

27th Annual Report 2 0 1 5 - 1 6



Tourism Finance Corporation of India Limited
(An IFCI Initiative)



BOARD OF DIRECTORS*



Shri Malay Mukherjee
Non-Executive Chairman



Shri Satpal Kumar Arora
Managing Director



Shri A.K. Dogra
Nominee Director, Ministry
of Finance, Govt. of India



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



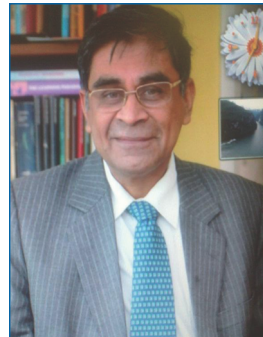
Shri Niraj Agarwal
Director



Shri S. Ravi
Independent Director



Shri Vivek Nair
Independent Director



Shri S. Sridhar
Independent Director



Justice (Retd.) Ms. Rekha Sharma
Independent Director



Shri S C Sekhar
Independent Director



Shri K.B. Nagendra Murthy
Independent Director



BOARD OF DIRECTORS*

Shri Malay Mukherjee	Non-Executive Chairman
Shri Satpal Kumar Arora	Managing Director
Shri A.K. Dogra	Nominee Director, Ministry of Finance, Govt. of India
Shri Suman Billa	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 K.B. Nagendra Murthy
Justice (Retd.) Ms. Rekha Sharma

EXECUTIVE DIRECTOR

Shri B.M.Gupta

CHIEF FINANCIAL OFFICER

Shri Anoop Bali

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@tfcilt.com Website: www.tfcilt.com
CIN No.L65910DL1989PLC034812

*as on August 10, 2016

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, 2016	As at March 31, 2015	
Resources			
Share Capital	8072	8072	
Reserves and Surplus	43334	39838	
Secured Loans	15974	17500	
Unsecured Loans	78150	78150	
Total	145530	143560	
Operations			
	Cumulative	2015-2016	2014-2015
Assistance sanctioned			
Rupee Loan	777904	64070	80732
Leasing	2491	—	—
Subscription to Equity/Preference Share/ Mutual Fund/Debenture	82070	6735	7638
Guarantee	1483	—	—
Total	863948	70805	88370
Assistance disbursed			
Rupee Loan	448693	38056	50802
Leasing	1580	—	—
Subscription to Equity/Preference Share/ Mutual Fund/Debenture	75611	6735	7638
Guarantee	1443	—	—
Total	527327	44791	58440
Earnings			
Profit before tax	7568	8186	
Profit after tax	5361	6018	
Earning per share (₹)	6.64	7.46	



NOTICE

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of the members of Tourism Finance Corporation of India Ltd. will be held on Wednesday, the 28th day of September, 2016 at 2.00 p.m., at Mavlankar Hall, Rafi Marg, New Delhi 110001 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, 2016 and the statement of Profit and Loss Account for the year ended March 31, 2016 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 Niraj Agarwal (DIN: 06483526), 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 to be appointed by Comptroller and Auditor General of India (CAG) for the financial year 2016-17, 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 the Listing Regulation, Dr. K.B. Nagendra Murthy (DIN:00359864), who was appointed as an Additional Director of the Company by the Board of Directors of the Company on January 22, 2016 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 January 22, 2016.

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

"RESOLVED THAT Shri Satpal Kumar Arora (DIN:00061420), who was appointed as an Additional Director by the Board of Directors of the Company with effect from March 31, 2016 and who as per the provisions of the Section 161(1) of the Companies Act, 2013 holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director be and is hereby appointed as a Director of the Company, whose period of office is liable to determination upon his ceasing to be Managing Director.

RESOLVED FURTHER THAT subject to the provisions of Sections 196, 197 and 203 read with Schedule V to the Act and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and Article 161 of the Articles of Association of the Company and such other approvals as may be required and such modification and conditions, if any, which the Board of Directors is hereby authorised to accept, consent of the members, be and is hereby accorded for the appointment of Shri Satpal Kumar Arora (DIN:00061420), as Managing Director of the Company for a period of 3 years from the date of joining office i.e. w.e.f. March 31, 2016 or till he attain the age of 60 years, whichever is earlier, and to the payment of remuneration and other terms and conditions as set out hereunder :

- (i) Pay: Rs.78,000/- p.m.
- (ii) Dearness Allowance: Applicable Central Government Dearness Allowance from time to time.
- (iii) City Compensatory Allowance: Entitlement to City Compensatory Allowance in accordance with the following admissible rate:
 Delhi, Mumbai, Chennai and Kolkata :
 Rs. 300/- per month



- (iv) Housing:
- (a) Rent free furnished accommodation to be provided by the Company. The cost of furniture/ furnishings shall not exceed Rs.3.00 lakh.
Or
In case the stay is in own accommodation or private arrangements are made for stay, then entitled to a compensation comprising 10% of the pay and admissible House Rent Allowance @30% of actual pay drawn p.m. (If the stay is in Delhi).
- (b) Charges incurred for water, electricity and fuel consumed is to be borne by self. The expenditure incurred on providing Security Guards, Servants, Gardner shall be borne by the Company.
- (v) Conveyance: Entitled to free use of the Company's car for official purpose. Journeys from residence to office and back shall be treated as on duty.
- (vi) Travelling, Boarding and Lodging: Actual expenditure to be reimbursed for outstation journeys undertaken for official work, as per rules of TFCI.
- (vii) Medical Benefits: Actual expenses incurred for self and dependent family members, in India. For expenditure to be/incurred relating to treatment abroad, specific approval of the Board will be required.
- (viii) Personal Accident Insurance: Forms part of Group Insurance of the Company, covering accidents also.
- (ix) Leave Travel Concession: Entitled to travel for self and family, by any mode, once in a block of two years for visiting any place in India as per entitled class as applicable for official tour.
- (x) Entertainment: Actual entertainment expenses subject to ceiling of Rs.6,000/- p.a. (membership fee(s) of Club(s) adjustable within the above ceiling).
- (xi) Gratuity: At the rate of half-months' pay for every completed year of service or more than six months of service as MD.
- (xii) Leave: As per Staff Regulations of the Company.
- (xiii) Encashment of Leave on completion of tenure: Entitled to encash Earned Leave at the time of completion of tenure/exit, which may be lying to his credit. The amount of leave salary shall be calculated on the basis of last pay drawn.
- (xiv) Telephone: The Company shall provide telephone at residence for office use. Mobile shall also be provided as per Company's rules.
- (xv) Performance Linked Incentive: As decided by the Board of Directors/ Remuneration & Compensation Committee of Directors, from time to time.
- (xvi) Retirement Fare Concession/Shifting of Household Goods: Single fare journey by entitled Class for self and family and cost of shifting of household goods to hometown at the time of completion of tenure /exit from TFCI.
- (xvii) Reimbursement of Travelling/Transportation Expenses: Entitled to reimbursement of traveling expenses for himself and family members from the place of residence to the place of posting at the time of taking up the board level assignment and similarly from the place of posting to the place where he and his family is to settle down permanently (even if it is other than the declared home town).
- (xviii) Other Perquisites: Other benefits and like amounts to be paid as per rules of TFCI.
- (xix) Provident Fund: Provident Fund will be as per Company rules.
- (xx) Foreign Visits: To be undertaken with the prior approval of the Board.
- (xxi) The Contract of employment can be terminated by either side by giving one month's notice or one month's basic pay in lieu thereof.
- (xxii) Subject to the above, in all other matters, he will be governed by the Staff Regulations of TFCI and other rules and regulations, Administration/HR Circulars and Office Orders, as may be in force from time to time in TFCI.

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

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

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be deemed necessary or



desirable or to settle any question or difficulty that may arise, in such manner as it may deem fit.”

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 the Listing Regulation, Justice (Retd.) Ms. Rekha Sharma (DIN: 07541804), who was appointed as an Additional Director of the Company by the Board of Directors of the Company on June 14, 2016 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 her 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 June 14, 2016.

8. 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.”

By order of the Board of Directors

Date : August 10, 2016
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.***
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.
2. 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 8 are annexed hereto.
3. 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.
4. In terms of Article 135 of the Articles of Association of the Company, read with Section 152 of the Companies Act, 2013, Shri Niraj Agarwal, Director, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board recommends his re-appointment.
5. Brief profile of the Directors proposed to be appointed/re-appointed, is set out in “Information about Directors seeking appointment/re-appointment as mandated in the Listing Regulation” annexed to the notice.
6. 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.
7. 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.



8. 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.
9. (a) The Register of Members and Share Transfer Books for equity shares of the Company will remain closed from September 19, 2016 to September 28, 2016 (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 28, 2016 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 16, 2016
10. 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
11. 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.
12. 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 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.

The due date for transfer of unpaid dividend amount to IEPF for these years are:

Year	Due Date
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
2014-15(Final)	21.10.2022
2015-16(Interim)	29.01.2023

13. 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.
14. 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.
15. 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.tfciltd.com.
16. 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.
17. 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 the Listing Regulation, the Items of Business given in 27th 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 21, 2016 (End of Day) being the "Record Date" fixed for the purpose, to exercise their right to vote at the 27th 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 Shareholders for voting electronically are as under:-

- (i) The voting period begins on September 25, 2016 at 9.00 a.m. and ends on September 27, 2016 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 21, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> •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 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 1 then enter RA00000001 in the PAN field.

Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (iv).
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- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.



(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and 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.tfciltd.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.(TFCI) is a listed company and having more than 1000 shareholders 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 the Listing Regulation, voting by show of hands will not be available to the members at the 27th 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

Dr. K.B. Nagendra Murthy (DIN:00359864) was appointed as an Additional Director w.e.f. January 22, 2016. 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 Dr. K.B. Nagendra Murthy 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 of Sections 149(4), (10) & (11) and 152(6) (e) of the Companies Act, 2013 read with the Listing Regulation, it is proposed to formally appoint Dr. K. B. Nagendra Murthy as Independent Director for an initial term of 3 consecutive year w.e.f. January 22, 2016, the date of his appointment in the company.

The Company has received a declaration from Dr. K.B. Nagendra Murthy 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, Dr. K.B. Nagendra Murthy fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulation. Dr. K.B. Nagendra Murthy is independent of the management.

Brief profile of Dr. K.B. Nagendra Murthy is set out in the “Information about Directors seeking appointment/ reappointment as mandated under the Listing Regulation” 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.

Dr. K.B. Nagendra Murthy 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.

ITEM NO. 6

The Board had appointed Shri Satpal Kumar Arora (DIN:00061420), as an Additional Director and Managing



Director of the Company for a period of 3 years from the date of joining office i.e. w.e.f. March 31, 2016 or till he attain the age of 60 years, whichever is earlier on the terms and conditions as set out in resolution No.6.

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 re-appointment. 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 Satpal Kumar Arora for the office of Director at the ensuing Annual General Meeting. The approval of the members is being sought for the appointment of Shri Satpal Kumar Arora as Managing Director, not liable to retire by rotation and payment of remuneration as set out in Resolution No.6.

Brief profile of Shri Satpal Kumar Arora is set out in the "Information about Directors seeking appointment/reappointment as mandated of the Listing Regulation" which is annexed with the notice. He has more than 35 years of professional experience and has a vast exposure in Finance. He was Executive Director, IFCI Ltd. and was on the board of many companies as Nominee Director. His background would help the company in expanding its business.

The Board recommends the resolution set out in item no. 6 of the Notice for approval of the members of the Company.

Shri Satpal Kumar Arora, is interested in the resolution as it relates its his appointment. None of Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution.

ITEM NO. 7

Justice (Retd.) Ms. Rekha Sharma (DIN: 07541804) was appointed as an Additional Director w.e.f. June 14, 2016. By virtue of Section 161 of the Companies Act, 2013 she 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 Justice (Retd.) Ms. Rekha Sharma 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 she 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 the listing Regulation, it is proposed to formally appoint Justice (Retd.) Ms. Rekha Sharma as Independent Director for an initial term of 3 consecutive year w.e.f. June 14, 2016, the date of her appointment in the company.

The Company has received a declaration from Justice (Retd.) Ms. Rekha Sharma that she meets with the criteria

of independence as provided in section 149(6) of the Companies Act, 2013. In the opinion of the Board, Justice (Retd.) Ms. Rekha Sharma fulfils the conditions for her appointment as an Independent Director as specified in the Act and the Listing Regulation. Justice (Retd.) Ms. Rekha Sharma is independent of the management.

Brief profile of Justice (Retd.) Ms. Rekha Sharma 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.

Justice (Retd.) Ms. Rekha Sharma is interested in the resolution as it relates to her 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.

ITEM NO.8

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. 8.

The Board of Directors recommends the passing of the proposed Special Resolution as set out in item No.8 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.

By order of the Board of Directors

Date : August 10, 2016
Place : New Delhi

(Sanjay Ahuja)
Company Secretary



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

Shri Niraj Agarwal

Shri Niraj Agarwal, age 58 years, joined LIC in the year 1984 after completing his Master Degree from the University of Allahabad. He has held many important positions in his career and has worked at the Corporate Office and in three major Zones.

Previously he had worked as CEO of Saudi Indian Company for Co-operative Insurance (SICCI) at Saudi Arabia, General Manager, LIC International at Bahrain, Secretary (Personnel/ Admn.), CO and Sr. Divisional Manager, DO (SSS).

Shri Agarwal has attended several training sessions on management and insurance at prestigious institutes like Asian Institute of Management, Manila, Phillipines, ISB, Hyderabad and NIA, Pune. He is not a director in any other company. He is the chairman of Stakeholder Relationship Committee of the Company. He does not hold shares of the Company.

Shri Satpal Kumar Arora

Shri Satpal Kumar Arora, age 58 years, is a post graduate in Commerce, an Associate member of ICSI and ICMA. He is also law graduate and a Diploma holder in Labour Laws and a certified Associate of Indian Institute of Bankers. He has more than 35 years of professional experience. He was Executive Director, IFCI Ltd. and was on the board of many companies as Nominee Director. He is not a director in any other company as on date. He is member of Stakeholder

Relationship Committee of the Company and does not holds any equity shares of the Company.

Dr. K.B. Nagendra Murthy

Dr. K.B. Nagendra Murthy, age 66 years, is M.Com (Gold Medalist), CAIIB and Ph.d and has over four decades of experience in banking industry. He has rich experience coupled with an in depth knowledge of the Banking Industry from across various markets in India.

He is independent director of Rajapalayam Mills Ltd. He is member of Audit Committee of Rajapalayam Mills Ltd. and member of Nomination and Remuneration Committee, Executive Committee and Wilful Defaulter Review Committee of Tourism Finance Corporation of India Ltd. He does not holds shares of the Company.

