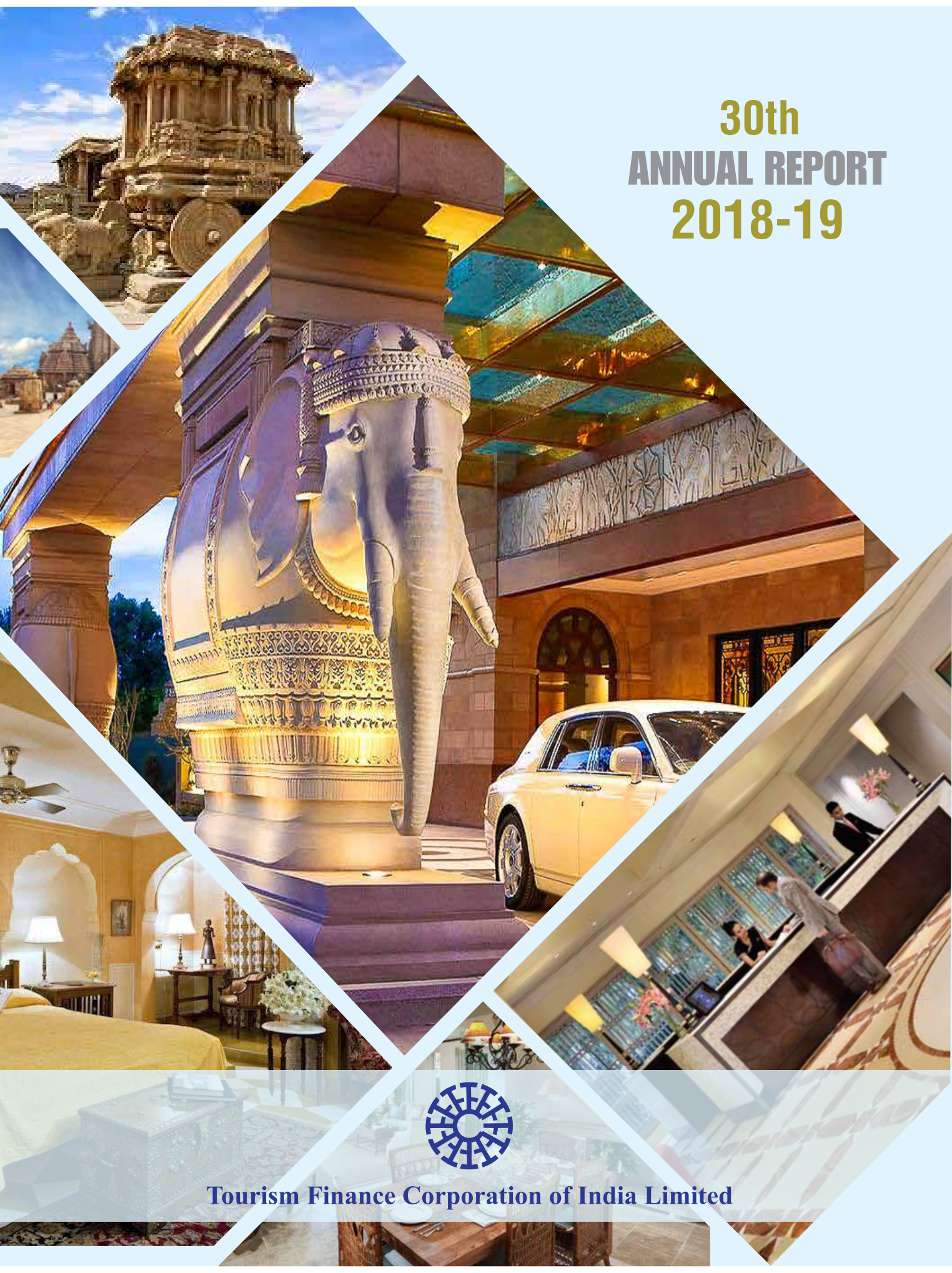


# 30th ANNUAL REPORT 2018-19



**Tourism Finance Corporation of India Limited**





**BOARD OF DIRECTORS\***



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



**Shri Anirban Chakraborty**  
Managing Director & CEO



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



**Shri Shyam Maheshwari**  
Director



**Shri Naresh T. Jain**  
Director



**Shri Koppara Sajeeve Thomas**  
Director



**Shri Niraj Agarwal**  
Director



**Shri Rudhra Gangadharan**  
Independent Director



**Shri S. Sridhar**  
Independent Director



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



**Shri K.B. Nagendra Murthy**  
Independent Director



**Shri Bapi Munshi**  
Independent Director



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



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



## BOARD OF DIRECTORS\*

\*as on June 30, 2019

<b>Shri S.Ravi</b>	Non-Executive Chairman (Independent Director)
<b>Shri Anirban Chakraborty</b>	Managing Director & CEO
<b>Shri Suman Billa</b>	Nomine Director, Ministry of Tourism, Govt. of India
<b>Shri Naresh T. Jain</b>	Non-Executive Director (Promoter Category)
<b>Shri Shyam Maheshwari</b>	Non-Executive Director (Promoter Category)
<b>Shri Koppara Sajeev Thomas</b>	Non-Executive Director (Promoter Category)
<b>Shri Niraj Agarwal</b>	Non-Executive Director (Representing LIC of India)
<b>Shri B.M. Gupta</b>	Whole Time Director
<b>Shri S.C. Sekhar</b>	Independent Director
<b>Dr. K B Nagendra Murthy</b>	Independent Director
<b>Shri S.Sridhar</b>	Independent Director
<b>Shri Rudhra Gangadharan I.A.S., (Retd.)</b>	Independent Director
<b>Shri Bapi Munshi</b>	Independent Director
<b>Mrs. Thankom T. Mathew</b>	Independent Director

## EXECUTIVE DIRECTOR

**Shri Vasan Paulraj**

## KEY MANAGERIAL PERSONNEL

Shri Anoop Bali	Chief Financial Officer
Shri Sanjay Ahuja	Company Secretary

## STATUTORY AUDITORS

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

## REGISTRAR AND TRANSFER AGENT

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

## REGISTERED OFFICE

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

- Note:**
- 1. No Gift will be given in the AGM**
  - 2. Shareholders are requested to send all correspondence directly to the Company's Registrar and Transfer Agent at the above-mentioned address.**

**HIGHLIGHTS**

(₹ in Lakh)

	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>	
<b>Resources</b>			
Share Capital	8072	8072	
Reserves and Surplus	65619	59747	
Secured Loans	54514	44976	
Unsecured Loans	78150	85650	
<b>Total</b>	<b>206355</b>	<b>198445</b>	
<b>Operations</b>			
	<b>Cumulative</b>	<b>2018-2019</b>	<b>2017-2018</b>
<b>Assistance sanctioned</b>			
Rupee Loan	1109079	106465	127230
Leasing	2491	—	—
Subscription to Equity/Preference Share/ Mutual Fund/Debenture	82070	—	—
Guarantee	1483	—	—
<b>Total</b>	<b>1195123</b>	<b>106465</b>	<b>127230</b>
<b>Assistance disbursed</b>			
Rupee Loan	615769	49041	69298
Leasing	1580	—	—
Subscription to Equity/Preference Share/ Mutual Fund/Debenture	75611	—	—
Guarantee	1443	—	—
<b>Total</b>	<b>694403</b>	<b>49041</b>	<b>69298</b>
<b>Earnings</b>			
Profit before tax		11364	10698
Profit after tax		8625	7748
Earning per share (₹)		10.69	9.60



## NOTICE

NOTICE is hereby given that the Thirtieth Annual General Meeting of the members of Tourism Finance Corporation of India Ltd. will be held on Friday, the **9<sup>th</sup> day of August, 2019** at **11.00 a.m.**, at Little Theatre Group Auditorium, Mandi House, 1, Copernicus Marg, Opp. Doordarshan Bhavan, Near Connaught Place, 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, 2019 and the statement of Profit and Loss Account for the year ended March 31, 2019 and the report of the Board of Directors' and Auditors' thereon.
2. To consider and declare Dividend on Equity Shares for financial year 2018-19.
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.

### SPECIAL BUSINESS:

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

“**RESOLVED THAT** pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Naresh T. Jain (DIN: 01558836), who was appointed as an Additional Director by the Board of Directors of the Company with effect from March 15, 2019 in the Promoter Director Category and who as per the provisions of Section 161(1) of the Companies Act, 2013 holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Director of the company liable to retire by rotation under the provisions of the Articles of Association of the Company.”

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 Section 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Shyam Maheshwari (DIN: 01744054), who was appointed as an Additional Director by the Board of Directors of the Company with effect from March 15, 2019 in the Promoter Director Category and who as per

the provisions of Section 161(1) of the Companies Act, 2013 holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Director of the company liable to retire by rotation under the provisions of the Articles of Association of the Company.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Koppa Sajeve Thomas (DIN: 08069585), who was appointed as an Additional Director by the Board of Directors of the Company with effect from March 15, 2019 in the Promoter Director Category and who as per the provisions of Section 161(1) of the Companies Act, 2013 holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Director of the company liable to retire by rotation under the provisions of the Articles of Association of the Company.”

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 SEBI (LODR) Regulation 2015, Mrs. Thankom T. Mathew (DIN: 00025326), who was appointed as an Additional Director of the Company by the Board of Directors of the Company with effect from October 24, 2018 in the Independent Director (Woman) category, 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 5 (Five) consecutive years commencing from October 24, 2018.”





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

“**RESOLVED THAT** pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri B.M.Gupta (DIN: 00065035), who was appointed as an Additional Director by the Board of Directors of the Company with effect from January 25, 2019 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 Whole Time Director.

**RESOLVED FURTHER THAT** subject to the provisions 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 B.M.Gupta (DIN: 00065035), as Whole Time Director w.e.f the date of approval of RBI viz. January 25, 2019 till September 30, 2019 or the date of 30<sup>th</sup> Annual General meeting whichever is later.

**RESOLVED FURTHER THAT** approval be and is hereby accorded that Shri B.M.Gupta besides his existing emoluments and facilities as Executive Director, shall be paid additional basic pay of Rs.50,000 per month plus other attendant benefits thereof and shall draw the following remuneration:

Subject	Pay/ Facilities
<b>Basic Pay</b>	Rs.1,27,500 p.m. in the pay scale of Rs.1,20,500 – 3500(2)-127500 (3 years) Plus additional basic pay of Rs.50,000 per month plus other attendant benefits
<b>Promotional Allowance</b>	As per rules of TFCI presently Rs.30,000 p.m.
<b>DA</b>	Applicable D.A. rates from time to time presently 60.70% of basic pay
<b>CAIIB allowance</b>	As per rules of TFCI presently Rs.7,000 p.m.
<b>HRA</b>	As per rules of TFCI presently Rs.26,625 p.m.

<b>Conveyance</b>	As per rules of TFCI presently 340 lites of petrol and maintenance Rs.4,000 p.m. plus Driver salary @ Rs.19,000 p.m.
<b>Reimbursement of Telephone/ Mobile Bills</b>	As per the rules of TFCI presently Rs.11,278 p.m. on declaration basis.
<b>Newspaper/ Book Grant</b>	As per the rules of TFCI presently Rs.2,083 p.m. on declaration basis
<b>Electricity</b>	As per the rules of TFCI presently Rs.2,560 p.m. (400 units @ 6.40 per unit) on declaration basis
<b>Personal Allowance</b>	As per rules of TFCI presently Rs.550 p.m
<b>Special Compensatory Allowance</b>	As per rules of TFCI presently Rs.1500 p.m.
<b>Fixed Personal Allowance</b>	As per rules of TFCI presently Rs.3880 p.m.
<b>Household Help Reimbursement</b>	As per rules of TFCI presently Rs.8000 p.m.
<b>Travelling, Boarding and Lodging</b>	As per rules of TFCI.
<b>Medical Benefits</b>	Expenses incurred for self and dependent family members, in India as per rules of TFCI.
<b>Personal Accident Insurance</b>	As per the rules of TFCI.
<b>Leave Travel Concession</b>	As per the rules of TFCI.
<b>Entertainment Allowance</b>	As per the rules of TFCI presently Rs.40,000 p.a. on declaration basis.
<b>Gratuity</b>	As per the rules of TFCI.
<b>Leave/Leave Encashment</b>	As per Staff Regulations of the Company.
<b>Performance Linked Incentive</b>	As decided by the Board of Directors/ Remuneration & Compensation Committee of Directors, from time to time.
<b>Provident Fund</b>	As per the rules of TFCI.
<b>Pension Benefits</b>	15% of pay (basic and allowances on which DA is admissible)
<b>Other perquisites</b>	House Building Advance, Conveyance/consumer Durable Advance, Festival Advance, Reimbursement of Briefcase, mobile, lunch subsidy, spectacles etc. as per the rules of 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 provision of Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment(s) thereof as in force from time to time.

