	8.10 Other Information						
	i) Gross Non-Performing Assets						
	- Related parties			Nil	Nil		
	- Other than related parties			48,70,72,387	23,00,00,000		
	ii) Net Non-Performing Assets						
	- Related parties			Nil	Nil		
	- Other than related parties			18,95,63,974	Nil		
	iii) Assets acquired in satisfaction of debt			Nil	Nil		
	8.11 Customer & Investor Complaints						
	a) No. of complaints pending at the beginning of the year			Nil	Nil		
	b) No. of complaints received during the year			227	268		
	c) No. of complaints redressed during the year			227	268		
	d) No. of complaints pending at the end of the year			Nil	Nil		



S. No	Type of Restructuring Assets Classification Details		Under CDR Mechanism					Others					Total				
			Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured Accounts as on 01.04.2014	No of Borrowers	3	-	-	-	3	-	-	-	-	3	-	-	-	3	
		Amount Outstanding	83.42	-	-	-	83.42	-	-	-	-	83.42	-	-	-	83.42	
		Provision Thereon	2.92	-	-	-	2.92	-	-	-	-	2.92	-	-	-	2.92	
2	Fresh restructuring during the year	No of Borrowers	-	-	-	-	3	-	-	-	3	3	-	-	-	3	
		Amount Outstanding	-	-	-	-	59.24	-	-	-	59.24	59.24	-	-	-	59.24	
		Provision Thereon	-	-	-	-	2.96	-	-	-	2.96	2.96	-	-	-	2.96	
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	2	-	-	-	2	-	-	-	-	2	-	-	-	2	
		Amount Outstanding	45.43	-	-	-	45.43	-	-	-	-	45.43	-	-	-	45.43	
		Provision Thereon	1.59	-	-	-	1.59	-	-	-	-	1.59	-	-	-	1.59	
5	Downgradations of restructured accounts during the Financial Year	No of Borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
		Amount Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
		Provision Thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6	Write-offs of restructured accounts during the Financial Year	No of Borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
		Amount Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
		Provision Thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7	Restructured Accounts as on March 31 of the Financial Year (closing figure)	No of Borrowers	1	-	-	-	1	3	-	-	3	4	-	-	-	4	
		Amount Outstanding	39.78	-	-	-	39.78	59.24	-	-	59.24	99.02	-	-	-	99.02	
		Provision Thereon	1.39	-	-	-	1.39	2.96	-	-	2.96	4.35	-	-	-	4.35	

10. Asset Liability Management Maturity pattern of certain items of assets and liabilities (₹ in crore)

	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	-	-	-	-	-	52.50	122.50	-	175.00
- Market Borrowings	-	-	-	-	-	-	156.50	625.00	781.50
Assets									
- Advances	37.41	1.30	3.68	42.29	114.34	372.01	336.19	360.77	1,267.99
- Investments	56.16	-	0.81	-	2.00	17.30	32.00	82.04	190.31

for V C Gautam & Co.
(Chartered Accountants)
Firm Regn. No. 000365N

(S. Ravi)
Director

(S. K. Sangar)
Managing Director

(Malay Mukherjee)
Chairman

(Vishnu Gautam)
Partner
M.No. 016257

(Sanjay Ahuja)
Company Secretary

(B. M. Gupta)
Chief Financial Officer

Date : May 8, 2015
Place : New Delhi



Tourism Finance Corporation of India Ltd.

(CIN L65910DL1989PLC034812)

Registered Office: IFCI Tower, 61 Nehru Place, New Delhi-110019

Email: complianceofficer@tfcilt.com website: www.tfcilt.com

Phone: 011-26291151 Fax: 011-26291152

ATTENDANCE SLIP

(Please complete this Attendance Slip and hand it over at the registration counter)

DP ID *	
CLIENT ID	
FOLIO NO. *	

I hereby record my presence at the 26th ANNUAL GENERAL MEETING of the Company being held on Monday, September 21, 2015 at 2.00 P.M. at Air Force Auditorium, Subroto Park, Dhaula Kuan, New Delhi-110010.

NAME OF THE SHAREHOLDER

NAME OF PROXY #

#To be filled in case proxy attends instead of Shareholder

SIGNATURE OF THE SHAREHOLDER/PROXY*

*Strike out whichever is not applicable

NOTE: NO GIFTS OR COUPONS WOULD BE GIVEN TO THE SHAREHOLDERS FOR ATTENDING THE ANNUAL GENERAL MEETING



Tourism Finance Corporation of India Ltd.

(CIN L65910DL1989PLC034812)

Registered Office: IFCI Tower, 61 Nehru Place, New Delhi-110019

Email: complianceofficer@tfcilt.com website: www.tfcilt.com

Phone: 011-26291151 Fax: 011-26291152

PROXY FORM

NAME OF THE MEMBER(S):

REGISTERED ADDRESS:

E-MAIL ID:

FOLIO NO./CLIENT ID:

DP ID:

I/We, being the member(s) holding shares of the above named company, hereby appoint:

(1) Name: Address:

E-mail Id: Signature:, or failing him/her

(2) Name: Address:

E-mail Id: Signature:, or failing him/her

(3) Name: Address:

E-mail Id: Signature:, or failing him/her

as my/our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the Twenty Sixth Annual General Meeting of the Company, to be held on Monday, September 21, 2015 at 2.00 P.M. at Air Force Auditorium, Subroto Park, Dhaula Kuan, New Delhi-110010 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions Matter	For	Against
1	To consider and adopt the audited financial statements of the Company including the Balance Sheet as at March 31, 2015 and the statement of Profit and Loss Account for the year ended March 31, 2015 and the report of the Board of Directors' and Auditors' thereon.		
2	To declare Dividend on Equity Shares.		
3	To appoint a Director in place of Shri Malay Mukherjee (DIN: 02272425), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.		
4	To authorize Audit Committee to fix remuneration of the Statutory Auditors of the Company.		
5	To Appoint Shri S.C. Sekhar (DIN: 00024780), as an Independent Director of the Company not liable to retire by rotation, to hold office for a term upto 3 (Three) consecutive years commencing from March 18, 2015.		
6	To approve private placement of bond/debentures etc.		
7	To Appoint Shri A.S. Bhattacharya (DIN: 02719232), as an Independent Director of the Company not liable to retire by rotation, to hold office for a term upto 3 (Three) consecutive years commencing from August 8, 2015.		

Signed thisday of 2015

Affix
Revenue
Stamp

Signature of Shareholder(s)

Signature of proxy holder(s)

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before commencement of the Meeting.**
- For the resolutions, Explanatory Statements and Notes, please refer to the notice of the 26th Annual General Meeting.
- It is optional to put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Please complete all details including details of member(s) in the box before submission.



Tourism Finance Corporation of India Limited
(*An IFCI Initiative*)

IFCI Tower, 61, Nehru Place, New Delhi 110 019

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**Tourism Finance Corporation of India Ltd.**IFCI Tower
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New Delhi - 110019Tel. : +91-11-26291151
Fax : +91 11 26291152
E-mail : ho@tfcilttd.com
Web : www.tfcilttd.com**FORM A**

CIN : L65910DL1989PLC034812

**Format of covering letter of the Annual Audit Report to be filed
with the stock exchanges**

1.	Name of the Company:	Tourism Finance Corporation of India Limited
2.	Annual financial statements for the year ended	31st March, 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	N.A.
5.	To be signed by- <ul style="list-style-type: none">• CEO/Managing Director• CFO• Auditor of the company• Audit Committee Chairman	