Justice (Retd.) Ms. Rekha Sharma

Justice (Retd.) Ms. Rekha Sharma, age 67 years, is a retired judge from Delhi High Court. She studied law at Delhi University and was enrolled as an Advocate with Bar Council of Delhi in 1972. She practiced in Delhi High Court on Constitutional, Civil and Criminal matters and was appointed as Central Government Counsel for Delhi High Court from 1977 to 1988. She was appointed as District & Sessions Judge on 1.10.2004 and elevated as Additional Judge of Delhi High Court on 23.2.2005. She retired on 30.7.2011. She has rich experience coupled with an in depth knowledge of the Law and Judiciary. She is not a director in any other company and does not holds any equity shares of the Company.

Important Communication to Members

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



DIRECTORS' REPORT

To the Members:

1. Presentation of the Annual Report

Your Directors have pleasure in presenting the Twenty Seventh Annual Report on the business and operations of the Company and the audited accounts for the financial year 2015-16.

2. Financial Results

The Company's financial performance for the year ended 31st March, 2016 is summarized below:

(Amount in Crore)

Particulars	2015-16	2014-15
Total Income	185.64	188.05
Total Expenditure	107.96	102.19
Provision/(Written Back) for doubtful debts/investment	2.00	4.00
Profit before Tax	75.68	81.86
Provision for Tax	22.06	21.68
Profit After Tax	53.61	60.18
Less: Provision for doubtful debts u/s 36(1)(vii) of the Income Tax Act, 1961	2.81	2.95
Surplus Brought Forward	8.16	14.99
Profit Available For Appropriation	58.96	72.22
Special Reserve under Section 36(1)(viii) of the Income Tax Act, 1961	13.52	14.47
Special Reserve u/s 45 IC of RBI Act	10.72	12.04
General Reserve	10.00	20.00
Proposed Dividend	14.53	14.53
Dividend Tax	2.96	2.91
Depreciation Adj for earlier years	-	0.11
Balance Carried to Balance Sheet	7.23	8.16
	58.96	72.22

3. Operational Performance

TFCI has been having satisfactory operational performance and financial indicators despite depressed market conditions for the last three years. The aggregate assistance sanctioned during the year was Rs.708.05 (project related sanctions Rs.640.70 crore and average investment in mutual funds Rs.67.35 crore) as compared to Rs.883.70 crore during corresponding previous year (project related sanctions Rs.807.32 crore and average investment in mutual funds Rs.76.38 crore). The aggregate disbursement during the year was Rs.447.91 crore (project related disbursements Rs.380.56 crore and average investment in mutual funds Rs.67.35 crore) as compared to Rs.584.40 crore during the corresponding previous year (project related disbursement Rs.508.02 crore and average investment in mutual funds Rs.76.38 crore). Despite

difficult business environment during the year under review, your Company has recorded profit after tax of Rs.53.61 crore. The balance sheet size has increased from Rs.1500.87 crore to Rs.1590.20 crore during the year under review. However, the profit was impacted on account of interest reversal of six downgraded accounts (Rs.12.18 crore), lower profit from sale of investment (Rs.4.63 crore lower than previous year), loss of interest on prepayment of loans aggregating Rs.160.37 crore and reduction in base rate by 50 basis from 12.75% to 12.25% during the current year with a view to retain the existing clients and to attract new business to ensure balance sheet growth. Further, the company has spent a sum of Rs.1.59 crore in meeting its Corporate Social Responsibility for the first time.

Your company has been in constant look out for New Business & customers who might have financial requirements for setting up new projects, renovation, modernisation and/or expansion. However, in view of the persistent decline in room rentals due to oversupply in major metro markets, the new projects have either been shelved or deferred for the time being. TFCI accordingly decided to extend financial assistance to projects having sound fundamentals and to ensure increase in its balance sheet size it was decided to concentrate on take-over financing of potentially viable projects so as to ensure quick disbursement. 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. Further, TFCI decided to explore and exploit possibilities for diversification and expansion in infrastructure and other related areas. Besides, TFCI has been actively pursuing consultancy assignments for Private Sector and State Governments and their agencies.

3.1. Asset Quality:

The stressed assets issues affecting the banking sector continued during the year and resulted into increase in the NPAs of public sector bank. The subdued macro-economic environment and tepid demand scenario had also affected the tourism sector and thus adversely affecting TFCI's sanctions and disbursements and recovery from assisted concerns. Your Company adhered to the prudential norms for Non-Performing Assets(NPAs) prescribed by the regulatory authority. During the year under review, your Company recovered an amount of Rs.21.47 crore from NPAs account. However, despite vigorous follow up, 6 account with an aggregate outstanding of Rs.131.61 crores have slipped from standard to sub-standard category and recognized as NPA as on March 31, 2016. As all these accounts are fully secured, your



Company is confident of realising the entire over dues alongwith further interest/principal during the current year. However, TFCI has made adequate provisions in the books of accounts. The Net NPAs of the company were Rs.120.89 crore as on March 31, 2016.

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 27 years of existence. The assistance provided by TFCI since its inception has contributed the addition of 46588 rooms and provided direct employment to about 87235 persons in tourism industry. The assistance provided by TFCI has also led to catalysing investments to the tune of 26200 Crore in the tourism sector by providing assistance to more than 787 projects thereby contributing to the creation of required tourism infrastructure, which has direct bearing on the development of the industry.

5. Dividend

Your Directors have recommended dividend @ 18% including the dividend of Rs.1 per Equity Share i.e. @ 10% paid on December 30, 2015 for the financial year ended March 31, 2016. The final dividend of Rs.0.80 per Equity Share i.e. @ 8% on the paid-up Equity Share Capital, if approved, will be Rs.7.77 Crore inclusive of dividend tax of Rs.1.31 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 28, 2016 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 16, 2016

6. Resource Mobilization

Your Company constantly monitors its resource base and taps the appropriate opportunity to minimize the weighted average cost of funds. During the year, your Company met its fund requirements for disbursement as well as repayment/redemption of loans/bonds by way of financial assistance from banks and internal accruals. During the year, the Company raised Secured Non-Convertible Bond aggregating Rs.159.74 crore at coupon rate of 8.81% p.a. payable semi-annually having maturity period of 10 years. Your Company redeemed high interest bearing loan aggregating Rs.225 crore during 2015-16. Further, your Company has tied up with various banks for financial assistance to meet its future requirement of resources.

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, 2016

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 37.82% as on the March 31, 2016 as against the prescribed norm of 15%.

8. Management's Discussion and Analysis Report

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

9. Directors and Key Managerial Personnel

During the year under report, Shri A.S.Bhattacharya resigned as Independent Director w.e.f. 5.1.2016 and the Ministry of Finance, Govt. of India appointed Shri A.K.Dogra as its nominee director on the Board of TFCI in place of Shri M.M.Dawla w.e.f. 29.1.2016. Further, the Ministry of Tourism, Govt. of India appointed Shri Suman Billa as its nominee director in place of Smt. Usha Sharma w.e.f. 15.3.2016. Shri S.K.Sangar resigned as Managing Director w.e.f. 31.1.2016 and Shri Satpal Kumar Arora has joined as Managing Director w.e.f. March 31, 2016. Shri K.B.Nagendra Murthy and Justice (Retd.) Ms. Rekha Sharma were appointed as additional director(s) in the Independent category on January 22, 2016 and June 14, 2016 respectively by the Board of Directors for a period upto three years subject to the approval of the shareholders in the ensuing Annual General Meeting.

The Board appreciates the contribution made by the outgoing directors viz. Shri S.K.Sangar, Shri M.M.Dawla and Smt. Usha Sharma 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 Niraj Agarwal would retire at the forthcoming Annual General Meeting. The Board recommends the re-appointment of Shri Niraj Agarwal and appointment of Shri Shri K.B.Nagendra Murthy and Justice (Retd.) Ms. Rekha Sharma in the forthcoming Annual General Meeting.

During the year under review, the members approved the re-appointments of Shri Malay Mukherjee as Non-Executive Non-Independent Directors who is liable to retire by rotation and of Shri S.C.Sekhar and Shri A.S.Bhattacharya (since resigned w.e.f. 5.1.2016) as Independent Directors who are not liable to retire by rotation.

The Company has received declarations from all the Independent Directors of the Company confirming



that they meet the criteria of independence as required under Section 149 of the Companies Act 2013 and the Listing Regulation with the Stock Exchanges.

9.1 Performance Evaluation of the Board

The Companies Act, 2013 and Listing Regulation 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 evaluated the performance of Non-Independent Directors including Chairman, Managing Director. The Non-Independent Directors evaluated the performance of Independent directors and on the basis of the report of performance evaluation, it is determined whether to extend or continue the term of appointment/reappointment of the Independent and other Director(s).

9.2 Director Orientation Programme

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

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

9.3 Details of Board meetings

During the year, 8 Board Meetings were held on May 8, 2015, July 27, 2015, September 21, 2015, November 6, 2015, December 8, 2015, January 22, 2016, March 9, 2016 and March 28, 2016. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013. The details about the meetings of Audit Committee and other Committees are provided in the report on Corporate Governance which forms part of this Annual Report

9.4 Appointments/Resignations of the Key Managerial Personnel

Shri Satpal Kumar Arora, Managing Director; Shri Anoop Bali, Chief Financial Officer and Shri Sanjay Ahuja, Company Secretary are the Key Managerial Personnel as per the provisions of the Companies Act, 2013.

Consequent upon the elevation of Shri B.M.Gupta (the then CFO) to Executive Director, Shri Anoop Bali was appointed as Chief Financial Officer (CFO) of the Company with effect from September 21, 2015, Shri S.K.Sangar resigned as Managing Director w.e.f. 31.1.2016 and Shri B.M.Gupta, Executive Director was appointed as Manager of the Company w.e.f. February 1, 2016 till March 31, 2016. Shri Satpal Kumar Arora has joined as Managing Director w.e.f. March 31, 2016

9.5 Company's policy on appointment and remuneration

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

Remuneration Policy

I. Board Level Remuneration Structure

- (a) **For Managing Director/Whole-Time Director:** The remuneration is paid, as approved from time to time, subject to the approval of the Board and Shareholders as the case may be and as per the applicable provisions of Companies Act, 2013 and under any other Act/ Rules/ Regulations for the time being in force.
- (b) **In case of Non-Executive / Independent Directors:** The Non-Executive Directors (except Government Servants) are being paid sitting fees of Rs.20,000 and Rs.10,000 (plus service tax) per meeting for attending the meetings of Board and its Committees respectively (Rs.13,333/- and Rs.6,667/- plus service tax till July, 2015). The Sitting Fees may be revised by the Board of Directors, subject to the overall limits as prescribed under the applicable provisions.



No Director, who is a Government Servant, 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, facilities etc. of Key Managerial Personnel and all the regular employees are as per the pay scale, allowances and other facilities etc. as may be approved by the Board and its committee from time to time in line with the salary structure prevalent in other similar organization such as RBI 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 2015-16 and 2016-17. 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 2016-17.

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 were appointed Secretarial Auditors of the Company. 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.

13.1 Committee on Sexual Harassment

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



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

The particulars relating to energy conservation and technology absorption, as required to be disclosed under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is not required as your Company's operations do not involve 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).

Pursuant to the provisions of the Investor Education Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has already filed the necessary form and uploaded the details of unpaid and unclaimed amounts lying with the Company, as on the date of last AGM (i.e September 21, 2015), 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 social responsible entity.

Your Company during the year under review has undertaken CSR activities/projects during the year

2015-16 amounting Rs.1.59 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.1.59 crore, Rs.110.50 lakh was spent and unspent amount of Rs.48.50 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 detail report on the CSR contribution made during the year 2015-16 is annexed as Annexure 2.

17. Corporate Governance and other disclosures

Your Directors reaffirm their continued commitment to good corporate governance practices and endorse Corporate Governance practice in accordance with the provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. Your company has complied with all the mandatory requirements of the said clause. The Report on the Corporate Governance as stipulated under Listing Regulation 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 of Corporate Governance as stipulated under the aforesaid Listing Regulation is attached to this report.

17.1 Vigil Mechanism

Pursuant to the requirement of the Companies Act 2013 and Listing Regulation, the Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Audit Committee. Employees may also report directly to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee. The policy on Vigil Mechanism and Whistle Blower Policy may be accessed on the Company's website at the link: <http://www.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 25 to the financial statement which sets out related party disclosures.

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

17.6 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 enable 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 details 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 investment.

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, 2016 and the date of the Directors' report i.e. August 10, 2016.

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 10, 2016 **S. Ravi** **Satpal Kumar Arora**
Place: New Delhi. **(Director)** **(Managing Director)**



Management's Discussion and Analysis

1. Business and Economic Environment

The Indian economy recorded growth rate of 7.6% in 2015-16 despite unfavorable global environment, recessionary trends in Chinese economy and slow investment cycle in the country. The GDP growth which had moderated to an average of 5.8% in the preceding two years increased to 7.6% in 2015-16, particularly on account of higher growth in manufacturing/service sector. There was softening in inflation on account of fall in international crude oil price and commodity prices. The landmark initiatives taken by Central Government like Make in India, Ease of Doing Business, Start Up India, Digital India, Smart Cities, Industrial Corridors, etc. will provide further impetus to the growth of industrial and services sectors and is expected to be the key driver of economic growth in the country. These initiatives would also help in transforming infrastructure sector which is essential for achieving and sustaining higher economic growth.

India's real economy, as measured by the Gross Value Added (GVA), is likely to expand by 7.6 per cent in 2016-17 due to improvement in farm and industry sectors. As per RBI report output growth, measured using GVA at basic prices, is likely to improve gradually in 2016-17 and further in 2017-18. Current Account Deficit is projected at 1.1 per cent and 1.5 per cent (of GDP) in 2016-17 and 2017-18, respectively.

World Travel & Tourism Council (WTTC) forecasts a strong growth for Indian tourism industry propelling it into top ten Travel and Tourism Economies by 2016, moving from 12th in 2015 to 7th in 2016 in terms of total GDP from travel and tourism. Foreign Visitor spendings generated INR1,249.3bn (4.2% of total exports) in 2015. This is expected to grow by 5.3% in 2016, and grow by 7.6% pa, during next ten year, to reach INR2,625.6bn in 2026 (3.8% of total export earnings).

In 2015, the total contribution of Travel & Tourism to employment, including jobs indirectly supported by the industry was 8.7% of total employment (37,315,000 jobs). Further, it is expected to rise by 3.0% in 2016 to 38,441,000 jobs and rise by 1.9% pa to 46,422,000 jobs in 2026 (9.0% of total). The total contribution of T&T to GDP is expected to rise by 7.3% in 2016, and rise by 7.5% pa to INR 18,362 bn in 2026.