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

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

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

“**RESOLVED THAT** pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Anirban Sudarshan Chakraborty (DIN:08402393), who was appointed as an Additional Director by the Board of Directors of the Company with effect from the date of his joining viz. April 15, 2019 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 & CEO.

**RESOLVED FURTHER THAT** subject to the provisions 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 Anirban Sudarshan Chakraborty (DIN: 08402393), as Managing Director & CEO of the Company with effect from the date of his joining viz. April 15, 2019 for a term of 3 years and be paid salary, allowances, perquisites as set out hereunder:

(i) **Pay:** “All inclusive cost to the Company Rs.2.25 crore per annum plus incentive as decided by the Board of Directors every year. Besides, he will also be entitled for ESOP, as and when approved and implemented by the Board.”

(ii) **Leave:** As per Staff Regulations of the company.

(iii) **Notice Period:** The Contract of employment can be terminated by either side by giving one month’s notice or one month’s pay in lieu thereof.

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

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

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

10. 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.800 crore (Rupees Eight Hundred Crore only) in the year commencing from the date of approval by shareholders.

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

By order of the Board of Directors

Date : July 2, 2019  
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). 4 to 10 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 himself 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 SEBI (LODR) Regulation 2015" 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, 1<sup>st</sup> 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 **August 3, 2019 to August 9, 2019** (both days inclusive).
  - (b) The dividend on Equity Shares, if declared at the Meeting, will be paid to those members holding shares
    - (i) in physical form, if their names appear in the Register of Members after giving effect to all valid transfer/transmission lodged with Registrar & Share Transfer Agents of the Company, MCS Share Transfer Agents Ltd./ Company on or before **August 2, 2019** and
    - (ii) in dematerialized/electronic form, the dividend will be paid on the basis of beneficial ownership as per details to be furnished by the Depositories i.e National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) as at the end of business on **August 2, 2019**
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. Accordingly, 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, 1<sup>st</sup> 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 the amount of dividend remaining unclaimed and unpaid for a period of 7 years from the date of payment is required to be transferred to the Investor Education and Protection Fund (the IEPF) established by the Ministry of Corporate Affairs, Government of India. Members who have not yet encashed their dividend warrants for the previous years, are requested to make their claims to the Company immediately. It may be noted that once the unclaimed dividend is transferred to the IEPF, no claim shall lie in respect thereof from the Company. The due date for transfer of unpaid dividend amount to IEPF for these years are:





Year	Due Date
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
2015-16 (Final)	28.10.2023
2016-17	25.10.2024
2017-18	10.9.2025

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

13. It is further informed to the shareholders that unclaimed dividend upto the financial year 2010-11 has already been transferred to the IEPF. Those who have not claimed their dividend prior to 2010-11, may please claim their refund from IEPF Authority and log to <http://www.iepf.gov.in/IEPFA/refund.html>.
14. As per the provisions of the Companies Act, 2013, facility for making nominations is available for shareholders, in respect of shares held by them. Nomination forms can be obtained from the Registrar and Share Transfer Agents of the Company.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Transfer Agents M/s MCS Share Transfer Agents Ltd.
16. Ministry of Corporate Affairs has taken a “Green Initiative in Corporate Governance” by allowing paperless compliance by the Companies. In order to support the said initiative, your Company shall send the copy of the Annual Report along with the notice convening the AGM through e-mail to those members whose e-mail IDs have been provided by them through their DPs/RTAs. The Annual Report is also uploaded on the website of the Company at [www.tfcilt.com](http://www.tfcilt.com).
17. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
18. In terms of the provisions of Section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (the Rules) and the SEBI (LODR) Regulation 2015, the Items of Business given in 30<sup>th</sup> 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 **August 2, 2019**

(End of Day) being the “Record Date” fixed for the purpose, to exercise their right to vote at the 30<sup>th</sup> 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 voting electronically are as under:**

- (i) The voting period begins on **August 6, 2019** at 9.00 a.m. and ends on **August 8, 2019** 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 **August 2, 2019**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (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](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is printed on Annual Reports’ Envelop.</li> <li>• 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.</li> </ul>



Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. 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 of Tourism Finance Corporation of India Limited on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Window Phone users can download the app from the App Store and Windows Stores respectively. Please follow the

instructions as prompted by the mobile app while voting on your mobile.

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

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

**Important Note:**

As 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 SEBI (LODR) Regulation 2015, voting by show of hands will not be available to the members at the 30<sup>th</sup> 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.4 TO 6**

The Board of Directors, at its meeting held on May 26, 2018 had taken on record public announcement/statement dated May 18, 2018 and May 24, 2018 for making open offer by Redkite Capital Pvt. Ltd. (Acquirer) alongwith India Opportunities III Pte. Limited (PAC 1) and Mr. Koppara Sajeeve Thomas (PAC 2) for acquisition of 26% of the



voting equity share capital at a price of Rs.157.20 per equity share. As mentioned in the Letter of Offer (LoF) as per an Inter-se Agreement dated 18.5.2018 between Acquirer and PACs the Acquirer alongwith PACs proposed induction of 3 nominee directors viz. Mr. Naresh T. Jain nominated by Redkite Capital Private Limited (“Acquirer”), Mr. Shyam Maheshwari nominated by India Opportunities III Pte Limited (“PAC 1”) and Mr. Koppara Sajeeve Thomas (“PAC 2”). The Board approved the proposal for submitting an application to RBI regarding intention to change control/ management and publishing public notice subject to the necessary prior approval of the RBI. Accordingly, an application was filed with RBI on July 3, 2018 and the Acquirer sought approval of SEBI for the proposed open offer. Subsequent to the approval of SEBI and RBI, the Open offer for tendering shares commenced on February 5, 2019 and closed on February 18, 2019 and the full payment of consideration/refund of share to the public shareholders was made by the Acquirer/PACs. The public announcement advertisement was published by Acquirer/PACs on March 11, 2019. As per terms of LoF, the Acquirer/PACs have acquired 2,09,86,355 (26%) equity shares and post-acquisition holds 3,69,73,801 (45.81%) equity shares of TFCI. Pursuant to the acquisition of 26% equity through the open offer and compliance of all the terms and conditions of the open offer, the Board of Directors inducted Shri Naresh T. Jain, Shri Shyam Maheshwari and Shri Koppara Sajeeve Thomas as additional Directors in the Promoter Director Category on the Board of TFCI with effect from March 15, 2019 and who as per the provisions of Section 161(1) of the Companies Act, 2013 holds office upto the date of this Annual General Meeting and in respect of whom the Company has received notices in writing under section 160 of the Companies Act, 2013 from member(s) proposing their candidature(s) for the office of Director(s), liable to retire by rotation under the provisions of the Articles of Association of the Company.

Brief profile(s) of Shri Naresh T. Jain, Shri Shyam Maheshwari and Shri Koppara Sajeeve Thomas are set out in the “Information about Directors seeking appointment/reappointment as mandated under SEBI (LODR) Regulation 2015 which is annexed with the notice. Their background and vast experience would be of great value to the Company.

The Board recommends the resolution set out in item no. 4 to 6 of the Notice for approval of the members of the Company.

Shri Naresh T. Jain, Shri Shyam Maheshwari and Shri Koppara Sajeeve Thomas are interested in the resolution(s) as it relates to their appointment. None of other Directors or Key Managerial Personnel of the Company and their relatives are concern or interested, financially or otherwise, in the resolution, except to the extent of their shareholding in the Company.

#### **ITEM NO: 7**

Mrs. Thankom T. Mathew (DIN: 00025326), was appointed as an Additional Director w.e.f. October 24, 2018 in the Independent Director (Woman) category. 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 a 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 Mrs. Thankom T. Mathew 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/she shall not be included in the total number of directors liable 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 SEBI (LODR) Regulation 2015, it is proposed to formally appoint Mrs. Thankom T. Mathew as Independent Director for an initial term of 5 (Five) consecutive years w.e.f. October 24, 2018, the date of her appointment in the company.

The Company has received a declaration from Mrs. Thankom T. Mathew 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, Mrs. Thankom T. Mathew fulfils the conditions for her appointment as an Independent Director as specified in the Act and the SEBI (LODR) Regulation 2015. Mrs. Thankom T. Mathew is independent of the management.

Brief profile of Mrs. Thankom T. Mathew is set out in the “Information about Directors seeking appointment/reappointment as mandated under the SEBI (LODR) Regulation 2015” which is annexed with the notice.

The Board recommends the resolution set out in item no. 7 of the Notice for approval of the members of the Company.

Mrs. Thankom T. Mathew 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, except to the extent of their shareholding in the Company.

#### **ITEM NO. 8**

Consequent upon acceptance of the resignation of Shri Satpal Kumar Arora as Managing Director/Director of the Company w.e.f. May 15, 2018, the Board of Directors had appointed Shri B.M.Gupta, Executive Director as Manager of the Company pursuant to provision to Sections 196, 197, 203 other applicable provisions of the Companies Act, 2013, w.e.f. May 16, 2018 till the selection and joining of the new Managing Director. His appointment was approved by the shareholders in the 29<sup>th</sup> Annual General Meeting (AGM) held on August 10, 2018.

The Board of Directors at their meeting held on January 12, 2019 approved appointment of Shri B.M.Gupta as Additional Director and Whole Time Director (WTD) subject to prior approval of RBI for a tenure w.e.f the date of approval of RBI till September 30, 2019 or the date of 30<sup>th</sup> AGM whichever is later subject to approval of the shareholders in the next AGM. RBI vide its letter dated January 25, 2019 approved





appointment of Shri B.M.Gupta as Additional Director and WTD and he ceased to be Manager of the Company consequent to his appointment as WTD w.e.f. January 25, 2019. The remuneration payable to WTD is within the ceiling limits in that behalf as laid down in Schedule V to the Companies Act, 2013.

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

The Board recommends the resolution set out in item no. 8 of the Notice for approval of the members of the Company.

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

#### ITEM NO. 9

The Board of Directors had appointed Shri Anirban Sudarshan Chakraborty as Additional Director and Managing Director & CEO with effect from the date of his joining for a period of 3 years subject to approval of the shareholders in the forthcoming AGM. Shri Anirban Sudarshan Chakraborty has joined TFCI as Managing Director & CEO w.e.f. April 15, 2019. The remuneration payable to MD & CEO is within the ceiling limits in that behalf as laid down in Schedule V to the Companies Act, 2013.

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

The Board recommends the resolution set out in item no. 9 of the Notice for approval of the members of the Company.

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

#### Item No.10:

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

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

The approval of the Members is being sought by way of a Special Resolution under Sections 42 and 71 of the Act read with the Rules made thereunder, to enable the Company to

offer or invite subscriptions for securities, including but not limited to bonds and non-convertible debentures upto Rs.800 crore on a private placement basis, in one or more tranches, during the period of one year ending upto the next Annual General Meeting, within the overall borrowing limits of the Company, as approved by the Members from time to time and which shall include any amount borrowed through securities offered on private placement basis and subscribed during the current financial year upto the approval of the shareholders proposed at the Resolution at Item No. 10.

The Board of Directors recommends the passing of the proposed Special Resolution as set out in item No.10 of the Notice, by members of the Company.

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

By Order of the Board of Directors

Date : July 2, 2019

Place : New Delhi

(Sanjay Ahuja)

Company Secretary

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

##### Shri Niraj Agarwal

Shri Niraj Agarwal age 61 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 and member of Executive Committee of the Company. He does not hold any shares of the Company.

##### Shri Naresh T. Jain

Shri Naresh T. Jain age 47 years is representing Redkite Capital Private Limited (Promoter). He is a qualified Chartered Accountant and has more than 20 years of post qualification experience in the financial services and financial consultancy and is well versed with various operations of the financial business. . He is Director of Redkite Capital Private Ltd., Epitome Multitrade Pvt. Ltd., Moneytree Multitrade Pvt. Ltd., Aparajita Mercantile Pvt. Ltd. and Epitome Consulting Services Pvt. Ltd. He is member of Audit Committee, Nomination and Remuneration Committee, CSR Committee, Executive Committee, Willful Default review Committee and Estate Committee of Directors of the Company. He does not hold any shares of the Company.



### **Shri Shyam Maheshwari**

Shri Shyam Maheshwari age 43 years is representing India Opportunities III Pte Limited (Promoter Group). He is MBA from the Indian Institute of Management (IIM) Bangalore and Chartered Accountant. He is one of the Partners and co-founder of SSG Group. He is primarily responsible for SSG's investment activities in India. Mr. Maheshwari has more than eighteen years of extensive experience of deal sourcing, credit analysis and investing in Asia. Prior to co-founding SSG Group, Mr. Maheshwari was a senior member of Lehman Brothers Asia Special Situations Group primarily responsible for making principal investments in India, where he oversaw the efforts to build the India business. He initially joined Lehman Brothers in 1999 as a Credit Analyst in the Asia Credit Research team and later moved to Credit Trading in early 2005. In India, he has experience of making investments across a range of sectors including real estate, healthcare, consumer durables, power, mining, metals, retail, auto components, manufacturing, logistics and infrastructure sectors etc. He was a nominee director of Lehman Brothers on the board of ECL Finance Limited from 5<sup>th</sup> June, 2007 to 24<sup>th</sup> October, 2008. He is a director of Assets Care and Reconstruction Enterprise Ltd. Shapoorji Pallonji Finance Private Ltd. and companies outside India viz. SSG Capital Management (Singapore) Ptd. Ltd., Al Falah Investments Pte. Ltd., SSG Capital Holdings Ltd., Solar House Ltd. and Holidaybreak Ltd. He is member of Risk Management Committee of Assets Care and Reconstruction Enterprise Ltd. and Executive Committee, Risk Management Committee of the Company. He does not hold any shares of the Company.

### **Shri Koppara Sajeeve Thomas**

Shri Koppara Sajeeve Thomas aged 68 years is Graduate and he is also one of the major shareholders (Promoter Group) of the Company. He is member of Nomination and Remuneration Committee, Risk Management Committee and IT Committee. He is not a director in any other company. He is holding 4035633 equity shares of the company.

### **Mrs. Thankom T. Mathew**

Mrs. Thankom T. Mathew age 66 years is former Executive Director of LIC of India and has more than 36 years of experience in Life Insurance Industry. She has wide experience in HR and is an effective communicator. She is Post Graduate in Chemistry. She is trained and accredited by the Institute of Directors in Corporate Governance and Company Law. She was on the Board of Industrial Investment Trust and is presently Independent Director on the Board of STCI Finance Ltd. She is member of Audit, Nomination and Remuneration, CSR Committee of STCI Finance Ltd. She is also member of CSR Committee and Chairman of IT Committee of the Company. She does not hold any shares of the Company.

### **Shri Anirban Sudarshan Chakraborty**

Shri Anirban Sudarshan Chakraborty, age 48 years, was the Deputy CEO of Axis Capital in his last assignment. He built the Transformational Roadmap for Axis Capital from ECM focused Investment banking house to an advisory led Investment banking model, which comprised advisory practices such as private equity placement, Mergers & Acquisitions and Debt Capital market, which resulted in a diversified best in class Investment bank. He onboarded best in class talent and was instrumental in building best practices in the domain of sourcing, distribution, risk, underwriting, analytics, technology & human capital.

Mr. Chakraborty is a B.Tech from The University of Kolkata and has done his Post Graduate in Financial Management from University of Mumbai. Mr. Chakraborty started his career in Voltas in 1993 where he worked in diverse areas ranging from Business Development, assessing techno feasibility of projects, project implementation. He was also associated with IFCI from 1999 to 2003, where he advised corporates across sectors on assignments spanning different product offerings of financial advisory, project appraisal, due diligence, capital restructuring, loan syndication, credit monitoring. He headed various divisions in Axis Bank from 2003 to 2015, ranging from SME, Corporate debt & Capital Markets, Relationship Management group, and Structured Finance.

He is member of Stakeholder Relationship Committee, Executive Committee, Risk Management and IT Committee of the Company. He is not a director in any other company. He does not hold any shares of the Company.

### **Shri B.M.Gupta**

Shri B.M.Gupta age 61 years has more than 42 years of experience in Banking, Finance, Legal, Management, Accounts and Taxation etc. Shri Gupta, after completing his B.Com (Hons) from Shri Ram College of Commerce, Delhi University, did his Masters in Commerce and M.B.A.(Finance) from Delhi University. He also holds Masters Degree in Economics from Rajasthan University besides Law Degree from Delhi University. He has also been an Associate of the Indian Institute of Bankers. He started his banking career with Union Bank of India in November, 1976 and joined Oriental Bank of Commerce as Probationary Officer in May, 1980. He joined Tourism Finance Corporation of India Ltd. in 1993 and was holding the rank of Executive Director since September, 2015 and overseeing the overall operations of the Corporation since then. He is member of CSR Committee, Executive Committee, Risk Management and IT Committee of Directors of the Company. He is not a director in any other company. He does not hold any shares of the Company.

#### **Important Communication to Members**

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



# DIRECTORS' REPORT

## To the Members:

### 1. Presentation of the Annual Report

Your Directors have pleasure in presenting the Thirtieth Annual Report on the business and operations of the Company and the audited accounts for the financial year 2018-19.

### 2. Financial Results

The Company's financial performance for the year ended 31<sup>st</sup> March, 2019 is summarized below:

(Amount in Crore)

Sl.No.	Particulars	2018-19	2017-18
<b>Operational Results</b>			
1	Total Income	236.30	223.89
2	Total Expenditure	122.66	116.91
3	Operational Profit before provision and taxes	113.64	106.98
4	(Provision) for doubtful debts/investment	-	-
5	Profit before Tax	113.64	106.98
6	Provision for Tax	27.39	29.50
7	<b>Profit After Tax</b>	<b>86.25</b>	<b>77.48</b>
8	Add: Surplus brought forward	70.98	69.51
9	Add: Reclassification of realised gain from OCI to reserve	0.96	0.70
10	Add/(Less): Remeasurement of Actuarial loss (OCI)-directly recognised in surplus	0.45	(1.64)
11	Less: Provision u/s 36(1) (vii) (c) of Income Tax Act, 1961	7.50	4.10
12	Less: Dividend & Dividend Distribution tax Paid	19.46	19.43
	<b>PROFIT AVAILABLE FOR APPROPRIATION</b>	<b>131.68</b>	<b>122.52</b>
13	<b>Less: Appropriation</b> Transfer to Special Reserve under - Section 36(1)(viii) of the Income Tax Act, 1961 - Section 45 IC of the RBI Act	19.80 17.25	16.48 15.06
14	Less: Transfer to General Reserve	22.00	20.00
15	<b>Balance carried to Balance Sheet</b>	<b>72.63</b>	<b>70.98</b>

### 3. Operational Performance

Due to the challenging and subdued business environment during 2018-19, your Company adopted a cautious approach in sanctioning and disbursing loans

to avoid slippages and stressed assets. Further, due to liquidity crisis in the NBFC sector, post default by a large NBFC, sanctions to NBFCs were temporarily suspended and your Company was cautious in sanctioning fresh loans. Further, in view of general increase in cost of borrowing and non-availability of funds, in order to maintain liquidity to meet funds requirements, fresh disbursements were reviewed and made selectively. During 2018-19, TFCI achieved sanctions of Rs.1064.65 crore as against previous year sanctions of Rs.1272.30 crore. TFCI made disbursement of Rs. 490.41 crore as against previous year disbursement of Rs. 692.98 crore. TFCI has major exposure in financing of tourism projects particularly hotels in 5-star and 3-star segments and shall strive to have a mix of portfolio by lending to other sectors for short/medium term without compromising its focus on tourism. TFCI has been selecting tourism projects for financing diligently resulting into low stress factor on its balance sheet. TFCI recorded total operational income of Rs. 236.30 crore (PY: Rs. 223.89 crore), profit before tax of Rs.113.64 crore (PY: Rs. 106.98 crore) depicting growth of 6.23% and profit after tax of Rs. 86.25 crore (PY: Rs.77.48 crore) indicating growth of 11.32 %. The balance sheet size has increased to Rs. 2090.68 crore as on 31.03.2019 as compared to total assets of Rs.2017.16 crore as on 31.03.2018, depicting growth of 3.65%. Your company has recorded gross NPAs of Rs. 87.14 crore (4.16% of total assets) as on 31<sup>st</sup> March, 2019 despite stress recorded in the entire banking system.

Pursuant to conclusion of open offer (as per detail mentioned in 5.1) and change of management in March, 2019, the Board of Directors had approved new Business Plan for your Company. TFCI is now looking forward to go beyond tourism financing and are looking at TFCI 2.0: Diversifying for Growth. TFCI will be looking at various financing options for the SME sector, Acquisition financing and also set up a separate subsidiary to pursue Investment Banking to enhance the fee based incomes. The Company intends to grow its balance sheet size by aggressively pursuing the emerging opportunities which would enable us to leverage its capital and thereby improve return on equity.

Your company continues to explore possibilities for new businesses and has been on the lookout for existing customers who might have financial requirements for setting up new projects, renovation, modernisation and or expansion. Your Company expects ample opportunities in appraisal, advisory services, syndication of debts etc. resulting in non-fund based income for the Company. Besides, TFCI has been actively pursuing consultancy assignments for Private Sector and State Governments and their agencies.

### 3.1. Asset Quality:

The stressed assets posed continued challenges to the banking sector during the year. The subdued macro-economic environment and tepid demand scenario in





the past 7-8 years had also affected the tourism sector and thus adversely affecting TFCI's sanctions and disbursements and recovery from assisted concerns. Your Company followed strict appraisal criteria based on cash flow generating capacity of the project and adhered to the prudential norms for Non-Performing Assets (NPAs) prescribed by the regulatory authority. During the financial year 2018-19, an aggregate amount of Rs.17.57 crore was recovered from NPAs (Principal: Rs.5.94 crore & Interest/Other charges: Rs.11.63 crore) and Rs.9.46 crore from written-off accounts. During the year under review 2 cases were downgraded to NPA category having outstanding principal dues of Rs.59.78 crore. 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 as on March 31, 2019 were Rs. 47.62 crore representing 2.28 % of the total assets.

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

Your Company is the only institution in the country mainly funding tourism projects with more than 30 years of existence. It has effectively played its main objective of catalysing investment in tourism sector thereby assisting the nation in creation of tourism infrastructure besides generating employment. Since inception, TFCI has been instrumental for creation and addition of 51374 hotel rooms in the country representing almost equal to 30% of the room capacity as on date. With the financial assistance provided by TFCI, the tourism related projects has provided direct employment to about 95534 persons. The assistance provided to more than 896 projects by TFCI has also led to catalysing investments to the tune of Rs. 31079 Crore in the tourism and other sectors.

#### **5. Dividend**

The Board of Directors have recommended dividend of Rs. 2.20 per Equity Share i.e. @ 22% on the paid-up Equity Share Capital for the financial year ended March 31, 2019 subject to approval by the shareholders.

The dividend will be paid to those members whose names appear in the Register of Members in respect of shares in physical form after giving effect to all valid transfer/transmission lodged with Registrar & Transfer Agent/Company on or before August 2, 2019. The dividend will be paid on the basis of beneficial ownership as per details to be furnished by the Depositories i.e National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) as at the end of business on August 2, 2019 in respect of shares held in dematerialized form.