2. Industry Structure and Development

Tourism is an important sector of the economy and contributes significantly in the country's GDP as well as foreign exchange earnings (FEE). With its backward and forward linkages with other sectors of the economy

like infrastructure, including transport & construction, culture, handicrafts, etc., tourism has the potential to be a significant economy driver and also an effective tool for poverty alleviation. The availability of good quality and/or affordable hotel rooms plays an important role in boosting the growth of tourism in the country. Presently, India has about 1,70,000 hotel rooms in classified/approved categories and another 60,000 hotel rooms are expected to be added to the inventory in the next 3-5 years. The hotels are recording average occupancy of around 61%. In the long term, with the economy growing at an average rate of around 7.5% annually, it is expected that the demand for hotel rooms would improve further. Then hotel industry revenues are likely to improve by 9-10% in 2016-17, mainly aided by improved occupancies.

An uncertain economic growth globally and weak performance of the hotel industry in India lead to delayed project execution and consequently significant deferment of supply additions. During 2015-16, the supply addition is estimated at 8% (against earlier estimate of 12%) largely attributed to delays in receiving the permissions/approvals required to launch hotels. The current supply pipeline and construction progress indicates potential for 14% supply growth for 2016-17. However with deferment of certain projects, rooms addition will be lower than earlier estimates at 7.7% to 8% for 2016-17.

The tourism sector recorded moderate growth during the calendar year 2015. The foreign tourist arrivals (FTA) in India were 8.16 million during 2015 as compared to 7.80 million during 2014, recording a growth of 4.4%. The FEE from tourism during 2015 were Rs.1,26,211 crore as compared to Rs.1,23,320 crore during 2014, registering an increase of 2.3%. The domestic tourists in India were estimated at around 1320 million during 2015 as compared to 1248 million during 2014, recording a growth of about 6%.

The Government of India is encouraging tourism sector by means of fiscal incentives, supporting mega-tourism projects across the country, expanding visa-online scheme, strengthening tourism-oriented training & education infrastructure and promoting the country as a destination for heritage, wildlife, medical, wellness, rural, adventure and eco-tourism.

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. The Indian travel and tourism



industry is likely to see a spurt in growth this year on the back of new visa reforms, according to a report by the World Travel and Tourism Council. India's travel and tourism economy is poised to grow 7.3% in 2016 and to rise by 7.5% in 2026.

In 2015, the industry contributed Rs.8.22 trillion i.e. 7% of Gross Domestic Product (GDP) and 37.4 million jobs about 9% to the Indian economy. India has an excellent opportunity to benefit from visa reforms and infrastructure improvements under the new government. But the overall contribution of India's travel and tourism sector to the overall economy is still relatively low (7% of GDP, against a global average of 9.8%). Investment in the sector is likely to rise by 4.8% in 2016 and further it is expected to rise by 6.3% per annum over the next 10 years to Rs.4,356.7 billion in 2026. The sector has the potential to contribute 46 million jobs to the Indian economy by 2025. The report cautioned that although recent improvements in the process of granting visas are welcome, visa liberalization still has a long way to go. The recent insistence upon biometric data for visitors from France and the UK will have far reaching impacts on travel to India from these countries, it said.

The hotel industry witnessed another subdued year 2015-16. The year 2015-16 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 economic revival were visible in FY 2015-16, as ARR and Rev Par increased by about 6% and 2% respectively and the occupancy levels also improved marginally as compared to previous year. The long term outlook for Indian hospitality business continues to be positive with potential for economic growth.

Indian hotel industry revenue is expected to grow by 9% in 2016-17 after a subdued growth rate of 6% in the current fiscal. The growth is expected to strengthen in 2016-17 mainly on account of a modest increase in occupancy and small upward traction in rates. However, in luxury segment the supply has over taken the latent demand and unless the World Economic 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.

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 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

Your Company has been having satisfactory operational performance and financial indicators despite depressed market conditions for the last three years as detailed in para 3 of the Directors' Report. Your Company with a view to withstand the operational and market risk associated with the industry, has been pursuing to expand its portfolio by diversifying 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.

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 1,70,000 rooms in classified hotels and it needs additional 1,20,000 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 tourist industry. Government needs to look for strategic initiatives to market brand India in tourism 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. A 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 2016-17. This is evident from the fact that the hotel chains which used to focus on business towns are looking at pilgrimage and other 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. Your Company employed 33 persons as on March 31, 2016.



CORPORATE GOVERNANCE REPORT

Company's Philosophy on Corporate Governance

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

1. Board of Directors:

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

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

The Board consists of 10 Directors as on March 31, 2016 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.

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 of the Company.

During the year, 8 Board Meetings were held on May 8, 2015, July 27, 2015, September 21, 2015, November 6, 2015, December 8, 2015, January 22, 2016, March 9, 2016 and March 28, 2016. 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, 2016, are given as under:-

Sl. No.	Name of Director	Category of Directorship	No. of Board Meeting Attended	Attendance at Last AGM	No. of other Directorships/ Committee Chairmanships/ Other Memberships*			
					Directorship Public Co.	Directorship Pvt.	Member	Chairman
1	Shri Malay Mukherjee	Chairman/NED	8	Yes	6	Nil	Nil	Nil
2.	Shri S.K.Sangar*	Managing Director	6	Yes	Nil	Nil	1	Nil
3	Smt. Usha Shama#	NED	1	NO	N.A	N.A	N.A	N.A
4.	Shri M.M.Dawla\$	NED	5	Yes	N.A	N.A	N.A	N.A
5	Shri Niraj Agarwal	NED	7	Yes	Nil	Nil	1	1
6	Shri Vivek Nair	NEID	2	Yes	5	10	1	Nil
7	Shri S.Ravi	NEID	8	Yes	7	3	7	3
8	Shri S.Sridhar	NEID	2	NO	9	5	6	3
9.	Shri S.C.Sekhar	NEID	8	Yes	1	Nil	1	Nil
10	Shri Satpal Arora**	Managing Director	0	N.A	Nil	Nil	1	Nil
11	Shri A.K.Dogra\$	NED	1	N.A	1	Nil	2	Nil
12	Shri A.S. Bhat-tachraya @@	NEID	0	NO	N.A	N.A	N.A	N.A
13	Shri Suman Billa#	NED	0	N.A	2	Nil	Nil	Nil
14	Shri K.B. Nagendra Murthy@	NEID	2	N.A	1	Nil	1	Nil
15	Shri V.P.Singh^	NEID	1	N.A	N.A	N.A	N.A	N.A

* Resigned as Director/Managing Director w.e.f. 31.1.2016.

Ministry of Tourism, Govt. of India appointed Shri Suman Billa as its nominee director on the Board of TFCI in place of Smt. Usha Sharma w.e.f. 15.3.2016

\$ Ministry of Finance, Govt. of India appointed Shri A.K.Dogra as its nominee director on the Board of TFCI in place of Shri M.M.Dawla w.e.f. 29.1.2016.

** Appointed/Joined as Managing Director w.e.f. 31.3.2016.

@@ Resigned w.e.f. 5.1.2016

@ Appointed w.e.f. 22.1.2016

^ Resigned w.e.f. 8.5.2015

NED : Non-Executive Director

NEID: Non-Executive Independent Director



Notes:

1. Other directorship includes directorship held in Private Companies and alternate directorship.
2. Committee positions of only two committees namely Audit Committee and Investors'/Shareholders' Grievance Committee in only Indian Public Limited Company, have been considered pursuant to the SEBI (LODR) Regulations, 2015.

2. Board Committee Meetings and Procedures

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

(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 was an independent director. The Chairman of the Committee attended the last AGM. The Committee met 6 times on May 8, 2015, July 27, 2015, September 18, 2015, November 6, 2015, December 8, 2015 and January 22, 2016. 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)	6
2.	Shri S.C. Sekhar	Independent Director	6
3.	Shri M.M. Dawla*	Non-Executive Director*	5
4.	Shri A.K. Dogra**	Non-Executive Director	NII

* Nomination was withdrawn w.e.f January 29, 2016

** Nominated w.e.f January 29, 2016

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

Terms of Reference

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

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of

auditors of the company;

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;



12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

(B) Nomination and Remuneration Committee

(i) Composition:

During the year under report, the Nomination and Remuneration Committee of the Board comprised of 4 members (3 Independent Director and 1 Non-Executive Director). The Committee met 5 times during the year on July 20, 2015, August 7, 2015, December 8, 2015, January 22, 2016 and March 9, 2016. The names of the members are as follows:

	Name of Member	Status	No. of Meetings Attended
1.	Shri S. Ravi	Chairman (Independent Director)	5
2.	Shri Vivek Nair	Independent Director	1

3.	Shri M.M. Dawla*	Non-Executive Director	4
4.	Shri A.K. Dogra**	Non-Executive Director	0
5.	Shri K.B.N. Murthy#	Independent Director	1

* Nomination was withdrawn w.e.f. January 29, 2016
 ** Nominated w.e.f. January 29, 2016
 # The Committee was reconstituted on March 8, 2016.

(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 2015-16:

- (i) Shri S.K.Sangar, Managing Director resigned w.e.f. January 31, 2016 and during FY 2015-16 aggregate remuneration (including incentive) of Rs.30,28,847/- was paid to him. Shri Satpal Kumar Arora joined as Managing Director w.e.f. March 31, 2016 and was paid remuneration of Rs.7,418/- during FY 2015-16.
- (ii) During the year under review, incentive aggregating Rs.4,30,756/- was paid to the Managing Director.
- (iii) Notice period for termination of appointment of Managing Director is one 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)	2,16,831
Shri V.P.Singh	14,981
Shri Vivek Nair	1,10,550
Shri S.Ravi	3,76,722
Shri S.Sridhar	1,10,122
Shri S.C.Sekhar	2,69,972
Shri K.B.Nagendra Murthy	68,700

During the year under report, the Company has not paid any remuneration to Non Executive Directors except by way of Sitting Fee which was paid Rs.20,000 and Rs.10,000 (plus service tax) per meeting for attending the meetings of Board and its Committees respectively (Rs.13,333/- and Rs.6,667/- plus service tax till July, 2015).

(vii) Details of Number of Shares and Convertible Instruments Held by Directors as on March 31, 2016:

Sl. No.	Name of Director	Equity Shares/ Convertible Instruments
1	Shri Malay Mukherjee Non Executive Chairman	Nil
2.	Shri Satpal Kumar Arora Managing Director	Nil
3.	Shri A.K.Dogra	Nil
4.	Shri Suman Billa	Nil
5.	Shri Niraj Agarwal	Nil
6.	Shri Vivek Nair	Nil
7.	Shri S.Ravi	Nil
8.	Shri S.Sridhar,	Nil
9	Shri S.C.Sekhar	500 Equity Shares
10	Shri K.B.Nagendra Murthy	Nil

(C) Stakeholder Relationship Committee:

- i) **Composition:** During the year under report, the Investor-Grievances Committee of the Board comprised of 2 Directors including 1 Non-Executive Director (Chairman of the meeting). During the financial year 2015-2016, 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, 475 complaints were received from the shareholders and were replied/solved to the satisfaction of the shareholders. As on March 31, 2016, 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 members including 2 Independent Directors. The Chairman of the Committee is an Independent Director. The Committee met 3 times during the year on May 8, 2015, August 27, 2015 and January 22, 2016. The names of the members are as follows:

Sl. No.	Name of Member	Status	No. of Meetings Attended
1	Shri S. Sridhar	Independent Director	2
2	Shri S.K. Sangar	Managing Director*	3
3	Smt. Usha Sharma	Non-Executive Director#	Nil
4	Shri Vivek Nair	Independent Director*	1
5	Shri Suman Billa	Non-Executive Director ^	Nil
6	Shri Satpal Kumar Arora	Managing Director@	Nil

*since resigned w.e.f. January 31, 2016

#Nomination withdrawn w.e.f. March 15, 2016

^Appointed w.e.f. March 15, 2016

@Appointed w.e.f. March 31, 2016

ii) Terms of reference:

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

(E) Risk Management Committee**Composition**

1. Shri S.Ravi (Chairman) Independent Director
2. Shri Satpal Kumar Arora Managing Director
3. Shri B.M.Gupta Executive Director

The Risk Management Committee was constituted adhering to the requirements of the Companies Act, 2013 and the Listing Regulation. The Committee's prime responsibility is to

implement and monitor the risk management plan and policy of the Company. The Committee's constitution meets with the requirements of the Listing Regulation. Role and Responsibilities of the Committee includes periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes. Overseeing implementation of Risk Management Plan and Policy Monitoring of Risk Management. Two meetings of the Committee were held during the year on July 20, 2015 and March 28, 2016.

(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 2015-16.

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

- i. review the performance of non-independent directors and the Board as a whole;
- ii. review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- iii. 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 26 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
2014-15	September 21, 2015	02.00 p.m.	Air Force Auditorium, Subroto Park, New Delhi
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

(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 Resolution
21.9.2015	(i) Section 42,71	Issue of Bonds/ Debentures
22.9.2014	(i) Section 14	Alteration in Articles of Association
	(ii) Section 180(1) (a)	B o r r o w i n g s / mortgage
	(iii) Section 180(1) (c)	B o r r o w i n g s / mortgage
	(iv) Section 42,71	Issue of Bonds/ Debentures
12.9.2013	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 who holds 500 shares.

(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.25 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 the Listing Regulation.

(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 Wednesday, September 28, 2016 at 2.00 p.m. at Mavlankar Hall, Rafi Marg, New Delhi 110001

9.2 Financial calendar (tentative)

Financial Year: April 1, 2016 to March 31, 2016
 Results for the quarter ending:
 June 30, 2016 - July/August 2016
 September 30, 2016 - October/November 2016
 December 31, 2016 - January/February 2017
 March 31, 2017 - April/May 2017
 Annual General Meeting - September, 2016

9.3 Date of Book Closure

September 19, 2016 to September 28, 2016

9.4 Dividend Payment

Credit/dischatched between October 20, 2016 to October 27, 2016.

9.5 Listing on Stock Exchanges

- Bombay Stock Exchange Ltd.,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001.
- 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 2015-2016

TFCI Share Price (in Rs.)