#### **5.1 Change in Shareholding and Open offer**

During September, 2017, IFCI the original promoter shareholder, sold 24% shares and Redkite Capital Pvt. Ltd. alongwith Person Acting in Concert (PAC) namely Mr. Koppara Sajeeve Thomas, India Opportunities III Pte. Limited, Centrum Capital Ltd. and others had acquired approx. 21% shares in TFCI. During the year

2018-19, your Company received communication dated May 18, 2018 from IDFC Bank Ltd. (Manager to open offer) regarding public announcement for making open offer by Redkite Capital Pvt. Ltd. (Acquirer) alongwith India Opportunities III Pte. Limited (PAC 1), Mr. Koppara Sajeeve Thomas (PAC 2) for acquisition of up to 20,986,355 equity shares of Rs.10 each of TFCI, constituting 26% of the voting equity share capital at a price of Rs.157.20 per Equity Share ("Offer Price"). As per the DLoF filed with SEBI, the Acquirer alongwith PACs propose to acquire upto 26% of the Voting Share Capital of the Company under the Open Offer. Accordingly, the Acquirer shall become the promoter of the Company and have management control over the Company subject to approval from RBI and other regulatory authorities. The Company shall continue to be managed by the Board of Directors which shall have representative of acquirer alongwith PAC. Further, the Acquirer and PACs proposed to induct three nominee directors viz. (i) Mr. Naresh T. Jain; (ii) Mr. Shyam Maheshwari; and (iii) Mr. Koppara Sajeeve Thomas. The Board of Directors considered and approved the proposal for submitting an application with RBI regarding intention to change control/ management as per the recommendation of the Nomination and Remuneration Committee and for publishing public notice subject to the necessary approval of the Reserve Bank of India, SEBI or any other necessary approval and also upon Acquirer/PACs acquiring minimum 26% equity shares of the Company. Accordingly, an application was filed with RBI by your Company and the Acquirer sought approval of SEBI for the proposed open offer. SEBI accorded its approval for the proposed open offer vide its letter dated October 24, 2018. RBI, vide letter dated January 18, 2019 has accorded its approval under Non-Banking Financial Companies (Approval of Acquisition or Transfer of Control) Directions for the change in the shareholding and subsequent change in Management. As required under the said Directions, joint notice was published on January 23, 2019. Thereafter, the Open offer for tendering shares commenced on February 5, 2019 and closed on February 18, 2019. The full payment of consideration/refund of share to the public shareholders was made by the Acquirer/PACs. As per terms of LoF, Redkite Capital Private Ltd. (Acquirer) alongwith India Opportunities III Pte. Limited and Mr. Koppara Sajeeve Thomas (PACs) have acquired 2,09,86,355 (26%) equity shares and their total shareholding post Open-Offer has increased to 3,69,73,801 (45.81%) equity shares. Thereafter, Redkite Capital Private Ltd. (Acquirer) has become the promoter of the TFCI and shall have control over the TFCI. The PACs shall be part of the promoter group of the Company and shall not have any control over TFCI. Thereafter, the Board of Directors at their meeting held on March 15, 2019 appointed Shri Naresh T. Jain, Shri Shyam Maheshwari and Shri Koppara Sajeeve Thomas as Additional Non-Independent Director(s) in the Promoters Directors category subject to approval of the shareholders in the forthcoming Annual General Meeting.



Your Company received an application alongwith undertaking dated 28.5.2019 from IFCI Limited (Promoter) for reclassification of IFCI Limited as Public Shareholder in terms Regulation 31A of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015. The Board of Directors at their meeting held on May 29, 2019 considered the request of IFCI Limited (Promoter) for reclassification of IFCI Limited as Public Shareholder in terms Regulation 31A of SEBI (LODR) Regulation 2015. The Board of Directors commended the same for approval by the shareholders for which a separate proposal will be moved after expiry of three months from the date of Board Meeting.

#### 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 by way of financial assistance from banks on short term basis and internal accruals. TFCI has tied up with various banks for financial assistance to meet its future requirement of resources. Further, your Company proposes to raise funds through issue of commercial paper or bonds depending upon the interest rate scenario in the market. Your Company is confident of meeting the funds requirements by raising resources at competitive rates.

The Company has not invited any deposit from the public under Section 73 and 74 of the Companies Act, 2013 during the year under review. There was no public deposit outstanding as at the beginning or end of the year ended on March 31, 2019.

#### 7. Regulatory Compliances

Your Company has been classified as Systemically Important Non-Deposit Accepting Non-Banking Financial Company. RBI has been issuing guidelines from time to time with regard to capital adequacy standards, income recognition, asset classification, provisioning and other related matters. The accounting policies of your Company conform to these guidelines. The capital adequacy for your Company stands at a comfortable level of 39.01% as on the March 31, 2019 as against the prescribed norm of 15%.

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

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

#### 9. Directors and Key Managerial Personnel

During the year, Shri Satpal Kumar Arora submitted his resignation as Managing Director/Director of the Company which was accepted by the Board of Directors w.e.f. May 15, 2018. The Board of Directors appointed Shri B.M.Gupta, Executive Director as Manager of the Company w.e.f. May 16, 2018 till joining of the new Managing Director. His appointment was approved by the shareholders in the 29<sup>th</sup> Annual General Meeting (AGM) held on August 10, 2018. Members also approved the re-appointment

of Shri Niraj Agarwal, as Non-Executive Non-Independent Director who is liable to retire by rotation and also approved appointment of Shri Bapi Munshi as Independent Director for five consecutive years and also re-appointment of Shri Shri S.C.Sekhar and Dr. K.B.N.Murthy as Independent Director(s) for second term of five years.

Justice (Retd.) Ms. Rekha Sharma, Director had resigned from the Board of Directors of the Company and her resignation has been accepted w.e.f. July 25, 2018. Mrs. Thankom T. Mathew was appointed as an Additional Director of the Company in the category of Woman Independent Director for a period of Five years with effect from October 24, 2018, subject to the approval of the shareholders in the forthcoming AGM.

The Board of Directors at their meeting held on January 12, 2019 approved appointment of Shri B.M.Gupta, Executive Director as Additional Director and Whole Time Director (WTD) subject to prior approval of RBI for a tenure w.e.f. the date of approval of RBI till September 30, 2019 or the date of 30<sup>th</sup> AGM whichever is later subject to approval of the shareholders in the next AGM. RBI vide its letter dated January 25, 2019 approved appointment of Shri B.M.Gupta as Additional Director and WTD and he ceased to be Manager of the Company consequent to his appointment as WTD w.e.f. January 25, 2019.

On completion of change of management and open offer (as mentioned in point No.5.1) the Board of Directors at their meeting held on March 15, 2019 appointed Shri Naresh T. Jain, Shri Shyam Maheshwari and Shri Koppara Sajeeve Thomas as Additional Non-Independent Director(s) in the Promoters Directors category subject to approval of the shareholders in the forthcoming Annual General Meeting.

The Board of Directors at their meeting held on March 25, 2019 appointed Shri Anirban Chakraborty as Additional Director and Managing Director & CEO with effect from the date of his joining for a period of 3 years subject to approval of the shareholders in the forthcoming AGM. Shri Anirban Chakraborty has joined TFCI as Managing Director & CEO w.e.f. April 15, 2019.

The Board appreciates the contribution made by the outgoing director viz. Shri Satpal Kumar Arora and Justice (Retd.) Ms. Rekha Sharma. 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 by rotation at the forthcoming Annual General Meeting and is eligible for reappointment. The Board recommends the reappointment of Shri Niraj Agarwal, Mrs. Thankom T. Mathew, Shri B.M.Gupta, Shri Naresh T. Jain, Shri Shyam Maheshwari and Shri Koppara Sajeeve Thomas and Shri Anirban Chakraborty in the forthcoming Annual General Meeting. The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as required under Section 149 of the Companies Act 2013 and the SEBI (LODR) Regulation.



### 9.1 Performance Evaluation of the Board

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

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

### 9.2 Director Orientation Program

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

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

### 9.3 Details of Board meetings

During the year, 12 Board Meetings were held on April 23, 2018, May 9, 2018, May 26, 2018, June 29, 2018, August 10, 2018, September 12, 2018, November 16, 2018, December 21, 2018, January 12, 2019, February 7, 2019, March 15, 2019 and March 25, 2019. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013. The details about the meetings of Audit Committee and other Committees are provided in the report on Corporate Governance which forms part of this Directors' Report.

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

During 2018-19, Shri B.M.Gupta, Whole Time Director(WTD)/Manager; Shri Anoop Bali, Chief Financial Officer and Shri Sanjay Ahuja, Company Secretary were the Key Managerial Personnel as per the provisions of the Companies Act, 2013.

Shri Satpal Kumar Arora submitted his resignation as Managing Director/Director of the Company which

was accepted by the Board of Directors w.e.f. May 15, 2018 and Shri B.M.Gupta, Executive Director was appointed as Manager of the Company w.e.f. May 16, 2018 till joining of the new incumbent. The Board of Directors at their meeting held on January 12, 2019 approved appointment of Shri B.M.Gupta, Executive Director as Additional Director and WTD subject to prior approval of RBI for a tenure w.e.f the date of approval of RBI till September 30, 2019 or the date of 30th AGM whichever is later subject to approval of the shareholders in the next AGM. Thereafter, RBI vide its letter dated January 25, 2019 approved appointment of Shri B.M.Gupta as Additional Director and WTD and he ceased to be Manager of the Company consequent to his appointment as WTD w.e.f. January 25, 2019.

The Board of Directors at their meeting held on March 25, 2019 appointed Shri Anirban Chakraborty as Additional Director and Managing Director & CEO with effect from the date of his joining for a period of 3 years subject to approval of the shareholders in the forthcoming AGM. Shri Anirban Chakraborty has joined TFCI as Managing Director & CEO w.e.f. April 15, 2019.

### 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 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, by the Board of Directors on the recommendation of Nomination and Remuneration Committee and subject to approval by the Shareholders as the case may be and as per the applicable provisions of Companies Act, 2013 and under any other Act/ Rules/ Regulations for the time being in force.

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

- During FY2018-19, the Non-Executive Directors (except Government Servants) were paid sitting fee of Rs.40,000 and Rs. 20,000 (plus tax) per meeting for attending the meetings of Board and its Committees respectively. The Sitting Fees may be revised by the Board of Directors, subject to the overall limits as prescribed under the applicable provisions. Further, the new promoter directors





viz. Mr. Naresh T. Jain; Mr. Shyam Maheshwari; and Mr. Koppara Sajeev Thomas are not drawing any sitting fee from the Company.

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

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

### 10. Directors' Responsibility Statement

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

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

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

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

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 2018-19 and 2019-20. The addresses of the said Stock Exchanges are stated elsewhere in the Annual Report.

### 12. Auditors

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

#### 12.1 Auditors' Report

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

#### 12.2 Secretarial audit

In terms of Section 204 of the Act and Rules made there under, M/s 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. Your Company complies with all applicable mandatory Secretarial Standards issued by The Institute of Company Secretaries of India.

### 13. Particulars of Employees

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules,



2014, no employees is drawing remuneration in excess of the limits during 2018-19 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 any manufacturing or processing activities. However, while vetting the proposals received for sanction of financial assistance, the aspect of energy conservation, in case of assisted concerns, is given due consideration. The particulars regarding Foreign Exchange earnings and outgo are as follows:

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

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

Your Company has transferred unclaimed/unpaid dividend and shares to Investor Education Protection Fund (IEPF) as required under the provision of the Companies Act, 2013 upto and including Financial Year 2010-11.

Pursuant to the provisions of the Investor Education Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has already filed the necessary form and uploaded the details of unpaid and unclaimed amounts lying with the Company, as on the date of last AGM (i.e August 10, 2018), 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.tfciltd.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 2018-19 amounting Rs.187.69 lakh (2% of the average net profit of the last three years) in compliance with CSR objectives and Policy of the Company and the total CSR approved amount of Rs.187.69 lakh was spent. The detail report on the CSR contribution made during the year 2018-19 is annexed as Annexure 2.

### 17. Corporate Governance and other disclosures

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

#### 17.1 Vigil mechanism

Pursuant to the requirement of the Companies Act 2013 and SEBI (LODR) Regulation, the Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Audit Committee. Employees may also report directly to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee. The policy on vigil mechanism and whistle Blower policy may be accessed on the Company's website at the link: <http://www.tfciltd.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 44 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.tfciltd.com>

### 17.3 Extract of Annual Return

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

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

### 17.6 Risk Management Policy

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

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

During the year under review, no significant and/or material orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations. Your Company is registered with RBI as NBFC-ND-SI and not registered with any other financial sector regulators. No adverse order or penalties were levied during FY2018-19 by any regulators.

### 17.8 Internal financial controls

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

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

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

### 17.10 Segment Reporting

Indian Accounting Standard 108 regarding Segment Reporting does not apply to your Company since revenues are primarily derived from only one segment i.e. financing of projects by way of loan or investments.

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

There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year of the Company i.e. March 31, 2019 and the date of the Directors' report i.e. July 2, 2019. Post the divestment of equity holding by IFCI Ltd. and conclusion of open offer/change of management in March, 2019, the Board of Directors has approved new Business Plan for your Company. TFCI is now looking forward to go beyond tourism financing and are looking at TFCI 2.0: Diversifying for Growth. TFCI will be looking at various financing options for the MSME sector, Acquisition financing and also proposes to set up a separate subsidiary to pursue Investment Banking activities to enhance the fee based incomes. The Company intends to grow its balance sheet size by aggressively pursuing the emerging opportunities which would enable us to leverage its capital and thereby improve return on equity.