Month & Year	BSE		NSE	
	High	Low	High	Low
Apr-15	83.50	62.10	83.20	62.00
May-15	70.20	52.70	67.25	52.60
Jun-15	62.95	54.15	62.90	53.90
Jul-15	68.00	55.80	67.90	54.85
Aug-15	64.00	44.25	63.95	43.50
Sep-15	50.00	45.00	50.20	45.00
Oct-15	61.75	48.55	61.90	49.35
Nov-15	64.30	55.00	64.40	54.00
Dec-15	65.65	52.00	65.75	54.20
Jan-16	69.20	45.20	69.20	45.50
Feb-16	51.20	38.00	51.20	38.00
Mar-16	47.90	39.10	47.80	39.20

Stock code: BSE: 526650, NSE: TFCILTD
 Demat ISIN code: INE305A01015

9.7 Performance in comparison to broad-based indices:

TFCI's share-price performance relative to NSE Nifty and BSE sensx during the year 2015-16

	(% change)	(% change)	(% change)
TFCI's share	TFCI's share Price	Index	TFCI relative to index
BSE Sensex	-37.48%	-9.35%	-28.13%
NSE Nifty	-37.46%	-8.86%	-28.60%

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 the Listing Regulaiton 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, 2016**

No. of Shares		Shares	% Shares	No. of shareholders	% Holders
1	500	7575677	9.39	57876	89.36
501	1000	2989575	3.70	3485	5.38
1001	2000	2574636	3.19	1617	2.50
2001	3000	1521414	1.89	584	0.90
3001	4000	897511	1.11	243	0.38
4001	5000	1302614	1.61	270	0.42
5001	10000	2732110	3.39	362	0.55
10001	50000	6084564	7.54	279	0.43
50001	100000	1530131	1.89	22	0.03
100001	Above	53508516	66.29	30	0.05
Total		80716748	100.00	64768	100.00

9.11 Categories of Shareholders as on March 31, 2016

SHAREHOLDING PATTERN AS ON 31.3.2016		
Name of Shareholder	No. of share	%
1. Promoters/Promoters Group		
(i) IFCI Ltd.	3,15,58,613	39.10
(ii) Life Insurance Corporation of India	54,13,180	6.71
(iii) State Bank of India	26,48,441	3.28
(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	1.07
Total Promoters Holding	4,54,69,787	56.33
2. Mutual Fund	37,75,520	4.68
3. Other Banks/Financial Institutions	98,891	0.12
4. Foreign Portfolio Investors	7,53,879	0.93
5. Bodies Corporates	70,31,540	8.71
6. Individual Shareholding (General Public)	2,27,87,485	28.23
7. Trust	2,956	0.00
8. NRI	7,96,690	0.99
Total Public shareholding	3,52,46,961	43.67
Grand Total	8,07,16,748	100.00

9.12 Dematerialization of Shares

Sl. No.	Electronic/physical	Mode of holding %
1	NSDL	85.96%
2	CDSL	10.91%
3	Physical	3.13%
	TOTAL	100.00

Trading in Equity Shares of the Company is permitted only in dematerialized form. As on March 31, 2016, 96.87 % of Company's total equity shares representing 7,81,88,815 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-400021, Tel : 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, 2016 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 the Listing Regulation. 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 Listing Regulation. The Managing Director and the Chief Financial Officer of the Company also give quarterly certification on financial results while placing financial results before the Board in terms of the Listing Regulation.



Annexure 1

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

Sr. No.	Requirments	Disclose												
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 1.77:1 Shri Satpal Kumar Arora, MD 2.02:1												
2	The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year	Shri S.K.Sangar, MD N.A Shri Satpal Kumar Arora, MD N.A Shri B.M.Gupta, ED 6.45% Shri Anoop Bali, CFO 7.33% Shri Sanjay Ahuja, CS 11.1%												
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 11.17%.												
4	The number of permanent employees on the rolls of the Company	There were 33 employees as on March 31, 2016												
5	The explanation on the relationship between average increase in remuneration and Company performance	The Company follows fixed pay structure for the all the permanent employees which are comparable with other public sector financial institutions. However, the performance linked incentives are based on the financial performance of the Company.												
6	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	During FY 2015-16, KMPs were paid remuneration approximately around 1.61% of the Profit Before Tax and 0.66% of the Total Income of the Company.												
7	Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current FY and previous FY and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer	The Market capitalization of the Company has decreased from Rs.547.26 Crores as of March 31, 2015 to Rs. 342.23 Crores as of March 31, 2016. Over the same period, the price to earnings ratio reduced from 9.09 to 6.38. TFCI stock price as at March 31, 2016 has reduced by 38% to Rs. 42.40 over the last year 31.3.2015 price of Rs. 67.80.												
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, as all the employees are considered under Managerial role.												
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 Profit before tax for FY2015-16</th> </tr> </thead> <tbody> <tr> <td>MD-Shri S.K.Sangar*</td> <td>0.40</td> </tr> <tr> <td>MD-Shri S.P.Arora</td> <td>0.00</td> </tr> <tr> <td>Former CFO-Shri B.M.Gupta@</td> <td>0.46</td> </tr> <tr> <td>CFO-Shri Anoop Bali</td> <td>0.43</td> </tr> <tr> <td>CS-Shri Sanjay Ahuja</td> <td>0.31</td> </tr> </tbody> </table> <p>*resigned w.e.f. January 31, 2016 @Ceased to be CFO w.e.f. September 21, 2015</p>	Particulars	% of Profit before tax for FY2015-16	MD-Shri S.K.Sangar*	0.40	MD-Shri S.P.Arora	0.00	Former CFO-Shri B.M.Gupta@	0.46	CFO-Shri Anoop Bali	0.43	CS-Shri Sanjay Ahuja	0.31
Particulars	% of Profit before tax for FY2015-16													
MD-Shri S.K.Sangar*	0.40													
MD-Shri S.P.Arora	0.00													
Former CFO-Shri B.M.Gupta@	0.46													
CFO-Shri Anoop Bali	0.43													
CS-Shri Sanjay Ahuja	0.31													



10	The key parameters for any variable component of remuneration availed by the directors	<p>The Non-Executive Directors (except Government Servants) are being paid Sitting Fee of Rs.20,000 and Rs.10,000 (plus service tax) per meeting for attending the meetings of Board and its Committees respectively (Rs.13,333/- and Rs.6,667/- plus service tax till July, 2015). The Sitting Fee may be revised by the Board of Directors from time to time subject to the overall limits as prescribed under the applicable provisions.</p> <p>The Variable component/PLI of remuneration may be considered for MD as decided by the Nomination and Remuneration Committee and/or by the Board of Directors of the Company.</p> <p>The broad factors and guidelines considered for the Performance Bonus are:</p> <p>(a) Annual Performance Review based on the Key Result Areas (KRAs) / measurable Key Performance Indicators (KPIs).</p> <p>(b) Financial outcomes and profitability of the Company.</p>
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	<p>There are two Top Management Executives who are not directors but receive remuneration in excess of that of Managing Director during the year.</p> <p>1. Shri B.M.Gupta, ED 1.13:1 2. Shri Anoop Bali, CFO 1.10:1</p>
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.
13.	<p>Name of every employee of the company, who:</p> <p>(1) If employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees;</p> <p>(2) If employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month including;</p> <p>(i) Designation of the employee;(ii) Remuneration received;(iii) Nature of employment, whether contractual or otherwise; (iv) Qualifications and experience of the employee;(v) Date of commencement of employment;(vi) The age of such employee;(vii) The last employment held by such employee before joining the company;(viii) The percentage of equity shares held by the employee in the company; and(ix) Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager.</p>	Name of the employee was in receipt of remuneration, during 2015-16, at a rate which exceeded Rupees Sixty lakhs per annum or for part of that year at a rate which exceed Rupees Five lakhs per month.

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

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 3 times during the year on May 8, 2015, August 27, 2015 and January 22, 2016. The attendance of the members during 2015-16 was as under:

Name of Member	Status	No. of Meetings Attended
1. Shri S. Sridhar, Chairman	Independent Director	2
2. Shri S.K.Sangar*	Managing Director	3
3. Smt. Usha Sharma**	Non-Executive Director	Nil
4. Shri Vivek Nair	Independent Director	1
5. Shri Suman Billa**	Non-Executive Director	Nil
6. Shri Satpal Arora*	Managing Director	Nil

**Nomination withdrawn and Shri Suman Billa was appointed w.e.f. 15.3.2016

* Resigned and Shri Satpal Kumar Arora was appointed w.e.f. 31.3.2016

- | | |
|---|------------------------|
| 3. Average Net Profit of the company for last 3 financial years | Rs. 79.45 crore |
| 4. Prescribed CSR expenditure (2% of amount) | Rs. 1.59 crore |
| 5. Details of CSR activities/projects undertaken during the year: | |
| a) (i) total amount to be spent for Financial Year: | Rs. 1.59 crore |
| (ii) total amount spent during FY2015-16 | Rs. 110.50 lakh |
| b) amount un-spent, if an | Rs. 48.50 lakh |
- (unspent amount of Rs.48.50 lakh is linked with the progress of the projects wherein advance payment to implementing agencies was made and project progress is being monitored)



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

1	2	3	4	5	6	7	8
Sr. No	CSR project/ activity identified	Sector in which the Project is covered	Projects/Program 1.Local area/others- 2.specify the state/district (Name of the District/s, State/s where project/ program was undertaken	Amount out-lay (budget) project/ programme wise (Rs. in lakh)	Amount spent on the project/ program (Rs. in lakh Sub-heads: 1.Direct expen. on project/ program 2.Overheads:	Cumulative spend upto to the reporting period (Rs. in lakh)	Amount spent: Direct/ through implmenting agency* (Rs. in lakh)
1	Contribution for holding free camps for corrective surgery to the needy and poor persons with disabilities.	Health	Contribute for holding free camps for corrective surgery to the needy and poor persons with disabilities NARAYAN SEVA SANSTHAN, UDAIPUR, a non-profit charitable organization.	5.10	5.10	5.10	Through Implemen-ting Agency
2	Contribution for Advance Cardiac life support Ambulance	Health	Maharaja Agrasen Hospital Charitable Trust (Regd.) a charitable trust (for their Dwarka Hospital)	13.50	13.50	13.50	Through Implemen-ting Agency
3	Renovation/up gradation of 10 seated Delux Sulabh Shauchalaya Complex at Sankat Mochan Temple, VARANASI	Sanitation	Renovation/up gradation of 10 seated Delux Sulabh Shauchalaya Complex at Sankat Mochan Temple, VARANASI at Sankat Mochan Temple, VARANASI (a tourist destination) through M/s Sulabh Sanitation Mission Foundation	26.88	Nil	Nil	Through Implemen-ting Agency
4	Contribution for holding 10 eye-care camps	Health	Contribution for holding 10 eye-care camps to MAHAVIR INTERNATIONAL a voluntary Charitable and Non-religious NGO established in 1979.	4.00	2.00	2.00	Through Implemen-ting Agency
5	Providing employment oriented Skill Training Programs (EOSTP) for unemployed youths in the Tourism and Hospitality Industry.	Education	Institute of Leadership Development (ILD) for providing employment oriented Skill Training Programs (EOSTP) for unemployed youths in the Tourism and Hospitality Industry	24.52	4.90	4.90	Through Implemen-ting Agency
6	Contribution to Clean Ganga Fund*	Contribution to Clean Ganga Fund	Contribution to Clean Ganga Fund	35.00	35.00	35.00	Direct
7	Contribution to Prime Minister's National Relief Fund*	Contribution to Prime Minister's National Relief Fund	Contribution to Prime Minister's National Relief Fund	50.00	50.00	50.00	Direct
				159.00	110.50	110.50	

RESPONSIBILITY STATEMENT

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

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

Date : August 10, 2016
Place : New Delhi

Sd/-
(Managing Director)

Sd/-
(Chairman of CSR Committee)



Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2016 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
	Nil	Nil	Nil	Nil	

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 01.04.2015					No of Shares held at the end of the year 31.03.2016					percentage Change during the Years
		Number of shareholders	Number of shares held in Dematerialised form	Number of shares held in Physical form	Total number of shares	Total shareholding as a percentage of total number of shares	Number of shareholders	Number of shares held in Dematerialised form	Number of shares held in Physical form	Total number of shares	Total shareholding as a percentage of total number of shares	
						As a percentage of (A+B)					As a percentage of (A+B)	
(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
(d)	Financial Institutions/ Banks	6	50237642	0	50237642	62.24	6	45469787	0	45469787	56.33	-5.91
(e)	Any Other (specify)	0	0	0	0	0.00	0	0	0	0	0.00	0.00
	Sub-Total (A)(1)	6	50237642	0	50237642	62.24	6	45469787	0	45469787	56.33	-5.91



Category code	Category of shareholder	No of Shares held at the beginning of the year 01.04.2015					No of Shares held at the end of the year 31.03.2016					percentage Change during the Years
		Number of shareholders	Number of shares held in Dematerialised form	Number of shares held in Physical form	Total number of shares	Total shareholding as a percentage of total number of shares	Number of shareholders	Number of shares held in Dematerialised form	Number of shares held in Physical form	Total number of shares	Total shareholding as a percentage of total number of shares	
						As a percentage of (A+B)					As a percentage of (A+B)	
(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	50237642	0	50237642	62.24	6	45469787	0	45469787	56.33	-5.91
(B)	Public shareholding											
(1)	Institutions			0								0.00
(a)	Mutual Funds/ UTI	32	4805503	3200	4808703	5.96	20	3772320	3200	3775520	4.68	-1.28
(b)	Financial Institutions/ Banks	5	66400	1900	68300	0.08	6	97291	1600	98891	0.12	.04
(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	8	1050879	0	1050879	1.30	5	753879	0	753879	0.93	-.37
(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)	45	5922782	5100	5927882	7.34	31	4623490	4800	4628290	5.73	-1.61
(2)	Non-institutions			0					0			0.00
(a)	Bodies Corporate	737	4744190	82501	4826691	5.98	802	6950139	81401	7031540	8.71	2.73
(b)	Individuals -											
	i. Individual shareholders holding nominal share capital up to Rs. 1 lakh.	57585	12283446	2482076	14765522	18.29	63493	17260252	2441732	19701984	24.41	6.12
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	132	4178977	22000	4200977	5.20	74	3085501	0	3085501	3.82	-1.38



Category code	Category of shareholder	No of Shares held at the beginning of the year 01.04.2015					No of Shares held at the end of the year 31.03.2016					percentage Change during the Years
		Number of shareholders	Number of shares held in Dematerialised form	Number of shares held in Physical form	Total number of shares	Total shareholding as a percentage of total number of shares	Number of shareholders	Number of shares held in Dematerialised form	Number of shares held in Physical form	Total number of shares	Total shareholding as a percentage of total number of shares	
						As a percentage of (A+B)					As a percentage of (A+B)	
(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	7712	0	7712	0.01	2	2956	0	2956	0.01	0.00
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	230	750322	0	750322	0.94	360	796690	0	796690	0.99	0.05
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)	58687	21964647	2586577	24551224	30.42	64731	28095538	2523133	30618671	37.94	7.52
	Total Public Shareholding (B)=(B)(1)+(B)(2)	58732	27887429	2591677	30479106	37.76	64762	32719028	2527933	35246961	43.67	5.91
	TOTAL (A)+(B)	58738	78125071	2591677	80716748	100.0	64768	78188815	2527933	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)	58738	78125071	2591677	80716748	100.0	58738	78125071	2591677	80716748	100.0	0.00

(II) Shareholding of Promoters

SI 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.	3,15,58,613	39.10	NIL	3,15,58,613	39.10	NIL	0
2.	State Bank of India	74,16,296	9.19	NIL	26,48,441	3.28	NIL	5.91
3.	Life Insurance Corporation of India	54,13,180	6.71	NIL	54,13,180	6.71	NIL	-0.99
4.	Bank of India	37,90,024	4.70	NIL	37,90,024	4.70	NIL	0
5.	United India Insurance Co. Ltd.	11,98,002	1.48	NIL	11,98,002	1.48	NIL	0
6.	The Oriental Insurance Co. Ltd	8,61,527	1.07	NIL	8,61,527	1.07	NIL	0
	Total Promoters Holding	5,02,37,642	62.24	NIL	4,54,69,787	56.33	NIL	5.91



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

Sl. No.		Shareholding at the beginning of the year (1.4.2015)		Cumulative Shareholding during the year (1.4.2015 to 31.3.2016)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year 1.4.2015				
1.	IFCI Ltd.	3,15,58,613	39.10		
2.	State Bank of India	74,16,296	9.19		
	Date of Change	No. of Share sold	Reason		
	16.10.2015	-22795	Sale	73,93,501	9.16
	23.10.2015	-168751	Sale	72,24,750	8.95
	27.11.2015	-310994	Sale	69,13,756	8.57
	04.12.2015	-408967	Sale	65,04,789	8.06
	11.12.2015	-33773	Sale	64,71,016	8.02
	31.12.2015	-1256901	Sale	52,14,115	6.46
	08.01.2016	-1540299	Sale	36,73,816	4.55
	15.01.2016	-352391	Sale	33,21,425	4.11
	18.03.2016	-153518	Sale	31,67,907	3.92
	25.03.2016	-144390	Sale	30,23,517	3.75
	31.03.2016	-375076	Sale	26,48,441	3.28
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 beginning of the year	5,02,37,642	62.24		
	At the end of the year 31.3.2016				
1.	IFCI Ltd.			3,15,58,613	39.10
2.	State Bank of India			26,48,441	3.28
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			4,54,69,787	56.33

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.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Cumulative shareholding during the year	
		Shareholding at the beginning of the year 01.4.2015/ end of the year 31.3.2016	% of total shares of the company			No. of shares	% of total shares of the company
1	Sbi Magnum Multiplier Fund	2000000	2.48	01.04.2015			
				23.10.2015	-44324	1955676	2.42
				06.11.2015	-355676	1600000	1.98
				05.02.2016	-56462	1543538	1.91
				12.02.2016	-108069	1435469	1.78
				11.03.2016	48858	1484327	1.84
		1484327	1.84	31.03.2016			
2	Indian Syntans Investments (P) Ltd	1172599	1.45	01.04.2015			
		1172599	1.45	31.03.2016	Nil		
3	Land T Mutual Fund Trustee Ltd-L And T India Value Fund	365200	0.45	01.04.2015			
				10.04.2015	-27200	338000	0.42
				17.04.2015	-38000	300000	0.37
				04.12.2015	659000	959000	1.19
		959000	1.19	31.03.2016			



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Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Cumulative shareholding during the year	
		Shareholding at the beginning of the year 01.4.2015/ end of the year 31.3.2016	% of total shares of the company			No. of shares	% of total shares of the company
4	Priyanka Finance Private Limited	Nil	Nil	01.04.2015			
				09.10.2015	0	240000	0.3
				23.10.2015	50000	290000	0.36
				06.11.2015	250000	540000	0.67
				20.11.2015	70000	610000	0.76
				27.11.2015	-4999	605001	0.75
				11.12.2015	-11923	593078	0.73
				18.12.2015	-43467	549611	0.68
				08.01.2016	390	550001	0.68
				15.01.2016	18299	568300	0.7
				29.01.2016	26700	595000	0.74
				11.03.2016	50000	645000	0.8
				18.03.2016	-55000	590000	0.73
		590000	0.73	31.03.2016			
5	Birla Sun Life Trustee Company Private Limited A/C Birla Sun Life India Reforms Fund	600000	0.74	01.04.2015			
				12.06.2015	47000	647000	0.8
				11.03.2016	-66000	581000	0.72
		581000	0.72	31.03.2016			
6	Jodhan Investment and Finance Corporation Private Limited	490400	0.61	01.04.2015			
				12.06.2015	10770	501170	0.62
		501170	0.62	31.03.2016			
7	Birla Sun Life Trustee Company Private Limited A/C Birla Sun Life Banking And Financial Services Fund	295000	0.37	01.04.2015			
				11.03.2016	-30000	265000	0.33
		265000	0.33	31.03.2016			
8	Bp Equities Pvt. Ltd.	112500	0.14	01.04.2015			
				24.04.2015	-111500	1000	0
				08.05.2015	30000	31000	0.04
				15.05.2015	-27000	4000	0.01
				17.07.2015	-3900	100	0
				24.07.2015	500	600	0
				07.08.2015	7024	7624	0.01
				11.09.2015	-7622	2	0
				09.10.2015	898	900	0
				23.10.2015	100	1000	0
				27.11.2015	1000	2000	0
				04.12.2015	-996	1004	0
				18.12.2015	246	1250	0
				25.12.2015	-248	1002	0
				31.12.2015	998	2000	0
				15.01.2016	500	2500	0
		209000	0.26	31.03.2016	206500		
9	India Max Investment Fund Limited	220000	0.27	01.04.2015			
				10.04.2015	-5000	215000	0.27
				17.04.2015	-5000	210000	0.26
				08.01.2016	-4000	206000	0.26
		206000	0.26	31.03.2016			
10	Japan Trustee Services Bank, Ltd Stb Daiwa Indo Kabu Mother	199379	0.25	01.04.2015			
		199379	0.25	31.03.2016		Nil	



(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year 1.4.2015		Cumulative Shareholding during the year 1.4.2015 to 31.3.2016/end of the year 31.3.2016	
		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, Non-Executive Chairman	NIL	NIL	NIL	NIL
2.	Shri S.K.Sangar, Ex- MD	NIL	NIL	NIL	NIL
3	Smt. Usha Sharma	NIL	NIL	N.A	N.A
4.	Shri M.M.Dawla	NIL	NIL	N.A	N.A
5	Shri Niraj Agarwal	NIL	NIL	NIL	NIL
6	Shri Vivek Nair	NIL	NIL	NIL	NIL
7	Shri S.Ravi	NIL	NIL	NIL	NIL
8.	Shri S.Sridhar	NIL	NIL	NIL	NIL
9.	Shri S.C.Sekhar	500	0.00	500	0.00
10.	Shri Satpal Kumar Arora, Managing Director	N.A	N.A	NIL	NIL
11	Shri A.K.Dogra	N.A	N.A	NIL	NIL
12.	Shri A.S.Bhattachraya	NIL	NIL	N.A	N.A
13	Shri Suman Billa	N.A	N.A	NIL	NIL
14	Shri K.B.Nagendra Murthy	N.A	N.A	NIL	NIL
15	Shri V.P.Singh	NIL	NIL	N.A	N.A
16	Shri B.M.Gupta, ED(EX-CFO)	NIL	NIL	NIL	NIL
17	Shri Anoop Bali, CFO	NIL	NIL	NIL	NIL
18.	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	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
Change in Indebtedness during the financial year				
• Addition	159.74	NIL	NIL	
• Reduction	175.00	NIL	NIL	
Net Change	-15.26	NIL	NIL	-15.26
Indebtedness at the end of the financial year				
i) Principal Amount	159.74	781.50	NIL	941.24
ii) Interest due but not paid	NIL	NIL	NIL	--
iii) Interest accrued but not due	3.49	15.00	NIL	18.49
Total (i + ii + iii)	163.23	796.50	NIL	959.73



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		Name of Manager (w.e.f 1.2.2016 to 30.3.2016)	Total Amount
		Shri S.K.Sangar (upto 31.1.2016)	Shri Satpal Kumar Arora (for 31.3.2016)		
1	Gross salary			Shri B.M.Gupta FY2015-16	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17,18,700	6,737	23,80,351	41,05,788
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	4,00,820		1,24,021	5,24,841
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	-	-	-	-
2	Stock Option	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL
4	- Commission - as % of profit - others, specify...	NIL	NIL	NIL	NIL
5	Others - PLI	4,30,756	-	4,98,600	9,29,356
	- Medical	1,80,346	-	75,059	2,55,405
	- LFC	-	-	-	-
	- Leave Encashment	-	-	1,03,898	1,03,898
	- Household Reimb.	94,000	-	72,000	1,66,000
	- Contribution to PF	2,04,225	681	2,50,172	4,55,078
	Total	30,28,847	7418	35,04,101	65,40,366
	Ceiling as per the Act	5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013			

B. Remuneration to other directors:

Particulars of Remuneration	Name of Directors						Total Amount
	Shri V.P. Singh	Shri Vivek Nair	Shri S.Ravi	Shri S.Sridhar	Shri S.C. Sekhar	Shri K.B Nagendra Murthy	
Independent Directors							
• Fee for attending board committee meetings	14,981	1,10,550	3,76,722	1,10,122	2,69,972	68,700	9,51,047
• Commission	NIL	NIL	NIL	NIL	NIL	NIL	
• Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	
Total (1)	14,981	1,10,550	3,76,722	1,10,122	2,69,972	68,700	9,51,047
Other Non-Executive Directors							
• Fee for attending board committee meetings	2,16,831						2,16,831
• Commission	NIL						
• Others, please specify	NIL						
Total (2)	2,16,831						2,16,831
Total (B) = (1+2)	2,31,812	1,10,550	3,76,722	1,10,122	2,69,972	68,700	11,67,878
Total Managerial Remuneration							
Overall Ceiling as per the Act	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 Anoop Bali	Shri Sanjay Ahuja	
1	Gross salary			



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	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	23,04,266	16,78,082	39,82,348
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	51,406	1,25,071	1,76,477
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	-	-	-
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	- Commission - as % of profit - others, specify...	NIL	NIL	NIL
	Others - PLI	4,95,600	2,26,125	7,21,725
	- Medical	32,049	32,132	64,181
	- LFC			
	- Leave Encashment	99,300	65,808	1,65,108
	- Household Reimb.	72,000	46,000	1,18,000
	- Contribution to PF	2,39,021	1,75,966	4,14,987
	Total	32,93,642	23,49,184	56,42,826
	Ceiling as per the Act	Not Applicable		

REMUNERATION OF TOP 10 EMPLOYEES

No.	Particulars of Remuneration	Top Ten Employees											Total Amount
		Shri B.M. Gupta	Shri Anoop Bali	Ms. Charu Singh	Shri Rajiv Singh	Ms. Manju Kapoor	Ms. Avantika Dhar	Shri R.K. Sharma	Ms. Sumitra Rawat	Shri Sanjay Ahuja	Shri N. Ramachandran	Shri A. Balaji	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	23,80,351	23,04,266	18,34,655	17,11,061	18,32,588	17,05,522	15,77,408	13,99,534	16,78,082	16,37,211	14,35,515	1,94,96,193
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,24,021	51,406	1,13,351	23,000	1,25,107	28,079	53,595	1,33,470	1,25,071	2,82,495	1,16,937	11,76,532
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	-	-	-	-	-	-	-	-	-	-	-	-
2	Stock Option	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
4	. Commission - as % of profit - others, specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
5	Others - PLI	4,98,600	4,95,600	3,28,800	3,20,800	3,18,400	3,08,800	2,24,250	1,43,600	2,26,125	2,31,750	2,32,125	33,28,850
	- Medical	75,059	32,049	33,250	0	0	51,476	33,148	43,686	32,132	37,144	95,512	4,33,456
	- LFC	-	-	2,38,440	2,45,307	-	-	2,62,500	4,42,870	-	-	-	11,89,117



No.	Particulars of Remuneration	Top Ten Employees											Total Amount
		Shri B.M. Gupta	Shri Anoop Bali	Ms. Charu Singh	Shri Rajiv Singh	Ms. Manju Kapoor	Ms. Avantika Dhar	Shri R.K. Sharma	Ms. Sumitra Rawat	Shri Sanjay Ahuja	Shri N. Ramachandran	Shri A. Balaji	
	- Leave Encashment	1,03,898	99,300	84,061	70,349	77,163	73,516	0	57,287	65,808	67,320	60,478	7,59,180
	- Household Reimb.	72,000	72,000	54,000	54,000	54,000	54,000	36,000	36,000	46,000	46,000	36,000	5,60,000
	- Contribution to PF	2,50,172	2,39,021	3,88,826	1,79,669	3,80,286	3,51,712	1,64,352	2,81,164	1,75,966	3,56,622	1,46,946	29,14,736
	Total	35,04,101	32,93,642	30,75,383	26,04,186	27,87,544	25,73,105	23,51,253	25,37,611	23,49,184	26,58,542	21,23,513	2,98,58,064
	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, 2016
[Pursuant to section 204(1) of the Companies Act, 2013 and rule
No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

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, 2016** 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, 2016 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 Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.
- (c) RBI Act, 1934 and the Rule & Regulations made there under.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (Applicable w.e.f. 01.07.2015)
- (ii) The SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, (erstwhile Listing Agreement) entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

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

We further report that

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

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

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

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

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

- (i) Under Section 42, 71: For approval of Private Placement of Bonds & Debenture.

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

(ARUN KUMAR GUPTA)
FCS: 5551
CP: 5086

Place : Delhi
Date : 16.05.2016



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

We, S. P. Arora, Managing Director (MD) and Anoop Bali, Chief Financial Officer (CFO) of Tourism Finance Corporation of India Limited, certify to the Board that:

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - 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 the internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place : New Delhi

Date : May 12, 2016

(Anoop Bali)

Chief Financial Officer

(S. P. Arora)

Managing Director

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

I hereby confirm that all Board Members and Senior Management Personnel have confirmed compliance with Code of Conduct for Directors and Senior Management Personnel for the Financial Year ended March 31, 2016

Place : New Delhi

Date : May 16, 2016

S. P. Arora

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, 2016, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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

(ARUN KUMAR GUPTA)

Place : Delhi

Date : 16.05.2016

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	3	5900	1	600	0	0	2	3600	6	10100
	83	149475	17	18476	17	10408	37	77079	154	255438
4 STAR HOTEL	4	10200	1	2000	0	0	1	2650	6	14850
	50	75746	7	9457	6	2395	5	4240	68	91838
3 STAR HOTEL	8	13650	0	0	2	1240	0	0	10	14890
	267	170292	24	17387	13	4983	42	30557	346	223219
2 STAR HOTEL	0	0	0	0	0	0	0	0	0	0
	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	2000	0	0	0	0	1	2000
	34	31183	5	2490	0	0	4	1417	43	35090
RESTAURANT	0	0	0	0	0	0	0	0	0	0
	17	6174	3	1835	3	109	2	1805	25	9923
TOURIST CARS/ COACHES	0	0	0	0	0	0	0	0	0	0
	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	4	14750	0	0	0	0	0	0	4	14750
	38	57835	3	3600	3	5273	27	70615	71	137323
INFRASTRUCTURE PROJECTS	2	7480	0	0	0	0	0	0	2	7480
	5	14680	1	3000	0	0	3	7270	9	24950
TOTAL	21	51980	3	4600	2	1240	3	6250	29	64070
	543	525318	68	60489	49	25307	127	199448	787	810562

Normal - Current Year (2015-2016)

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 2016, the Statement of Profit and Loss and Cash Flow Statement for the year 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 mis-statement, 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 mis-statement 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, 2016 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, 2016 ('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 2016, taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2016, from being appointed as a Director in terms of Section 164(2) of the Act;
 - h) In our opinion, the existing Internal Financial Control system in place over financial reporting of the Company needs to be further strengthened (as per Annexure-B attached);
 - 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

Place: New Delhi

Date: May 16, 2016

M.No.: 016257

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 31st March 2016, we report that:

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) The Company has a regular system of physical verification of its fixed assets every year. Accordingly, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- c) The title deeds of immovable properties are held in the company's name.
- (ii) The nature of the company's business/activities/transactions does not require it to hold inventories. Hence, the provisions of Clause 3(ii) of the Order are not applicable to the company
- (iii) The company has not granted any loan, secured or unsecured, to the companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, the provisions of Clause, 3(iii) (a), (b) & (c) of the Order are not applicable to the Company.
- (iv) There is no transaction during the year which attracts the provision of Section 185 & 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 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 31st March, 2016 are as follows:

Name of Statute	Assessment Year	Amount (In ₹)	Forum where the dispute is pending
Income Tax	2008-09	1,27,89,447*	ITAT Delhi
Income Tax	2009-10	2,23,16,345	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
Income Tax	2013-14	1,34,18,600	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.