### 18. Acknowledgements

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

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

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

For and on behalf of the Board of Directors

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

Date : July 2, 2019

Place : New Delhi





# Management's Discussion and Analysis

## 1. Business and Economic Environment

Even more than a decade after the global financial crisis and six years after taper tantrum, the global economy is still not on a stable growth path. Following an upward swing in 2017, there has been growing evidence that global growth and trade is weakening. Unsettling trade tensions and developments around Brexit are imparting further downside risks to global growth outlook while signs of weakening world industrial production and trade volume and other business confidence indicators have been witnessed worldwide during early 2019. Taking cognisance of these factors, projections of world growth for 2019 have been revised down by the IMF, World Bank and the OECD in their latest assessments. Likewise, global trade is projected to expand at a moderate pace in next two years in line with the subdued investment outlook for many major economies.

India, despite subdued global economy, emerged as one of the fastest growing major economy in the world. India, driven by consumption and investment demand, registered GDP growth of over 7 per cent for four years in succession upto 2017-18. However during 2018-19, the Indian economy registered somewhat slower growth, estimated to be approx. 6.9 per cent as some drivers of growth, notably investment and exports, slowed down. However, this growth has been achieved in a milieu of lower inflation, improved current account balance and notable reduction in the fiscal deficit to GDP ratio which makes it all the more creditable. Even with lower growth, GDP growth for the last five years has averaged 7.1 per cent, which is the highest among the major economies of the world. The Central Government, despite some criticisms, has introduced several programmes over the past year, including ones to augment the ease of doing business, encourage digitalization, reduce skill insufficiencies, foster entrepreneurship and boost urban development. Furthermore, other institutional reforms such as the Goods and Services Tax (GST), the four Labour codes and the Arbitration and Conciliation Act, are significant contributors to the country's economic growth going forward. The acceleration of investment friendly policies, structural reforms and low commodity prices has provided a strong impetus for growth. India has improved its ranking in the World Bank's 'Doing Business Report' by 30 spots over its 2017 ranking and is ranked 77 among 190 countries in 2018 edition of the report. Moody's also upgraded India's sovereign rating after 14 years to Baa2 with a stable economic outlook. India, backed by its strong democracy and partnerships, is expected to be among the top four economic powers of the world by 2023.

## 2. Industry Structure and Development

The Indian tourism and hospitality industry has emerged as one of the key drivers of growth among the service sector in India. Tourism in India has significant potential considering the rich cultural and historical heritage, variety in ecology, terrains and places of natural beauty spread across the country which facilitates India to offer

a diverse portfolio of niche tourism products – MICE, cruises, adventure, medical, wellness, sports, eco-tourism, film, rural and religious tourism. As per World Economic Forum (WEF), India was ranked 12<sup>th</sup> in the Asia Pacific region and 40<sup>th</sup> overall in the list of the world's attractive destinations. The World Trade and Tourism Council ranked India 18<sup>th</sup> in business travel and also predicted to climb up to be amongst top 5 ranks. During 2018, foreign tourist arrivals (FTAs) in India stood at 10.56 million, achieving a growth rate of 5.20 per cent year-on-year.

As per World Travel and Tourism Council (WTTC) India's travel and tourism sector ranks 7<sup>th</sup> in the world in terms of its total contribution to the country's GDP. Tourism is also a potentially large employment generator besides being a significant source of foreign exchange for the country. The industry generated Rs.16.91 lakh crore (US\$240 billion) i.e. 9.2% of India's GDP in 2018 and provided 42.67 million jobs which accounted for 8% of total employment. During 2018, Foreign Exchange Earnings (FEEs) from tourism increased 4.7% year-on-year to US\$ 28.59 billion. Domestic travel spending also witnessed impetus, attributing 87.2% to the direct Travel & Tourism GDP. The sector is predicted to grow at an annual rate of 6.9% to Rs.32.05 lakh crore (US\$460 billion) by 2028 (9.9% of GDP). The tourism and hospitality sector is also among the top 10 sectors in India to attract the highest Foreign Direct Investment (FDI). During the period April 2000-December 2018, the hotel and tourism sector attracted around US\$ 12 billion of FDI, according to the data released by Department for Promotion of Industry and Internal Trade (DIPP).

The hotel industry in India thrives largely due to the growth in tourism & travel and with rising foreign and domestic tourists. The booming tourism industry has had a cascading effect on the hospitality sector with an increase in the occupancy ratios and average room rates. While an assortment of influences had repressed the Indian hospitality sector's from 2009 to 2016, the sector has taken an upward swing and the nationwide occupancy levels and average room rates (ARRs) have clocked a clear and measurable increase over several preceding years and the overall supply-demand scale is now tilted squarely in favour of growth in demand outpacing new supply. As per HVS Industry Review, the year 2018 has been inflection point in hotel industry as after a long hiatus the ARR grew by approx. 6.25% and ADRs grew at a faster rate than long-term inflation rate of 4.5%, suggesting that markets are now on a steady path to recovery. In addition, the rising purchasing power of the Indian middle class has aided the exponential growth of domestic tourism, and helped in narrowing the gap between lean and peak seasons. Further, today's discerning travellers do not shy away from spending on upscale or luxury hotels in such destinations. It is anticipated that the hotel industry is expected to fall short of meeting the long term demands of an economy growing at about 7% p.a. The hospitality industry is now in its second year of the much-awaited



up-cycle and, it is time for industry stakeholders and investors to grab the opportunity and boost performance. The markets are looking strong; the proposed supply is minimal and, demand is more likely to continue growing.

### 3. Opportunities and threats

India's travel and tourism industry has huge growth potential. India is a large market for travel and tourism. It offers a diverse portfolio of niche tourism products - cruises, adventure, medical, wellness, sports, MICE, eco-tourism, film, rural and religious tourism. India has been recognised as a destination for spiritual tourism for domestic and international tourists. As per HVS Survey, the expected future additional inventory in 11 major markets (branded) is at around 57,000 rooms over the next 5 years. With increasing demand on back of improvement in economic activities and lower room additions, major markets are expected to sustain/improve the ARR's going forward and grow at an average of 4.5% p.a. Also, the occupancy is expected to inch up to an average of about 66% by the end of FY21 compared with 63.4% in FY16. Accordingly, the hotel industry is expected to see an increase in revenue at the rate of about 11-13% CAGR over the 5 year period FY17-FY21. As per industry experts, mid-hotel segment in India is expected to receive investments (excluding land) of Rs.6,600 crore (US\$ 990 million) over next five years, with major hotel chains like Marriott, Radisson Hotel group and ITC planning to set up upscale, budget hotels in state capitals and tier-II cities. As per Cygnus estimates about 40 international brands are said to enter the country in the next 5 years.

Concludingly, the demand-supply gap in India is very real and there is need for more hotels. The shortage is especially true within the budget hotels and the mid-market hotels segment as travelers look for safe and affordable accommodation. Various domestic and international brands have made significant inroads into this space and more are expected to follow as the potential for this segment of hotels becomes more obvious.

#### Government Initiatives for Tourism Sector Development:

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

tourist circuits under Swadesh Darshan. Under Swadesh Darshan scheme, 15 thematic circuits in the country have been selected for development of tourism infrastructure. A five-year tax holiday has been offered for 2, 3 and 4 star category hotels located around UNESCO World Heritage sites (except Delhi & Mumbai).

Focus on international destinations has been an integral part of the tourism ministry's agenda and it has released several campaigns in international and domestic markets to promote various tourism destinations and products of India to increase foreign tourist arrivals and domestic visits within the country. The Government of India will develop 17 prominent sites in India into iconic tourist destinations, as per Union Budget 2018-19. The Government of India has launched several branding and marketing initiatives such as 'Incredible India' and 'Athiti Devo Bhava', which have provided a focused drive to growth. Moreover, 'Incredible India 2.0' aims at showcasing the country as a spiritual and wellness destination; with this, the country is poised to emerge as an important wellness destination in South Asia. In the Union Budget 2017-18, the government has proposed to establish five special tourism zones and increase the focus towards rural infrastructure development and introduction of bio-toilets. Under Budget 2017-18, the government allotted US\$ 142.8 million for Integrated development of tourist circuits under Swadesh Darshan scheme. Further, US\$ 14.8 million was allocated for promotion & publicity of various programmes & schemes of the Tourism ministry.

#### Other Sectors:

**(a) Infrastructure Sector:** Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. Infrastructure sector includes power, bridges, dams, roads and urban infrastructure development. As per World Bank's Logistics Performance Index (LPI) 2018, India rank 44<sup>th</sup> amongst 160 countries. In the Union Budget 2018-19, the Government of India has given a massive push to the infrastructure sector by allocating Rs.5.97 lakh crore (US\$ 92.22 billion) for the sector. Increased impetus to develop infrastructure in the country is attracting both domestic and international players. Private sector is emerging as a key player across various infrastructure segments, ranging from roads and communications to power, airports and other urban infrastructure.

**(b) NBFC Sector:** Loans from the shadow banking sector expanded rapidly in the period up to the defaults by large NBFC, a time in which the regulated banks were in the depths of a bad-loan crisis, weighed down by some \$200 billion of soured credit. NBFCs accounted for nearly a third of all new credit over the previous three years, with some of the loans going to riskier sectors like infrastructure and property development. However, aggressive growth targets by NBFCs together with stiff competition on interest rates



resulted in massive change in borrowing mix whereby short term borrowings took center stage over long-term borrowings. The shadow banking crisis started off when the NBFC behemoth a large NBFC defaulted on payments on its Rs.90,000 crore debt to various banks. Since then, the sector has been reeling under stress and facing issues of credit squeeze, over-leveraging and asset-liability mismatches. Though measures initiated by the Government stopped the crisis from developing into a contagion and spilling over to other sectors. On the whole, the outlook for the sector is still looking weak as liquidity remains a major concern.

**(c) Real-Estate Sector:** 2018 was a veritable roller-coaster ride for the Indian real estate sector. The initial agony of policy overhauls like RERA and GST faded, leaving in its wake a more transparent and efficient real-estate market environment. While affordable housing took centre-stage in residential, co-working emerged as the new poster boy of commercial real-estate and logistics and warehousing also saw significant growth. In terms of market traction, commercial real estate retained its status as the most buoyant sector in 2018 across major cities with high demand for Grade A office space and decline in vacancy levels in prime locales. Despite signs of recovery across segments, the liquidity crunch— further exacerbated by the NBFC crisis— put all industry stakeholders on tenterhooks. Consolidation via mergers and acquisitions was rife in all sectors, completely redefining the concept of ‘financial health’ among players and drawing clear lines on who will survive the heat. Over the last two to three years, the liquidity crunch has been a major pain-point for Indian real estate owing to tepid sales, banks’ refusal to disburse loans due to rising NPAs and the widening debt-equity ratio. The recent NBFC crisis in September 2018 has only exacerbated the pain for the real estate sector and its major stakeholders – the developers. According to a recent ICRA report, the outlook for India’s residential real-estate sector remains negative owing to weak consumer sentiments despite the recent announcement of various sops for the buyers. The factors responsible for negative outlook are demand-supply mismatches in many markets and product segments, leveraged balance sheets and continuing funding challenges for developers, challenging macro-economic environment, and low affordability levels for buyers. According to ICRA, going forward, market consolidation trends will continue, enabling larger developers to gain at the expense of the smaller ones. Given the current market conditions, developers are realigning strategies to meet market requirements and their focus has shifted on right-sizing and right-pricing which is likely to support pick-up in sales velocity.

**4. Performance**

Your Company has been having satisfactory operational performance and financial indicators despite depressed market conditions for the last few years as detailed in para 3 of the Directors’ Report. Post the divestment of equity holding by IFCI Ltd. and

conclusion of open offer/change of management in March, 2019, the Board of Directors has approved new Business Plan for your Company. TFCI is now looking forward to go beyond tourism financing and are looking at TFCI 2.0: Diversifying for Growth. TFCI will be looking at various financing options for the MSME sector, Acquisition financing and also proposes to set up a separate subsidiary to pursue Investment Banking activities to enhance the fee based incomes.

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

**4.1 Events occurring after Balance Sheet date**

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

**4.2 Key financial ratios**

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

Particulars (Rs. Crores)	FY19	FY18	Y-o-Y
Net Interest Income	87.24	72.56	20.23%
Net Interest Margin (%)	2.93%	2.70%	
Interest Coverage Ratio	2.09:1	2.12:1	
Debt service coverage ratio	1.46:1	1.79:1	
Net Profit (PAT)	86.25	77.48	11.32%
Debt Equity Ratio	1.78:1	1.63:1	
RoAA	4.20%	4.15%	1.20%
RoAE	12.19%	11.88%	2.61%
Networth	729.68	668.07	9.22%
Borrowings (Long term)	1296.24	1091.24	18.78%
EPS(Rs.)	10.69	9.60	11.35%
Book value per share (Rs.)	91.30	84.02	8.66%

The net profit increase by 11.32% to Rs.86.25 crore during 2018-19 as against previous year Rs.77.48 crore. As a result the Net Worth has gone up. There has been no significant changes in the key sector specific financial ratios.

**5. Outlook**

India is today the fastest growing major economy in the world. With economy expected to grow at around 8% annually and the government’s support to the tourism sector, the demand for hotels and other tourism infrastructure projects is expected to improve considerably in mid-term. The growth in India’s tourism, infrastructure, industrial/manufacturing, real-estate and services sectors is expected to result in opportunities for TFCI to expand its business at a steady rate in near future.

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





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

**6. Risks and concerns:**

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

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

the borrowers to cope with the adverse situations. Your Company continues to give utmost priority to its credit appraisal, intense monitoring and supervision of the projects on a continuous basis.

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

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

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

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

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

Financial Services sector is a knowledge intensive sector where employees' skills form a critical aspect in proper service delivery. The nature of your Company's business requires trained employees. In pursuance of the Company's commitment to develop and retain the best available talent, the Company had been regularly sponsoring the employees for training programmes organized by professional institutions for upgrading the skill and knowledge in different functional areas. Your company has offices in Delhi and Mumbai to provide effective & prompt service to the clients and also for constant follow-up with assisted units in these regions. With a view to take the new approved Business Plan ahead, your Company proposes to strengthen the staff. Your company also proposed to strengthen Mumbai Office to solicit more business opportunities by appointing additional professionals at Senior/Middle level to pursue new lines of business. However, the work force strength of your Company as on March 31, 2019 was 29.



## 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 13 Directors as on March 31, 2019 including a Whole Time Director. Out of 12 Non-Executive Directors, 7 were Independent Directors, 1 Nominee Director representing Ministry of Tourism, Govt. of India, 1 represents LIC and 3 Promoter Directors on the Board. The independent directors fulfill the conditions specified in SEBI (LODR) Regulations and are independent of the management. The information regarding Independent director(s) who had resigned before the expiry of his/her tenure during FY 2018-19 has been provided to Stock Exchange(s). The board confirmed that the independent directors fulfill the conditions specified in SEBI (LODR) Regulations

and are independent of the management.

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

During the year, 12 Board Meetings were held on April 23, 2018, May 9, 2018, May 26, 2018, June 29, 2018, August 10, 2018, September 12, 2018, November 16, 2018, December 21, 2018, January 12, 2019, February 7, 2019, March 15, 2019 and March 25, 2019. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and SEBI (LODR) Regulations.

Details regarding the category of Directors, their attendance at Board Meetings and the last Annual General Meeting, number of other Directorships and Committee positions held by them in companies as on March 31, 2019, are given below:-

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

%resigned w.e.f. 15.5.2018

\$ resigned w.e.f. 25.7.2018

\*appointed w.e.f. 24.10.2018

^appointed w.e.f. 25.1.2019

#appointed w.e.f. 15.3.2019

NEID : Non-Executive Director

NEID : Non-Executive Independent Director

WTD : Whole Time Director



**Notes:**

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

**Board Directorships**

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes, if any, during the year. The Composition of the Board as on March 31, 2019 and Directorships in Listed companies as per disclosure filed by Directors is as under:

DETAILS OF DIRECTORSHIP IN LISTED ENTITY			
Sl No	Name of Director	Name of Listed Entity	Nature of Directorship
1	Shri Naresh T. Jain	1. Tourism Finance Corporation of India Ltd.	Non-Executive Non-Independent Director
2	Shri Shyam Maheshwari	1. Tourism Finance Corporation of India Ltd.	Non-Executive Non-Independent Director
3	Shri Koppara Sajeev Thomas	1. Tourism Finance Corporation of India Ltd.	Non-Executive Non-Independent Director
4	Shri Bapi Munshi	1. Tourism Finance Corporation of India Ltd	Independent Director
		2. Cox & Kings Financial Services Ltd.	Independent Director
5	Shri Suman Billa	1. Tourism Finance Corporation of India Ltd.	Non-Executive Non-Independent Director (Nominee Director- Ministry of Tourism)
6	Shri S. Ravi	1. Tourism Finance Corporation of India Ltd.	Independent Director (Chairman)
		2. STCI Finance Ltd.	Independent Director
7	Shri Niraj Agarwal	1. Tourism Finance Corporation of India Ltd	Non-Executive Non-Independent Director
8	Shri Rudhra Gangadharan	1. Tourism Finance Corporation of India Ltd	Independent Director
9	Mrs. Thankom T. Mathew	1. Tourism Finance Corporation of India Ltd	Independent Director (Woman)
		2. STCI Finance Ltd.	Independent Director
10	Shri S.C. Sekhar	1. Tourism Finance Corporation of India Ltd	Independent Director
11	Shri K.B. Nagendra Murthy	1. Tourism Finance Corporation of India Ltd	Independent Director
		2. Rajapalayam Mills Ltd.	Independent Director
12	Shri S. Sridhar	1. Tourism Finance Corporation of India Ltd	Independent Director
		2. Jubilant Life Sciences Ltd.	Independent Director
		3. Shriram Transport Finance Company Ltd.	Independent Director
		4. DCB Bank Ltd.	Independent Director
		5. Strides Pharma Science Ltd.	Independent Director
13	Shri B.M. Gupta	1. Tourism Finance Corporation of India Ltd	Whole Time Director

**Key Board qualifications, expertise and attributes**

The Board of Directors of your Company comprises qualified members who bring required skill, competence and expertise that allow them to make effective contribution to the Board and its committees. The Board has identified the following

skill set with reference to its Business and Industry which are available with the Board:

Sl No	Name of Director	Skill, competence and expertise
1	Shri Naresh T. Jain	Accounts, Audit and Financial services
2	Shri Shyam Maheshwari	Deal sourcing, credit analysis, Investment across Sectors, Audit, and Risk Management
3	Shri Koppara Sajeev Thomas	Administration, Risk Management and IT
4	Shri Bapi Munshi	Project Finance, Banking and Risk Management
5	Shri Suman Billa	Administration
6	Shri S. Ravi	Accounts, Audit, Finance
7	Shri Niraj Agarwal	Administration
8	Shri Rudhra Gangadharan	Administration
9	Mrs. Thankom T. Mathew	HR and Communication
10	Shri S.C. Sekhar	Accounts, Audit and project Finance
11	Shri K.B. Nagendra Murthy	Banking, Project Finance and Audit,
12	Shri S. Sridhar	Project Finance, Banking, Risk Management and Legal
13	Shri B.M. Gupta	Project Finance, Banking, Advisory, Risk Management, Administration and Legal

**2. Board Committee Meetings and Procedures**

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

**(A) Audit Committee:**

**i) Constitution and Composition:**

The Audit Committee of the Board comprised of 4 Directors including 3 Independent Directors (ID) and 1 Non-Executive Non- Independent Director. The Chairman of the Committee was an Independent Director. The Chairman of the Committee attended the last AGM. The Committee met 5 times on May 26, 2018, June 29, 2018, September 12, 2018, November 16, 2018 and February 7, 2019. The attendance of the members at the meetings was as follows:

Sl. No.	Name of member	Status	No. of Meetings Attended
1.	Shri S.C.Sekhar	*Chairman (ID)	5
2.	Shri S.Ravi	\$Chairman (ID)	5
3	Shri K.B.N.Murthy	Independent Director	5
4.	Shri Naresh T. Jain@	NED (Non ID)	-

@appointed as member w.e.f. March 25, 2019

\*ceased to be Chairman w.e.f. March 25, 2019

\$appointed as Chairman w.e.f. March 25, 2019





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 transaction
  - g. Qualification in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision.

### (B) Nomination and Remuneration Committee

#### (i) Composition:

During the year under report, the Nomination and



Remuneration Committee of the Board comprised of 5 members (3 Independent Director (ID) and 2 Non-Executive Non-ID). The Committee did meet 8 times during the year on April 23, 2018, May 9, 2018, June 20, 2018, August 10, 2018, November 16, 2018, January 3, 2019, March 15, 2019 and March 25, 2019. The names of the members and attendance are as follows:

Name of Member	Status	No. of Meetings Attended
1. Shri K.B.N.Murthy	Chairman (Independent Director)	8
2. Shri S.Ravi	Independent Director	8
3. Shri Rudhra Gangadharan*	Independent Director	6
4. Shri Naresh T. Jain@	NED (Non ID)	-
5. Shri Koppa Sajeve Thomas@	NED (Non ID)	-

@appointed as member w.e.f. March 25, 2019

\* ceased to be member w.e.f. March 25, 2019

**(ii) Terms of reference:**

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

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

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

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

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

**(iv) Remuneration Policy:**

Remuneration of employees consists of basic remuneration, perquisites and performance-linked incentive. The components of total remuneration vary for different cadres and are governed more or less by the structure prevalent in other All-India Financial Institutions/RBI. 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 2018-19:**

- (i) Shri Satpal Kumar Arora, former Managing Director was paid remuneration of Rs.23,00,914 during FY2018-19 including incentive of Rs.9,25,892
- (ii) Shri B.M.Gupta, Whole Time Director was paid remuneration of Rs. 58,02,089 during FY2018-19 including incentive of Rs.7,34,076
- (iii) No severance pay was payable on termination of appointment.
- (iv) No Stock Appreciation Rights (SARs) were granted.

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

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

Name of the Director	Amount (in Rs.)
Shri Niraj Agarwal	5,90,000
Shri Rudhra Gangadharan	5,90,000
Shri Bapi Munshi	6,13,600
Shri S. Ravi	10,14,800
Shri S. Sridhar	7,78,800
Shri S.C. Sekhar	8,73,200
Shri K B Nagendra Murthy	10,85,600
Mrs. Thanktom T. Mathew	1,88,800
Justice (Retd.) Ms. Rekha Sharma	47,200

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.40,000



and Rs.20,000 (plus tax) per meeting for attending the meetings of Board and its Committees respectively.

**(vii) Details of Number of Shares and Convertible Instruments Held by Executive/Non-Executive Directors as on March 31, 2019:**

Shri S.C. Sekhar and Shri Koppara Sajeev Thomas, Director(s) were holding 500 and 4035633 equity shares of the company respectively as on 31st March, 2019. None of the other Executive/ Non-Executive Director held shares/convertible Instruments of the Company as on 31st March, 2019

**(C) Stakeholder Relationship Committee:**

**i) Composition:** During the year under report, the Stakeholder Relationship Committee of the Board comprised of 4 Directors including 1 Non-Executive Director (Chairman of the meeting), 2 Independent Directors, and Whole Time Director. During the financial year 2018-2019, the Committee met once. The names and the attendance of the members at the meeting were as follows

<b>ii) Name of Member</b>	<b>Status</b>	<b>No. of Meetings Attended</b>
1. Shri Niraj Agarwal	Chairman (Non-Executive Director)	1
2. Shri Bapi Munshi#	Independent Director	1
3. Shri Rudhra Gangadharan#	Independent Director	1
4. Shri B.M. Gupta*	Whole Time Director	1

#appointed as member w.e.f. May 26, 2018

\*appointed as member w.e.f. January 25, 2019

**iii) Terms of reference:**

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non - receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory Notices by the shareholders of the company.

During the year, 227 complaints were received from the shareholders and were replied/solved to the satisfaction of the shareholders. As on March 31, 2019, 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 6 Directors including 3 Independent Directors, 2 Non-Executive Directors and Whole Time Director. The Chairman of the Committee is an Independent Director. The Committee met 2 times during the year on November 16, 2018 and March 15, 2019. The names of the members and attendance are as under:

<b>Name of Member</b>	<b>Status</b>	<b>No. of Meetings Attended</b>
Shri S.Sridhar,	Chairman (Independent Director)	2
Shri Suman Billa	Non-Executive Director	0
Shri Rudhra Gangadharan#	Independent Director	2
Shri Naresh T. Jain@	NED (Non ID)	-
Shri Thankom T. Mathew@	Independent Director	-
Shri B.M.Gupta*	Whole Time Director	1

#appointed as member w.e.f. May 26, 2018

\*appointed as member w.e.f. January 25, 2019

@appointed as member w.e.f. 25.3.2019

**ii) Terms of reference:**

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

**(E) Risk Management Committee**

The Risk Management Committee was constituted adhering to the requirements of the Companies Act, 2013 and the SEBI (LODR) Regulations. The Committee's prime responsibility is to implement and monitor the risk management plan and policy of the Company. The Committee's constitution meets with the requirements of the SEBI (LODR)





Regulations. The Role and Responsibilities of the Committee includes periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes. Overseeing implementation of Risk Management Plan and Policy Monitoring of Risk Management. Four meetings of the Committee were held during the year on April 23, 2018, May 26, 2018, November 16, 2018 and February 7, 2019 detailed as under:

Name of Member	Status	No. of Meetings Attended
Shri S.Ravi (former Chairman)	Independent Director	4
Shri Bapi Munshi	Independent Director	4
Shri S.P.Arora@	Managing Director	1
Shri B.M.Gupta	Whole Time Director	4
Shri Shri S.Sridhar (Chairman)#	Independent Director	-
Shri Shyam Maheshwari#	NED (Non ID)	-
Shri Koparra Sajeve Thomas#	NED (Non ID)	-

@resigned w.e.f. 15.5.2018

#appointed as member w.e.f. 25.3.2019

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

The Committee of Company’s all Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meeting are conducted informally to enable Independent Directors to discuss matters pertaining to the Company’s affairs and put forth their views. One meeting of Independent Directors was held during the year 2018-19.