- (viii) The Company has not defaulted in repayment of loans or borrowings to a financial institutions, banks, Government or dues of debenture holders.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. However, during the year, the company has raised Rs.159.74 crore by way of issue of secured non-convertible debenture on private placement basis.
- (x) There was no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) Since the Company is not a Nidhi Company, therefore, provisions of Clause 3(xii) of the Order are not applicable to the Company.
- (xiii) All the transactions with the related parties entered into by the company are in compliance with Sections 177 and 188 of Companies Act, 2013 and the details of which have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The Company is registered under Section 45-IA of the Reserve Bank of India Act, 1934 as NBFC-ND-SI vide registration No. B.14.00005 dated 08.05.2009.

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

(Vishnu Gautam)

Partner

Place: New Delhi

Date: May 16, 2016

M.No.: 016257



“Annexure B” to the Independent Auditor’s Report on the Standalone Financial Statements of Tourism Finance Corporation of India Ltd.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) as referred to in paragraph 2(f) of ‘Report on Other Legal and Regulatory Requirements’ section

We have audited the internal financial controls over financial reporting of Tourism Finance Corporation of India Ltd (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company’s internal financial controls system over financial reporting as at March 31, 2016 needs to be further strengthened based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

(Vishnu Gautam)

Partner

M.No.: 016257

Place: New Delhi
Date: May 13, 2016



**Directions issued by the C&AG of India under Section 143(5)
of the Companies Act, 2013 for the year 2015-16**

1. Whether the company has clear title/ lease deeds for freehold and leasehold respectively? If not please state the area of freehold and lease hold land 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 and at 2nd Floor, Core-III, SCOPE Minar, Laxmi Nagar, District Centre, Delhi and a non-functional hotel property at Mussoorie, Uttarakhand. All these properties are registered in Company's name and the title deeds of these properties are available with the company.
2. Whether there are any cases of waiver/ write off of debtors/ loans/ interest etc., if yes, the reasons there for and 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/grant (s) from the Govt. or other authorities.
Not applicable since the Company is engaged in the business of providing financial assistance to corporates. No gifts/grants were received from Government and other authorities.

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

(Vishnu Gautam)
Partner
M.No.: 016257

Place: New Delhi
Date: May 16, 2016

**Sub-Directions issued by the C&AG of India under Section 143(5)
of the Companies Act, 2013 for the year 2015-16**

1. 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 input/data furnished to the Actuary for estimation of retirement benefits were verified and found correct. The Company has made provision for gratuity on the basis of valuation done by an Actuary and the provision for leave encashment was made as per the staff regulation on actual basis.
2. 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/debenture are kept in demat form. The holding of these securities in demat accounts agrees with the number shown in the books of accounts.

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

(Vishnu Gautam)
Partner
M.No.: 016257

Place: New Delhi
Date: May 16, 2016



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 2016.

The preparation of financial statements of Tourism Finance Corporation of India Limited for the year ended 31 March 2016 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) 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 May 16, 2016.

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 2016 under section 143(6)(a) 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: 09.06.2016



BALANCE SHEET AS AT 31ST MARCH, 2016

(In ₹)

PARTICULARS	NOTE NO.	AS AT 31 MARCH, 2016		AS AT 31 MARCH, 2015	
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	4,33,33,80,260	5,14,05,47,740	3,98,38,43,659	4,79,10,11,139
(2) Non-Current Liabilities					
(a) Long Term Borrowings	4	9,41,24,00,000		9,56,50,00,000	
(b) Deferred Tax Liability (Net)	5	26,30,39,998		22,30,88,127	
(c) Other Long Term Liabilities	6	49,89,600		59,89,600	
(d) Long Term Provisions	7	8,21,03,591	9,76,25,33,189	9,60,06,805	9,89,00,84,532
(3) Current Liabilities					
(a) Short Term Borrowings	8	55,25,91,422		891	
(b) Other Current Liabilities	9	34,90,71,701		23,39,43,892	
(c) Short Term Provisions	10	9,72,65,394	99,89,28,517	9,37,07,419	32,76,52,202
TOTAL			15,90,20,09,446	15,00,87,47,873	
II. ASSETS					
(1) Non Current Assets					
(a) Fixed Assets	11				
(i) Tangible Assets		29,12,65,400		29,53,24,010	
(ii) Intangible Assets		-		-	
(b) Non Current Investments	12A	1,13,25,50,004		1,16,85,19,279	
(c) Long Term Loans and Advances	13	11,44,77,59,572	12,87,15,74,976	10,66,54,00,585	12,12,92,43,874
(2) Current Assets					
(a) Current Investments	12B	1,41,27,90,529		73,46,27,191	
(b) Cash and Cash Equivalent	14	5,28,64,137		2,05,25,513	
(c) Short term Loans & Advances	13	1,47,81,88,393		1,98,44,13,337	
(d) Other Current Assets	15	8,65,91,411	3,03,04,34,470	13,99,37,958	2,87,95,03,999
TOTAL			15,90,20,09,446	15,00,87,47,873	

Significant Accounting Policies

The Notes No. 1 to 33 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. P. Arora)
Managing Director

(Malay Mukherjee)
Chairman

(Vishnu Gautam)
Partner
M.No. 016257

(Sanjay Ahuja)
Company Secretary

(Anoop Bali)
Chief Financial Officer

(B. M. Gupta)
Executive Director

Date : May 16, 2016
Place : New Delhi



STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(In ₹)

PARTICULARS	NOTE NO.	YEAR ENDED 31 MARCH, 2016	YEAR ENDED 31 MARCH, 2015
Revenue			
I. Revenue from Operations	16	1,84,22,02,857	1,86,15,71,696
II. Other Income	17	1,42,51,757	1,89,13,522
III. Total Revenue (I +II)		1,85,64,54,614	1,88,04,85,218
IV. Expenses:			
Employee benefit expenses	18	6,69,36,404	6,50,22,881
Finance costs	19	90,12,73,410	85,17,60,522
Depreciation and Amortization expense	11	73,15,215	79,65,156
Other expenses	20	10,41,38,384	9,71,46,047
Provision for Doubtful Debts/Diminution in Investments		2,00,00,000	4,00,00,000
Total Expenses		1,09,96,63,413	1,06,18,94,606
V. Profit before exceptional & extraordinary items and tax (III - IV)		75,67,91,201	81,85,90,612
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		75,67,91,201	81,85,90,612
VIII. Extraordinary items		-	-
IX. Profit before tax (VII - VIII)		75,67,91,201	81,85,90,612
X. Tax expense:			
(1) Current Tax		18,07,00,000	18,70,00,000
(2) Deferred Tax		3,99,51,871	2,97,98,781
XI. Profit/(Loss) from the period from continuing operations (IX - X)		53,61,39,330	60,17,91,831
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)		53,61,39,330	60,17,91,831
XVI. Earning per equity share			
(1) Basic		6.64	7.46
(2) Diluted		6.64	7.46

Significant Accounting Policies

The Notes No. 1 to 33 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. P. Arora)
Managing Director(Malay Mukherjee)
Chairman(Vishnu Gautam)
Partner
M.No. 016257(Sanjay Ahuja)
Company Secretary(Anoop Bali)
Chief Financial Officer(B. M. Gupta)
Executive DirectorDate : May 16, 2016
Place : New Delhi



CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2016

(in ₹)

Particulars	Year Ended 31 March, 2016	Year Ended 31 March, 2015
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	75,67,91,201	81,85,90,612
Adjustment for :		
Provision/(write off) for Doubtful Debts/Investments	2,00,00,000	4,00,00,000
Depreciation & Amortisation	73,15,215	79,65,156
(Profit)/Loss On Sale of Assets	(2,732)	(1,31,876)
Operating Cash before working capital changes	78,41,03,684	86,64,23,892
Adjustment for :		
(Increase)/Decrease in Long Term Loans & Advances	(74,52,10,902)	(1,26,17,37,838)
(Increase)/Decrease in Short Term Loans & Advances	50,62,24,944	25,41,17,968
(Increase)/Decrease in Non Current Investment	3,59,69,275	(44,67,52,000)
(Increase)/Decrease in Current Investment	(72,15,63,338)	(2,96,97,577)
Increase/(Decrease) in Long Term Borrowings	(15,26,00,000)	95,00,00,000
Increase/(Decrease) in Short Term Borrowings	55,25,90,531	891
Increase/(Decrease) in Other Current Liabilities	11,51,27,809	29,38,750
Increase/(Decrease) in Long Term Provisions	(3,03,214)	26,64,460
Increase/(Decrease) in Short Term Provisions	33,23,228	(7,33,401)
(Increase)/Decrease in Other Current Assets	5,33,46,547	1,47,54,111
Cash Generated from Operations	43,00,08,564	35,19,79,256
Direct Tax Paid	(20,80,48,085)	(20,13,05,033)
Net Cash Flow from Operating Activities	22,19,60,479	15,06,74,223
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(32,58,075)	(27,93,088)
Sale of Fixed Assets	4,202	9,82,087
Net Cash used in Investing Activities	(32,53,873)	(18,11,001)
C. CASH FLOW FROM FINANCIAL ACTIVITIES		
Share Capital and Reserves	(1,17,34,924)	-
Payment of Dividend and Dividend Distribution Tax	(17,46,33,058)	(21,01,76,821)
Net Cash used in Financing Activities	(18,63,67,982)	(21,01,76,821)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	3,23,38,624	(6,13,13,599)
Cash and Cash Equivalent at the Beginning of the Year	2,05,25,513	8,18,39,112
Cash and Cash Equivalent at the End of the Year	5,28,64,137	2,05,25,513
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Cash in hand	10,908	1,172
Balance with Banks		
- Current Accounts	3,48,83,627	20,03,891
- Unclaimed Dividend Accounts	1,79,69,602	1,85,20,450
Total Cash and Cash Equivalents (Note 14)	5,28,64,137	2,05,25,513

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

(Sanjay Ahuja)
Company Secretary

(S. P. Arora)
Managing Director

(Anoop Bali)
Chief Financial Officer

For and on behalf of the Board

(Malay Mukherjee)
Chairman

(B. M. Gupta)
Executive Director

Date : May 16, 2016
Place : New Delhi

**NOTE No. 1****SIGNIFICANT ACCOUNTING POLICIES AS ON 31 March, 2016****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) 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.
- 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, 2016		As At 31 March, 2015	
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%	3,15,58,613	39.10%	
(b) Life Insurance Corporation of India	54,13,180	6.71%	54,13,180	6.71%	
(c) State Bank of India	26,48,441	3.28%	74,16,296	9.19%	
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		1,17,34,924		-
	Balance at the end of the year		61,17,33,246		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		1,38,74,33,000		1,24,27,33,000
	Add: Current Year Transfer		13,52,00,000		14,47,00,000
Less: Written Back in Current period		-		-	
Balance at the end of the year		1,52,26,33,000		1,38,74,33,000	



NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS

(In ₹)

Note No.	Particulars	As At 31 March, 2016	As At 31 March, 2015
3	(ii) Under Section 45 IC of RBI Act, 1934		
	Balance at the beginning of the year	60,43,64,000	48,39,64,000
	Add: Current Year Transfer	10,72,28,000	12,04,00,000
	Less: Written Back in Current period	-	-
	Balance at the end of the year	71,15,92,000	60,43,64,000
	(iii) Under Section 36(1)(vii)(c) of the Income Tax Act, 1961		
	Balance at the beginning of the year	6,38,00,410	3,43,00,410
	Add: Current Year Transfer	2,81,00,000	2,95,00,000
	Less: Utilisation in Current period	-	-
	Balance at the end of the year	9,19,00,410	6,38,00,410
	(d) General Reserve		
	Balance at the beginning of the year	1,22,20,04,446	1,02,20,04,446
	Add: Current Year Transfer	10,00,00,000	20,00,00,000
	Less: Written Back in Current period	-	-
	Balance at the end of the year	1,32,20,04,446	1,22,20,04,446
	(e) Surplus in Profit and Loss Statement		
	Balance at the beginning of the year	8,16,18,633	14,98,77,524
	Add: Current Year Transfer	53,61,39,330	60,17,91,831
	Less: Provision u/s 36(1)(vii)(c) of the Income Tax Act 1961	2,81,00,000	2,95,00,000
	Less: Special reserve u/s 36(1)(viii) of the Income Tax Act 1961	13,52,00,000	14,47,00,000
	Less: Special reserve u/s 45 IC of the RBI Act, 1934	10,72,28,000	12,04,00,000
Less: General reserve	10,00,00,000	20,00,00,000	
Less: Dividend (Interim & Proposed)*	14,52,90,147	14,52,90,147	
Less: Provision for Dividend tax (Interim & Proposed)	2,95,77,658	2,90,49,481	
Less: Depreciation Adj for Earlier Years (as per Companies Act 2013)	-	11,11,094	
Balance at the end of the year	7,23,62,158	8,16,18,633	
GRAND TOTAL	4,33,33,80,260	3,98,38,43,659	
*Interim Dividend Paid on 30.12.2015 @ 10% on Paid up Capital			



NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS

(In ₹)

Note No.	Particulars	As At 31 March, 2016	As At 31 March, 2015
4	LONG TERM BORROWINGS		
	a) Bonds		
	- Secured		
	(Secured By Hypothecation of Book Debts/future receivables)		
	8.81% Bonds (2025) (Series MB 2015-01)	1,59,74,00,000	-
	15974 Nos of 8.81% Bonds of ₹1,00,000/- each Redeemable at par on 09 November 2025		
	Total	<u>1,59,74,00,000</u>	<u>-</u>
	- 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



NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS

(In ₹)