The independent directors in the meeting:

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

**3. Other Committees**

**Share-Transfer Committee**

The Company has constituted Share-Transfer Committee to approve transfer/transmission of shares issued by the Company. It also approves issue of duplicate certificates after split/consolidation/renewal and also monitors the investors' grievances. At present, the Share Transfer Committee comprises Whole Time Director/ Managing Director, CFO and Company Secretary. During the year, the Committee had held 16 meetings. Report on the meetings of Share Transfer Committee is placed before the Board for information.

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

**4. Functional Committees**

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

**Procedure at Committee Meetings**

The Company’s guidelines relating to Board Meeting are applicable to Committee meetings as far as practicable. Each Committee has the authority to engage outside experts, advisor and counsels to the extent it considers appropriate to assist in its works. Minutes of the proceedings of the Committee meetings are placed before the Board meetings for perusal and noting.

**5. General Body Meeting:**

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

Financial Year	Date	Time	Location
2017-18	August 10, 2018	11.00 a.m.	IFCI Tower, 61 Nehru Place, New Delhi
2016-17	September 25, 2017	3.00 p.m.	IFCI Tower, 61 Nehru Place, New Delhi
2015-16	September 28, 2016	2.00 p.m.	Mavlankar Hall, Rafi Marg, New Delhi



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

AGM Date	Relevant provisions of the Companies Act 2013	Particulars of Special Resolutions
10.8.2018	Section 42,71 Section 149,152 Section 149,152 Section 14	Issue of Bonds/ Debentures Re-appointment of Shri S.C.Sekhar Independent Director Re-appointment of Dr. KBN Murthy Independent Director Alteration of Articles of Association
25.9.2017	Section 42,71 Section 149,152 Section 149,152	Issue of Bonds/ Debentures Re-appointment of Shri S.Ravi Independent Director Re-appointment of Shri S.Sridhar Independent Director
28.9.2016	Section 42,71	Issue of Bonds/ Debentures

**6. Disclosures**

- (a) Shri S.C. Sekhar and Shri Shri Koppa Sajeve Thomas, Directors were holding 500 and 4035633 equity shares of the company respectively as on 31st March, 2019. None of the other Executive/ Non-Executive Director held any shares/convertible Instruments of the Company as on 31st March, 2019.
- (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.44 to the financial statement in accordance with “Ind AS”. There was no transaction of material nature with the directors or the management or their subsidiaries or relatives during the year. None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company except remuneration and sitting fees.
- (d) **Disclosure of Accounting Treatment**  
In the preparation of financial statements, the Company has followed the guidelines issued by Reserve Bank of India from time to time to the extent applicable. The significant accounting policies have been set out in the Notes to the Accounts.
- (e) **Disclosure on Risk Management**  
Business Risk Evaluation and Management is an ongoing process within the Company. The Company has framed the Risk Management Policy and risk mitigation procedure, which is periodically

reviewed.

- (f) The Company has complied with the mandatory requirements of the SEBI (LODR) Regulations.
  - (g) **Means of Communication:**  
Quarterly results are published in leading English and Hindi newspapers viz. Business Standard/ Financial Express, Jansatta etc.
- Other information**
- (h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).- Not Applicable
  - (i) A Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority has been obtained and Attached as Annexure 4A.
  - (j) During the year, no instances were reported where the board had not accepted any recommendation of any committee of the board which is mandatorily required.
  - (k) Total fees for all services to the statutory auditor: M/s Suresh Chandra & Associates, Statutory Auditors were paid fee of Rs.6.25 lakh during 2018-19 (PY Rs.5.90 lakh).

**6.1 Rating**

The bond issues, bank borrowings and commercial papers of TFCI are rated by CARE Ratings Ltd. (CARE), Brickwork Ratings India (P) Ltd. (BWR) and Acuite Rating & Research Ltd. (erstwhile SMERA Ratings Ltd.). The details of the same are as follows:

Rating Agency	Date of Rating Review	Rating (Amount – Rs. in crore)			Rating Action
		Long-term Bonds	Bank Borrowings	Commercial Paper	
CARE	19.07.2018	A+ (781.50)	-	A1+ (100.00)	Reaffirmed
Brickwork	21.12.2018	AA- Outlook: Stable (941.24)	AA- Outlook: Stable (400.00)	-	Reaffirmed
ACUITE	27.07.2018	AA- Outlook:Stable (300.00)	-	-	Reaffirmed

**7. Reconciliation of Share Capital Audit**

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

**8. Code of Conduct**

The Board has formulated a code of conduct for the Board Members and Senior Management 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 and the compliance of the same is affirmed by them annually. All Board Members and Senior Management have affirmed their compliance with the code.

**8.1 Prohibition of Insider Trading**

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

**8.2 Whistle Blower policy**

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

**9. General Shareholders’ Information company Registration Details**

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

**9.1 ANNUAL GENERAL MEETING** is proposed to be held on **August 9, 2019 at 11.00 a.m.** at Little Theatre Group Auditorium, Mandi House, 1, Copernicus Marg, Opp. Doordarshan Bhavan, Near Connaught Place, New Delhi -110001.

**9.2 Financial calendar (tentative)**

Financial Year: April 1, 2019 to March 31, 2020

Results for the quarter ending:

- June 30, 2019 - July/August 2019
- September 30, 2019 - October/November 2019
- December 31, 2019 - January/February 2020
- March 31, 2020 - April/May 2020
- Annual General Meeting - September, 2020

**9.3 Date of Book Closure**

August 3, 2019 to August 9, 2019

**9.4 Dividend Payment**

Credit/dispatched between September 2, 2019 to September 7, 2019.

**9.5 Listing on Stock Exchanges**

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

**9.6 Stock-Market price data for the year 2018-2019**

**TFCI Share Price (in Rs.)**

Month & Year	BSE		NSE	
	High	Low	High	Low
Apr-18	169.00	152.40	168.40	152.20
May-18	162.35	150.10	162.50	150.10
Jun-18	153.90	142.70	154.35	142.00
Jul-18	149.70	140.85	149.40	141.60
Aug-18	149.50	143.20	149.45	143.20
Sep-18	147.00	118.30	147.30	118.10
Oct-18	135.80	113.00	136.30	113.05
Nov-18	131.00	123.05	132.00	122.75
Dec-18	128.00	117.05	128.90	118.75
Jan-19	140.00	122.00	140.35	122.10
Feb-19	154.40	123.95	154.70	126.30
Mar-19	128.00	108.10	127.50	108.00

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 2018-19:

	(% change)	(% change)	(% change)
	Index	TFCI’s share Price	TFCI relative to index
BSE Sensx	+17.30%	-21.71%	-39.01%
NSE Nifty	+14.93%	-21.83%	-36.76%

**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 SEBI (LODR) Regulations certificates on half year basis have been issued by a Company Secretary in Practice for due compliance of share transfer formalities by the Company. Pursuant to SEBI (Depositories and Participants) Regulations, 1996,





certificates have also been received from a Company Secretary in Practice for timely dematerialization of the shares of the Company and for conducting Secretarial Audit on a quarterly basis for re-conciliation of the share capital of the Company.

**9.10 Distribution of Shareholding as on March 31, 2019**

Range	No. of Shares	No of Folios	% Shares	% Holders
1-500	6126477	48807	7.59	89.08
501-1000	2371506	2849	2.94	5.20
1001-2000	2150160	1391	2.66	2.54
2001-3000	1415583	546	1.75	1.00
3001-4000	983010	275	1.22	0.50
4001-5000	1199420	254	1.49	0.46
5001-10000	2507406	342	3.11	0.62
10001-50000	5283077	247	6.55	0.45
50001-100000	2141737	29	2.65	0.05
And Above	56538372	48	70.05	0.09
<b>Total</b>	<b>80716748</b>	<b>54788</b>	<b>100.00</b>	<b>100.00</b>

**9.11 Categories of Shareholders as on March 31, 2019**

Name of Shareholder	No. of share	%
<b>I. Promoters/Promoters Group</b>		
(i) Redkite Capital Pvt. Ltd.	2,64,81,498	32.81
(ii) India Opportunities III Pte. Ltd	64,56,670	8.00
(iii) Mr. Koppara Sajeev Thomas	40,35,633	5.00
(iv) IFCI Ltd.	7,86,170	0.97
(v) Life Insurance Corporation of India	30,13,180	3.73
(vi) The Oriental Insurance Co. Ltd	8,61,527	1.07
<b>Total Promoters Holding</b>	<b>4,16,34,678</b>	<b>51.58</b>
<b>II. Non Promoters Shareholders</b>		
1. Mutual Fund	13,93,458	1.73
2. Other Banks/Financial institutions	8,28,588	1.03
3. Foreign Portfolio Investors	34,11,387	4.23
4. Govt of India-IEPF Account	7,38,313	0.91
5. Bodies Corporates	79,56,853	9.86
6. Individual Shareholding (General Public)	2,31,81,757	28.72
7. Trust & Cooperative Society	22,685	0.03
8. NRI	15,48,563	1.92
9. NBFC	466	0.00
<b>Total Public shareholding</b>	<b>3,90,82,070</b>	<b>48.42</b>
<b>Grand Total</b>	<b>8,07,16,748</b>	<b>100.00</b>

**9.12 Dematerialization of Shares**

Sl. No.	Electronic/physical	Mode of holding %
1	NSDL	62.40
2	CDSL	35.79
3	Physical	1.81
	<b>TOTAL</b>	<b>100.00</b>

Trading in Equity Shares of the Company is permitted only in dematerialized form. As on March 31, 2019, 98.19% of Company's total equity shares representing

7,92,52,449 Equity Shares were held in dematerialized form and the balance shares were in physical form.