Note No.	Particulars	As At 31 March, 2016	As At 31 March, 2015
4	SUBORDINATE DEBT		
Contd.	9.50% Bonds (2019) [Series MB XXXVIII] 750 Nos of 9.50% Bonds of ₹10,00,000/- each Redeemable at par on 30 April 2019	75,00,00,000	75,00,00,000
	9.50% Bonds (2019) [Series MB XXXIX] 250 Nos of 9.50% Bonds of ₹10,00,000/- each Redeemable at par on 30 April 2019	25,00,00,000	25,00,00,000
	TOTAL	1,00,00,00,000	1,00,00,00,000
	TOTAL Bonds	9,41,24,00,000	7,81,50,00,000
4	b) Term Loans from Banks		
	- Secured (Secured By Hypothecation of Book Debts/future receivables)		
	1. Bank of India	-	1,25,00,00,000
	2. Federal Bank Ltd.	-	50,00,00,000
	TOTAL	-	1,75,00,00,000
	GRAND TOTAL	9,41,24,00,000	9,56,50,00,000
5	DEFERRED TAX ASSETS/(LIABILITY) NET		
	Deferred tax asset due to:		
	a) Provision for doubtful debts and advances	9,09,28,503	9,53,49,562
	b) Provision for diminution in value of investments	2,09,43,051	93,64,523
	Deferred tax liability due to:		
	a) Depreciation	(2,41,90,566)	(2,09,30,242)
	b) Provision u/s 36(1)(viii) of Income Tax Act, 1961	(35,07,20,986)	(30,68,71,970)
	TOTAL	(26,30,39,998)	(22,30,88,127)
6	OTHER LONG TERM LIABILITIES		
	Security Deposits Received	49,89,600	49,89,600
	Margin Money Against Leased Assets	-	10,00,000
	TOTAL	49,89,600	59,89,600



NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS

(In ₹)

Note No.	Particulars	As At 31 March, 2016		As At 31 March, 2015	
7	LONG TERM PROVISIONS				
	Provision for Employee Benefits		2,41,03,591		2,44,06,805
	Contingent Provision Against Standard Assets		5,80,00,000		7,16,00,000
	Balance at the beginning of the year	7,16,00,000		5,60,00,000	
	Add: Current Year Transfer	-		1,56,00,000	
	Less: Written Back in Current period	1,36,00,000		-	
	Balance at the end of the year	5,80,00,000		7,16,00,000	
	TOTAL		8,21,03,591		9,60,06,805
8	SHORT TERM BORROWINGS				
	Bank Overdraft A/c		55,25,91,422		891
	TOTAL		55,25,91,422		891
9	OTHER CURRENT LIABILITIES				
	Interest Accrued but not due on Borrowings		18,49,58,348		14,93,84,942
	Unclaimed Dividend		1,79,69,602		1,85,20,450
	Advance received from customers		33,63,041		38,70,550
	Statutory Dues		31,30,710		21,93,864
	Advance Against Sale of Office Space		7,97,75,000		-
	Other Payables		-		99,086
	Amount Received Pending Adjustment		5,98,75,000		5,98,75,000
	TOTAL		34,90,71,701		23,39,43,892
10	SHORT TERM PROVISIONS				
	Provision for Employee Benefits		1,15,91,965		1,03,81,724
	Other Provisions				
	-Proposed Dividend (including dividend distribution tax)		7,77,19,026		7,74,84,279
	-Provision for Expenses		79,54,403		58,41,416
	Total		9,72,65,394		9,37,07,419



(In ₹)

NOTE NO. 11
FIXED ASSETS AS AT 31ST MARCH 2016

Particulars	Gross Block			Accumulated Depreciation			Net Block	
	As at 01.04.2015	Addition	Deletions	As at 31.03.2016	Addition	Deletions	As at 31.03.2016	As at 31.03.2015
Tangible Assets								
Leased Assets								
Plant & Machinery	1,30,33,143	-	-	1,30,33,143	-	-	1,30,33,143	-
Furniture & Fixture	31,08,500	-	-	31,08,500	-	-	31,08,500	-
Vehicles	69,66,857	-	-	69,66,857	-	-	69,66,857	-
Sub Total A	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	6,81,311	-	44,51,228	4,10,77,073
- Building (NBCC Plaza)	20,62,01,760	-	-	20,62,01,760	26,19,564	-	5,96,74,326	14,91,46,998
- Building (SCOPE Minar)	13,60,28,985	-	-	13,60,28,985	15,43,810	-	5,42,03,925	8,33,68,870
Furniture & Fixture	1,23,87,078	9,04,775	-	1,32,91,853	10,32,411	-	98,87,217	35,32,272
Office Equipment	54,42,236	-	-	54,42,236	60,624	-	49,96,636	5,06,224
Electricals	42,02,120	16,13,232	-	58,15,352	7,82,466	-	31,91,916	17,92,670
Computers	1,16,34,364	7,40,068	29,404	1,23,45,028	3,39,535	27,934	1,14,60,140	4,85,825
Vehicles	21,51,525	-	-	21,51,525	2,55,494	-	3,77,291	20,29,728
Sub Total B	43,62,79,408	32,58,075	29,404	43,95,08,079	73,15,215	27,934	14,82,42,679	29,53,24,010
Total C = (A+B)	45,93,87,908	32,58,075	29,404	46,26,16,579	73,15,215	27,934	17,13,51,179	29,53,24,010
Intangible Assets								
Computer Software	28,08,775	-	-	28,08,775	-	-	28,08,775	-
Sub Total D	28,08,775	-	-	28,08,775	-	-	28,08,775	-
Grand Total C+D	46,21,96,683	32,58,075	29,404	46,54,25,354	73,15,215	27,934	17,41,59,954	29,53,24,010
As on 31.03.2015	46,36,03,882	27,93,088	42,00,287	46,21,96,683	90,76,250	33,50,076	16,68,72,673	29,53,24,010



NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS

(In ₹)

Note No.	Particulars	As At 31 March, 2016			As At 31 March, 2015		
		Face Value	Nos	Amount	Face Value	Nos	Amount
12A	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	1000	150000	15,00,00,000
	11.50% Gayatri Projects Ltd - NCD	-	-	-	100000	281	2,80,69,275
	TOTAL			65,00,50,000			67,81,19,275
	(Non-Trade - Unquoted)						
	b) Investments in Equity Instruments						
	- Associates						
	North East Tourism Development Company Pvt. Ltd.	-	-	-	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			18,66,25,080			18,66,51,080
	c) Investments in Security Receipts / Debentures						
	Assets Care & Reconstruction Enterprise Ltd	100000	3121	31,21,00,000	100000	3200	32,00,00,000
	Security Receipts-(Kamath Hotels Ltd)						-
	Rohini Hotels (Madras) Pvt. Ltd.	100000	500	1	100000	500	1
	0% Optionally Convertible Secured Debentures						
	TOTAL			31,21,00,001			32,00,00,001
	d) Investment in Preference Shares						
	IFCI Ltd.	10	2000000	2,00,00,000	10	2000000	2,00,00,000
	(0.10% Redeemable Cumulative Preference Shares)						
	TOTAL			2,00,00,000			2,00,00,000
	GRAND TOTAL (a+b+c+d)			1,16,87,75,081			1,20,47,70,356
	Less: Provision for Diminution in Value of investments			3,62,25,077			3,62,51,077
	Net Long Term Investments			1,13,25,50,004			1,16,85,19,279
	Aggregate Amount of Quoted Investments			65,00,50,000			67,81,19,275
	Aggregate Amount of Unquoted Investments			51,87,25,081			52,66,51,081



NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS

(In ₹)

Note No.	Particulars	As At 31 March, 2016			As At 31 March, 2015		
		Face Value	Nos	Amount	Face Value	Nos	Amount
12B	CURRENT INVESTMENTS						
	Quoted						
	a Equity Shares						
	Nicco Parks and Resorts Ltd.	-	-	-	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	5054414	14,80,66,914
	b Units of Liquid Mutual Funds (Debt oriented Schemes)			48,93,015			56,16,00,000
	Un-Quoted						
	c Certificate of Deposit						
	Indian Overseas Bank	100000	8000	78,65,59,200	-	-	-
	Syndicate Bank	100000	5000	49,31,97,500	-	-	-
	Total Current Investments (a+b+c)			1,45,61,90,529			73,46,27,191
	Less: Provision for Diminution in Value of investments			4,34,00,000			-
	Net Current Investments			1,41,27,90,529			73,46,27,191
	Aggregate Amount of Quoted Investments			17,64,33,829			73,46,27,191
	Aggregate Market Value of Quoted Investments			13,30,54,041			75,09,37,860
	Total Investments Gross (12A + 12B)			2,62,49,65,610			1,93,93,97,547
	Less: Provision for Diminution in Value of investments			7,96,25,077			3,62,51,077
	Total Net Investments			2,54,53,40,533			1,90,31,46,470



13	LONG TERM LOANS & ADVANCES Secured (Considered Good)	Non Current Portion	Current Maturities	Non Current Portion	Current Maturities
	Loan to Companies (Secured by Mortgage/Hypothecation of Assets)	11,45,05,09,067	1,46,85,85,542	10,70,37,44,746	1,97,61,67,079
	Less: Provision for Doubtful Loans	28,77,08,413	-	29,75,08,413	-
	Total	11,16,28,00,654	1,46,85,85,542	10,40,62,36,333	1,97,61,67,079
	Loans to Employees Unsecured (Considered Good)	5,85,83,636	51,11,928	5,99,20,055	39,70,116
	Security Deposits	4,59,593	-	6,76,593	-
	Loans to Employees	-	23,97,500	-	22,21,800
	Advance to Employees	-	2,50,000	-	94,000
	Other receivables & Advances	-	18,43,423	-	19,60,342
	Advance Income Tax and TDS (Net of Provisions)	22,59,15,689	-	19,85,67,604	-
	TOTAL	11,44,77,59,572	1,47,81,88,393	10,66,54,00,585	1,98,44,13,337
13A	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)				

14	CASH AND CASH EQUIVALENTS		
	a) Cash and cash equivalents		
	- Balances with Banks		
	- Current Accounts	3,48,83,627	20,03,891
	- Cash In Hand	10,908	1,172
	b) Other Bank Balances		
	- Unclaimed Dividend Accounts	1,79,69,602	1,85,20,450
	TOTAL	5,28,64,137	2,05,25,513

15	OTHER CURRENT ASSETS		
	Interest accrued on Investments	23,55,816	18,15,616
	Interest & Other Charges accrued and due on loans and advances	2,47,58,470	7,02,32,846
	Interest accrued but not due on loans and advances	5,94,77,125	6,76,61,406
	Service Tax Paid (Unutilised Balance Cenvat Credit)	-	2,28,090
	TOTAL	8,65,91,411	13,99,37,958



NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS

(In ₹)

Note No	Particulars	Year Ended 31 March, 2016	Year Ended 31 March, 2015
16	REVENUE FROM OPERATIONS		
	Interest on Loans & Deposits	1,75,12,91,593	1,71,72,99,932
	Other Fees & Charges	5,66,70,932	6,12,03,247
	Dividend Received	76,13,896	1,05,88,466
	Profit on Sale of Investments	2,42,79,117	7,05,99,037
	Other Financial Services		
	Consultancy Income	23,47,319	18,81,014
	TOTAL	1,84,22,02,857	1,86,15,71,696
17	OTHER INCOME		
	Interest on Loans to Staff	29,68,020	31,38,436
	Rental Income	99,79,200	1,16,83,594
	Miscellaneous Income	13,01,805	39,59,616
	Profit on Sale of Assets	2,732	1,31,876
	TOTAL	1,42,51,757	1,89,13,522
18	EMPLOYEE BENEFIT EXPENSES		
	Salaries & Allowances	6,04,86,889	5,69,34,443
	Contribution to Provident Fund	43,98,986	39,81,815
	Contribution to Gratuity	9,43,243	28,69,893
	Staff Welfare Expenses & Other	11,07,286	12,36,730
	TOTAL	6,69,36,404	6,50,22,881
19	FINANCE COSTS		
	Interest on Borrowings	90,12,73,410	85,17,60,522
	TOTAL	90,12,73,410	85,17,60,522
20	OTHER EXPENSES		
	Rent Rates & Taxes	4,60,34,884	4,36,00,860
	Office Upkeep & Maintenance/Electricity Charges	1,22,37,075	1,21,45,639
	Travelling and Conveyance	72,70,115	68,68,550
	Printing and Stationery	7,50,558	7,54,497
	Postage, Telephone and Telex	25,00,767	27,05,909
	Sitting Fee (Directors)	12,13,678	8,98,888
	Membership and Subscription	1,09,748	2,65,873
	Auditors Remuneration		
	- Audit Fee	4,58,000	4,24,720
	- Reimbursement of Expenses	1,14,500	1,06,180
	Insurance Expenses	3,11,095	1,46,275



NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS

(In ₹)

Note No	Particulars	Year Ended 31 March, 2016	Year Ended 31 March, 2015
20	Listing Fee	6,34,941	9,10,357
Contd..	Legal and Professional Charges	34,84,955	19,32,737
	Rating Fees	52,06,488	49,73,934
	Advertisement & Publicity	42,79,642	28,65,318
	Board Meeting Expenses	11,56,279	6,29,812
	Registrar & Transfer Agent Fee	6,39,616	5,56,608
	AGM Expenses	9,17,435	15,12,850
	Bank Charges	53,977	1,08,689
	Books & Periodicals	4,58,363	3,33,910
	Training Expenses	40,495	1,03,511
	Entertainment Expenses	6,000	3,05,002
	Spending on Corporate Social Responsibility (CSR) Activities	1,59,00,000	1,46,89,000
	Miscellaneous Expenses	3,59,773	3,06,928
	TOTAL	10,41,38,384	9,71,46,047

21	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	11,65,88,382	10,31,69,782	
22	Expenditure in Foreign Currency NIL			
23	Remuneration to Managing Directors (Sh. S.K. Sangar from 01.04.2015 to 31.01.2016 & Sh. S. P. Arora w.e.f. 31.03.2016)			
	Particular	Sh. S.P. Arora	Sh. S.K. Sangar	Sh. S.P. Arora
	Salary	6,737	24,23,802	-
	Contribution to Provident fund	681	2,04,225	-
	Perquisites	-	4,00,820	-
	Total	7,418	30,28,847	-
24	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)			
25	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 ₹	Amount in ₹	
		(31.03.2016)	(31.03.2015)	
	Transaction During period			
	- Dividend Paid	5,68,05,503	7,27,23,733	
	- Dividend received	76,01,621	1,01,28,828	
	- Rent & Other Charges Paid	4,65,69,238	4,34,85,347	
	- Salaries for Deputation Staff Paid	-	7,51,668	
	- Salaries for Deputation Staff Received	-	1,10,459	
	- Interest on Bonds Received	5,79,77,260	4,66,58,630	

Contd...



NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS

(In ₹)

NOTE NO.	Transaction Description	(31.3.2016)	(31.3.2015)
25	Outstanding Balances		
Contd..	- Investment in Equity Shares of IFCI Ltd.	14,80,66,914	14,80,66,914
	- 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	15,00,00,000
	2. North-east Tourism Development Company Pvt Ltd - Associate		
	Transaction Description		
	- Investment in Equity Shares of NETDCPL Outstanding	Nil	26,000
	B. Key Managerial Personnel		
	Name Relation		
	1. Sh. S. P. Arora Managing Director (w.e.f. 31.03.2016)		
	2. Sh. S. K. Sangar Managing Director (01.04.2015 to 31.01.2016)		
26	Earning per Equity Share		
	Particulars	Year Ended 31.3.2016	Year Ended 31.3.2015
	Net Profit Attributable to Equity Shareholders	53,61,39,330	60,17,91,831
	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	6.64	7.46
	Diluted Earning Per share of Face Value ₹10/- each	6.64	7.46
27	Capital Commitments: NIL (Previous year Nil)		
28	Interest on Loans & Deposits includes profit on sale of units of Debt based Mutual Funds	5,68,77,275	6,52,04,191
29	Previous year figures have been regrouped / rearranged wherever considered necessary to make them comparable with the current year's figures.		
30	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, 2016. 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.		
31	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 ₹4,63,29,203/- (P.Y. ₹4,07,29,728/-) 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 31.03.2016	Year Ended 31.03.2015
	a) Not later than one year	16,01,695	66,04,272
	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 31.03.2016	Year Ended 31.03.2015
	a) Not later than one year	99,79,200	99,79,200
	b) Later than one year but not later than five years	74,84,400	1,74,63,600
	c) Later than five years	-	-



(In ₹)

NOTE NO	Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
32.	Disclosure required in Accordance with AS-15 - Employees Benefits		
	a) Defined Contribution Plans: The Company has recognised ₹9,43,243/- (P.Y. ₹ 28,69,893/) as expense in Statement of Profit & Loss.		
	b) Defined Benefit Plans: Gratuity – As per actuarial valuations as on March 31, 2016 and recognized in the financial statements		
	I Recognised in the Profit & Loss A/c		
	1 Current Service Cost	13,57,650	13,99,977
	2 Interest Cost	18,11,017	15,66,522
	3 Expected Return on Plan Asset	(1,14,531)	(88,352)
	4 Past Service Cost	-	-
	5 Actuarial (gain)/loss recognized	(22,00,828)	89,701
	6 Expense recognized in Statement of Profit & Loss / Reserves	8,53,308	29,67,848
	II Net Asset/(Liability) recognized in Balance Sheet		
	1 Present Value of Obligation at the year end	2,35,93,659	2,26,37,714
	2 Fair Value on Plan Assets	16,21,450	13,51,950
	3 Fund Status (Surplus/Deficit)	(2,19,72,209)	(2,12,85,764)
	4 Excess of Actual Over Estimate	(11,894)	(10)
	5 Unrecognised Past Service Cost	-	-
	6 Net Asset/(Liability) recognized in Balance Sheet	(2,19,72,209)	(2,12,85,764)
	III Change in Present value of Obligations during the year		
	1 Present Value of Obligation at the beginning of the year	2,26,37,714	1,95,81,524
	2 Current Service Cost	13,57,650	13,99,977
	3 Interest Cost	18,11,017	15,66,522
	4 Actuarial (gain)/loss on Obligations	(22,12,722)	89,691
	5 Benefits Paid	-	-
	6 Present Value of Obligation at the end of the year	2,35,93,659	2,26,37,714
	IV Change in Fair Value of Assets during the year		
	1 Fair Value of Plan Asset at the beginning of the year	13,47,425	10,39,430
	2 Expected Return on Plan Asset	1,14,531	88,352
	3 Actuarial gain/(loss) on Plan Asset	(11,894)	(10)
	4 Contributions	1,71,388	2,24,178
	5 Benefits Paid	-	-
	6 Fair Value of Plan Asset at the end of the year	16,21,450	13,51,950
	V Actuarial Assumptions		
	1 Mortality Table	IALM (2006-08)	IALM (2006-08)
	2 Discount Rate	8%	8%
	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	14,42,465	4,52,806
	2 Non Current Liability	2,21,51,194	2,21,84,908
	Total Present Value of Obligation at the end of the year	2,35,93,659	2,26,37,714

33 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 18.08.2015)
- Brickworks Ratings (India) Pvt. Ltd. BWR AA (reaffirmed Vide letter dated 16.10.2015)
- Smera Ratings Ltd. SMERA AA (reaffirmed Vide letter dated 05.08.2015)
- No Migration of Ratings took place during the year

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

3. Capital

i) CRAR (%)	37.82%	37.65%
ii) CRAR - Tier I Capital (%)	30.91%	30.23%
iii) CRAR - Tier II Capital (%)	6.91%	7.42%
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



NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS

(In ₹)

NOTE NO	Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
33	4. Investments		
Contd.	- TFCI do not hold any Investments Outside India		
	1) Value of Investments		
	(a) Gross Value of Investments	2,62,49,65,610	1,93,93,97,547
	(b) Provision for Depreciation	7,96,25,077	3,62,51,077
	(c) Net Value of Investments	2,54,53,40,533	1,90,31,46,470
	2) Movement in Provision held for depreciation on Investments		
	(a) Opening Balance	3,62,51,077	7,91,49,720
	(b) Add: Provision made during the year	4,34,00,000	-
	(c) Less: Write-back of Excess Provision during the year	26,000	*4,28,98,643
	(d) Closing Balance	7,96,25,077	3,62,51,077
	*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	Nil	1
	(b) Aggregate outstanding	Nil	39,13,31,348
	(c) Aggregate consideration received	Nil	42,00,00,000
	(d) Gain/Loss over net book value	Nil	2,86,68,652
	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	64,37,01,711	98,10,00,000
	- 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;	35,81,65,894	35,96,78,271
	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	Nil	Nil
	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	20,00,00,000	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



NOTE NO	Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
33	8. Additional Disclosures		
Contd.	8.1 Breakup of Provision & Contingencies shown under the head expenditure in profit & loss account		
	1) Provision for Depreciation on Investments	4,34,00,000	-
	2) Provision for NPAs/Doubtful Debts	(98,00,000)	2,44,00,000
	3) Provision for Standard Assets	(1,36,00,000)	1,56,00,000
	4) Provision Made Towards Income Tax	18,07,00,000	18,70,00,000
	5) Other Provision and Contingencies (Deferred Tax Liability)	3,99,51,871	2,97,98,781
	8.2 Concentration of Advances and NPAs.		
	8.2.1 Concentration of Advances.		
	1) Total Advances to Twenty Large Borrowers	7,91,69,64,588	7,67,39,61,585
	2) Percentage of Advances to Twenty Large Borrowers	61.33%	60.56%
	8.2.2 Concentration of NPAs.		
	1) Total Exposure to Top Four NPA Accounts	1,21,97,63,000	48,70,72,387
	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	14.25%	2.61%
	2) Real Estate / Housing	28.85%	0.00%
	3) Infrastructure Sector	0.00%	26.52%
	8.3 Movement of NPAs.		
	1) Net NPAs to Net Advances (%)	10.30%	1.50%
	2) Movement of Gross NPAs		
	(a) Opening Balance	48,70,72,387	23,00,00,000
	(b) Add: Addition During Year	1,31,61,59,678	25,70,72,387
	(c) Less: Reduction/Write-off During Year	21,47,00,000	-
	(d) Closing Balance	1,58,85,32,065	48,70,72,387
	3) Movement of Net NPAs		
	(a) Opening Balance	18,95,63,974	-
	(b) Add: Addition During Year	1,32,59,59,678	18,95,63,974
	(c) Less: Reduction During Year	21,47,00,000	-
	(d) Closing Balance	1,30,08,23,652	18,95,63,974
	4) Movement in Provision for NPA		
	(a) Opening Balance	29,75,08,413	23,02,09,770
	(b) Add: Provision made during the year	-	*6,72,98,643
	(c) Less: Write-back of Excess Provision during the year	98,00,000	-
	(d) Closing Balance	28,77,08,413	29,75,08,413
	*Includes excess provision released from diminution in value of investments aggregating Rs.4,28,98,643/- as on 31.03.2015, being utilised against NPA (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
	Debtures (Bonds)		
	- Secured	1,59,74,00,000	Nil
	- Unsecured	7,81,50,00,000	Nil
	Deferred Credits	Nil	Nil
	Term Loans	Nil	Nil
	Inter Corporate Deposits	Nil	Nil
	Commercial Papers	Nil	Nil
	8.5 Break-up of Loans and Advances including bills receivables (Net of provision).		
	Particulars	Amount Outstanding	Amount Outstanding
	a) Secured	12,69,50,81,760	12,44,62,93,583
	b) Unsecured	23,97,500	22,21,800
	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 31.03.2016			Year Ended 31.03.2015		
33	8.7 Break-up of Investments (Net of Provision)						
Contd.	A. Current Investments						
	Quoted						
	i) Shares						
	- Equity	12,81,40,814			17,30,27,191		
	- Preference	Nil			Nil		
	ii) Units of Mutual Funds	48,93,015			56,16,00,000		
	Un Quoted						
	i) Certificate of Deposits	1,27,97,56,700			Nil		
	B. Long Term Investments						
	Quoted						
	i) Bonds & Debentures	65,00,50,000			67,81,19,275		
	Un Quoted						
	i) Shares						
	- Equity	15,04,00,003			15,04,00,003		
	- Preference	2,00,00,000			2,00,00,000		
	ii) Bonds/Debentures & Security Receipts	31,21,00,001			32,00,00,001		
	Total Investments (Current + Long Term)	2,54,53,40,533			1,90,31,46,470		
	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	12,69,50,81,760	23,97,500	12,69,74,79,260	12,44,62,93,584	22,21,800	12,44,85,15,384
	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	Nil	
	- Companies in Same Group	79,43,88,584	81,81,16,914	83,86,14,707	81,81,16,914		
	- Other Related Parties	Nil	Nil	Nil	Nil	Nil	
	ii) Other than Related Parties	1,75,09,72,161	1,72,72,23,619	1,06,04,68,432	1,08,50,29,556		
	TOTAL	2,54,53,60,745	2,54,53,40,533	1,89,90,83,139	1,90,31,46,470		
	8.10 Other Information						
	i) Gross Non-Performing Assets						
	- Related parties				Nil		
	- Other than related parties				1,58,85,32,065		
	ii) Net Non-Performing Assets						
	- Related parties				Nil		
	- Other than related parties				1,30,08,23,652		
	iii) Assets acquired in satisfaction of debt				Nil		
	8.11 Customer & Investor Complaints						
	a) No. of complaints pending at the beginning of the year				Nil		
	b) No. of complaints received during the year				51		
	c) No. of complaints redressed during the year				51		
	d) No. of complaints pending at the end of the year				Nil		



TOURISM FINANCE CORPORATION OF INDIA LIMITED

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
		(In ₹)														
1	Restructured Accounts as on 01.04.2015	No of Borrowers	1	-	-	-	1	3	-	-	-	3	4	-	-	4
		Amount Outstanding	397,815,999	-	-	-	397,815,999	592,395,218	-	-	-	592,395,218	990,211,217	-	-	990,211,217
		Provision Thereon	13,923,560	-	-	-	13,923,560	29,619,761	-	-	-	29,619,761	43,543,321	-	-	43,543,321
2	Fresh restructuring during the year	No of Borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	
		Amount Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	
		Provision Thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	
3	Upgradations to restructured standard	No of Borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	
		Amount Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	
		Provision Thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No of Borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	
		Amount Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	
		Provision Thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	
5	Downgradations of restructured accounts during the Financial Year	No of Borrowers	1	-	-	-	1	1	-	-	-	1	2	-	2	
		Amount Outstanding	333,763,000	-	-	-	333,763,000	109,194,967	-	-	-	109,194,967	442,957,967	-	-	442,957,967
		Provision Thereon	33,376,300	-	-	-	33,376,300	10,919,497	-	-	-	10,919,497	44,295,797	-	-	44,295,797
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	2	1	-	-	3	2	2	4	
		Amount Outstanding	-	333,763,000	-	-	333,763,000	511,104,050	109,194,967	-	-	620,299,017	511,104,050	442,957,967	-	954,062,017
		Provision Thereon	-	33,376,300	-	-	33,376,300	25,555,203	10,919,497	-	-	36,474,700	25,555,203	44,295,797	-	69,851,000

33	10. Asset Liability Management Maturity pattern of certain items of assets and liabilities										(In ₹)
	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	55,25,91,422	-	-	-	-	-	-	-	55,25,91,422		
Market Borrowings	-	-	-	-	-	-	2,06,50,00,000	7,34,74,00,000	9,41,24,00,000		
Assets											
Advances	26,12,48,000	5,10,13,000	7,63,06,000	33,29,33,376	74,70,85,166	3,30,94,77,317	2,82,34,13,000	5,31,76,18,750	12,91,90,94,609		
Investments	1,28,46,49,715	-	41,00,000	41,00,000	82,00,000	16,45,00,000	15,12,00,000	1,00,82,15,895	2,62,49,65,610		

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 16, 2016
Place : New Delhi

(S. Ravi)
Director

(Sanjay Ahuja)
Company Secretary

(S. P. Arora)
Managing Director

(Anoop Bali)
Chief Financial Officer

(Malay Mukherjee)
Chairman

(B. M. Gupta)
Executive Director

For and on behalf of the Board



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 27th ANNUAL GENERAL MEETING of the Company being held on Wednesday, September 28, 2016 at 2.00 P.M. at Mavlankar Hall, Rafi Marg, New Delhi-110001.

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

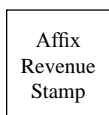
(3) Name: Address:

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 Seventh Annual General Meeting of the Company, to be held on Wednesday, September 28, 2016 at 2.00 P.M. at Mavlankar Hall, Rafi Marg, New Delhi-110001 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, 2016 and the statement of Profit and Loss Account for the year ended March 31, 2016 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 Niraj Agarwal (DIN: 06483526), 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 K.B. Nagendra Murthy (DIN: 00359864), 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 January 22, 2016.		
6.	Appointment of Shri Satpal Kumar Arora (DIN : 00061420 as Managing Director for a Period of 3 years w.e.f. March 31, 2016 or till he attains the age of 60 years whichever is earlier.		
7	To Appoint Justice (Retd.) Ms. Rekha Sharma (DIN: 07541804), 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 June 14, 2016.		
8	To approve private placement of bond/debentures etc.		

Signed thisday of 2016

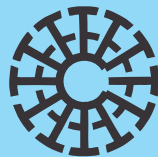


Signature of Shareholder(s)

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 27th 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
Phone: 01126291151 Fax: 01126291152
Website : www.tfciltd.com, E-mail : ho@tfciltd.com