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

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

**9.15 Address for correspondence:**

The Company's registered office is situated at: 4th Floor, Tower-1, NBCC Plaza, Sector-V, Pushp Vihar, Saket, New Delhi-110 017  
Phone No.: 011-47472200 Fax:011-29561171  
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: 9<sup>th</sup> 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: helpdeskdelhi@mcregistrars.com

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

**Debenture Trustee:**

**IDBI Trusteeship Services Limited**

Asian Building, Ground Floor,  
17, R. Kamani Marg, Ballard Estate, Mumbai-400 001  
Tel.: 022-40807012

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

The Board, in its Report, has confirmed that the annual accounts for the year ended March 31, 2019 have been prepared as per applicable accounting standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

**11. Compliance Certificate of the Auditors**

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

**12. Management Discussion and Analysis**

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

**13. Managing Director/CFO Certification**

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



**Annexure 1**

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

<b>Sr. No.</b>	<b>Requirements</b>	<b>Disclosure</b>										
1	The ratio of the remuneration of each director to the median remuneration* of the employees for the financial year	Shri S.P. Arora, Ex-MD N.A Shri B.M.Gupta, WTD 2.10:1										
2	The percentage increase* in remuneration of each director, CFO, CEO, CS in the financial year	Shri S.P.Arora, Ex-MD N.A Shri B.M.Gupta, WTD 10.14% Shri Anoop Bali, CFO 5.08% Shri Sanjay Ahuja, CS 6.06%										
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 3.68%. The calculation of 3.68% increase in Median Remuneration is done based on comparable employees.										
4	The number of permanent employees on the rolls of the Company	There were 29 employees as on March 31, 2019										
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 2018-19, KMPs were paid remuneration approximately 2.01% of the net profit for the year.										
7	Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current FY and previous FY and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer.	The Market capitalization of the Company has decreased from Rs. 1226.90 Crores as of March 31, 2018 to Rs.959.32 Crores as of March 31, 2019. Over the same period, the price to earnings ratio moved from 15.83 to 11.12. TFCI stock price as at March 31, 2019 has decreased by 21.83% to Rs.118.85 over the last year (31.3.2018) price of Rs152.										
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="0" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">Particulars</th> <th style="text-align: right;">% of Net Profit for FY 2018-19</th> </tr> </thead> <tbody> <tr> <td>MD</td> <td style="text-align: right;">0.27%</td> </tr> <tr> <td>WTD</td> <td style="text-align: right;">0.67%</td> </tr> <tr> <td>CFO</td> <td style="text-align: right;">0.62%</td> </tr> <tr> <td>CS</td> <td style="text-align: right;">0.45%</td> </tr> </tbody> </table>	Particulars	% of Net Profit for FY 2018-19	MD	0.27%	WTD	0.67%	CFO	0.62%	CS	0.45%
Particulars	% of Net Profit for FY 2018-19											
MD	0.27%											
WTD	0.67%											
CFO	0.62%											
CS	0.45%											



Sr. No.	Requirements	Disclosure
10	The key parameters for any variable component of remuneration availed by the directors	During the year under report, the Company has not paid any remuneration to Non-Executive Directors except by way of Sitting Fee which was paid Rs.40,000 and Rs.20,000 (plus tax) per meeting to Non-Executive Directors (except Government Servants) for attending the meetings of Board and its Committees respectively. The new 3 promoter directors are not drawing any sitting fee from the Company.
11	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	Nil
12	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, the remuneration 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>(i) If employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than One Crore two lakh rupees;</p> <p>(ii) 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 Eight lakh Fifty Thousand 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> <p>None of the employee received remuneration in excess of the limit prescribed above.</p>	

**General Notes**

- (1) Remuneration in case of MD/WTD is as per the terms of appointment approved by the Board and Shareholders.
- (2) The Remuneration for the purpose of this table is defined as per the Form 16.
- (3) \*Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 has only been taken for the purpose of calculation.





**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.tfcilttd.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 6 Directors including 3 Independent Directors, 2 Non-Executive Directors and Whole Time Director. The Chairman of the Committee is an Independent Director. The Committee met 2 times during the year on November 16, 2018 and March 15, 2019. The names of the members and attendance are as under:

<b>Name of Member</b>	<b>Status</b>	<b>No. of Meetings Attended</b>
1. Shri S. Sridhar,	Chairman (Independent Director)	2
2. Shri Suman Billa	Non-Executive Director	Nil
3. Shri Rudhra Gangadharan#	Independent Director	2
4. Shri Naresh T. Jain@	NED (Non ID)	NA
5. Mrs. Thankom T. Mathew@	Independent Director	NA
6. Shri B.M.Gupta*	Whole Time Director	1

#appointed as member w.e.f. May 26, 2018

\*appointed as member w.e.f. January 25, 2019

@appointed as member w.e.f. 25.3.2019

3. Average Net Profit of the company for last 3 financial years: **Rs. 93,84,71,261**
4. Prescribed CSR expenditure (2% of amount) **Rs. 1,87,69,425**
5. Details of CSR activities/projects undertaken during the year:
- a) total amount to be spent for Financial Year: **Rs. 1,87,69,425**
- b) amount unspent, if any: **Nil**



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

1	2	3	4	5	6	7	8
Sr. No	CSR project/ activity identified	Sector in which the Project is covered	Projects/Program 1.Local area/others- 2.specify the state /district (Name of the District/s, State/s where project/program was undertaken	Amount outlay (budget) project/ programme wise (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 part funding for education	Education	ARYA KANYA SADAN towards contribution for part funding for education expenses of girl students in Faridabad, Haryana.	5.00	5.00	5.00	Through Implementing Agency
2.	Contribution for mid day meal of students	Malnutrition	AKSHAYA PATRA FOUNDATION for mid day meal of students at a cost of Rs.950 per child per annum studying in Government School at Delhi/Jaipur.	9.50	9.50	9.50	Through Implementing Agency
3	Contribution for mid day meal of students	Malnutrition	ISKCON Food Relief Foundation for purchase of one vehicle for transporting meals to children under mid-day meal project in Gurgaon	7.41417	7.38963	7.38963	Through Implementing Agency
4	Literacy programmms	Education	Shri Ram College of Commerce to organize Financial Literacy programmms named Project 'SAHAY', 'UMEED' and 'ASHA' spreading financial awareness in the rural sector in backward areas	3.00	3.00	3.00	Through Implementing Agency
5	Contribution to Prime Minister's National Relief Fund	Prime Minister's National Relief Fund	Contribution to Prime Minister's National Relief Fund towards Kerala flood relief and other activities.	162.80462	162.80462	162.80462	Direct
			<b>Total</b>	<b>187.71879</b>	<b>187.69425</b>	<b>187.69425</b>	

**RESPONSIBILITY STATEMENT**

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

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

Date : July 2, 2019  
Place : New Delhi

Sd/-  
(Director)

Sd/-  
(Chairman of CSR Committee)



**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
as on the financial year ended on 31<sup>st</sup> March 2019 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	4th Floor, Tower 1, NBCC Plaza, Pushp Vihar, Sector V, Saket, New Delhi 110017 Phone: 01129561180 Fax:01129561171
vi) Whether listed company	Yes
vii) Name Address and contact details of Registrar & Transfer Agents (RTA), if any	MCS Share Transfer Agent Ltd. F-65 Okhla Ind Area Phase I New Delhi 110020 Phone: 011-41406149/51/52 Fax: 011-41709881

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

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

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

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

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of shares held	Applicable Section
1	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 31/03/2018					No of Shares held at the end of the year 31/03/2019					percent-age Change during the Years
		Number of shareholders	Number of shares held in Dematerialised form	Number of shares held in Physical form	Total number of shares	Total share-holding as a percentage of total number of shares	Number of shareholders	Number of shares held in Dematerialised form	Number of shares held in Physical form	Total number of shares	Total share-holding as a percentage of total number of shares	
						As a percent-age of (A+B)					As a percent-age 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	3	7162616	0	7162616	8.87	3	4660877	0	4660877	5.77	-3.1
(e)	Any Other (specify)	0	0	0	0	0.00	1	26480434	1064	26481498	32.81	+32.81
	Sub-Total (A)(1)	3	7162616	0	7162616	8.87	4	31141311	1064	31142375	38.58	+29.71
(2)	Foreign											
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	0	0	0.00	1	4035633	0	4035633	5.00	+5.00
(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)	Foreign Portfolio Investor	0	0	0	0	0.00	1	6456670	0	6456670	8.00	+8.00
(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	2	10492303	0	10492303	0.00	+13.00
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	3	7162616	0	7162616	8.87	6	41633614	1064	41634678	51.58	+42.71
(B)	Public shareholding											
(1)	Institutions	0	0	0	0	0.00	0	0	0	0	0.00	0.00
(a)	Mutual Funds/ UTI	4	566718	2500	569218	0.71	4	1391458	2000	1393458	1.73	+1.02
(b)	Financial Institutions/ Banks	7	39812	1600	41412	0.05	6	826988	1600	828588	1.03	+ .98
(c)	Central Government/ State Government(s)/ (IEPFA)	1	622161	0	622161	0.77	1	738313	0	738313	0.91	+ .14
(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





Category code	Category of shareholder	No of shares held at the beginning of the year 31/03/2018					No of Shares held at the end of the year 31/03/2019					percent- age Change during the Years
		Number of shareholders	Number of shares held in Dematerialised form	Number of shares held in Physical form	Total number of shares	Total share-holding as a percentage of total number of shares As a percentage of (A+B)	Number of shareholders	Number of shares held in Dematerialised form	Number of shares held in Physical form	Total number of shares	Total share-holding as a percentage of total number of shares As a percentage of (A+B)	
(f)	Foreign Institutional Investors	24	8613487	0	8613487	10.67	24	3411387	0	3411387	4.23	-6.44
(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)	36	9842178	4100	9846278	12.20	35	6368146	3600	6371746	7.89	-4.31
(2)	Non-institutions											
(a)	Bodies Corporate	896	25278221	76701	25354922	31.41	603	7932652	24201	7956853	9.86	-21.55
(b)	Individuals -											
	i. Individual shareholders holding nominal share capital up to Rs. 1 lakh.	60246	19933916	1729126	21663042	26.84	51915	14989953	1302987	16292940	20.19	-6.65
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	144	12661864	0	12661864	15.69	91	6756370	132447	6888817	8.53	-7.16
	NBFC Registered with RBI	1	5000	0	5000	0.01	1	466		466	0.00	-.01
(c)	Qualified Foreign Investor	0	0	0	0	0.00	0	0	0	0	0.00	0
(d)	Any Other											
I	Trust & Foundations	1	150	0	150	0.01	2	2685	0	2685	0.01	0.00
ii	Cooperative Societies	1	20000	0	20000	0.02	1	20000	0	20000	0.02	0.00
iii	Educational Institutions	0	0	0	0	0.00	0	0	0	0	0.00	0
iv	Non Resident Individual	806	4002876	0	4002876	4.96	650	1548563	0	1548563	1.92	-3.04
v	Foreign Companies	0	0	0	0	0.00	0	0	0	0	0.00	0
vi	OCBs	0	0	0	0	0.00	0	0	0	0	0.00	0
	Sub-Total (B)(2)	62095	61902027	1805827	63707854	78.93	53263	31250689	1459635	32710324	40.52	38.41
	Total Public Shareholding (B)= (B)(1)+(B)(2)	62131	71744205	1809927	73554132	91.13	53298	37618835	1463235	39082070	48.42	42.71
	TOTAL (A)+(B)	62134	78906821	1809927	80716748	100	53304	79252449	1464299	80716748	100	0
(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)	62134	78906821	1809927	80716748	100	53304	79252449	1464299	80716748	100	

(ii) Shareholding of Promoters/Promoter Group

Sl. No.		Shareholding at the beginning of the year (1.4.2018)			Cumulative Shareholding during the year (1.4.2018 to 31.3.2019)			% change in share holding during the year
		No. of shares	% of total shares of the company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of Shares Pledged / encumbered to total shares	
(i)	Redkite Capital Pvt. Ltd.	(Not part of Promoters/promoters Group*)			26481498	32.81	17.60	+32.81
(ii)	India Opportunities III Pte. Ltd	(Not part of Promoters/promoters Group*)			6456670	8.00		+8.00
(iii)	Mr. Koppara Sajeeve Thomas	(Not part of Promoters/promoters Group*)			4035633	5.00		+5.00
(iv)	IFCI Ltd.	16,87,909	2.09	Nil	786170	0.97		-1.12
(v)	Life Insurance Corporation of India	46,13,180	5.72	Nil	3013180	3.73		-1.99
(vi)	The Oriental Insurance Co. Ltd	8,61,527	1.07	Nil	861527	1.07		0
	<b>Total Promoters Holding</b>	<b>71,62,616</b>	<b>8.87</b>	<b>Nil</b>	<b>41634678</b>	<b>51.58</b>	<b>17.60</b>	<b>42.71</b>

\*Please refer to note 5.1 of Directors' Report



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

Detail of Promoters from 31-03-18 to 31-03-19 and their transactions								
S. No	Name	Shareholding		Date (YY/MM/DD)	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (31-03-18 to 31-03-19)	
		No of Shares at the Beginning (31-03-18) /end of the Year (31-03-19)	% of total shares of the Company				Shares	% of total shares of the Company
1	Redkite Capital Private Limited	10709446	13.27	20180331				
				20190308	15770988	Purchase	26480434	32.81
				20190315	1064	Purchase	26481498	32.81
		26481498	32.81	20190330				
2	Life Insurance Corporation of India	4613180	5.72	20180331				
				20181221	-271903	Sale	4341277	5.38
				20181228	-267448	Sale	4073829	5.05
				20181231	-100000	Sale	3973829	4.92
				20190104	-160649	Sale	3813180	4.72
				20190118	-337346	Sale	3475834	4.31
				20190125	-345284	Sale	3130550	3.88
				20190201	-117370	Sale	3013180	3.73
		3013180	3.73	20190330				
3	The Oriental Insurance Company Limited	861527	1.07	20180331				
		861527	1.07	20190330	NIL	NIL		
3	IFCI Ltd.	1687909	2.09	20180331				
				20190308	-901739	Sale	786170	0.97
		786170	0.97	20190330				
5	Mr. Koppara Sajeeve Thomas	2050000	2.54	20180331				
				20190308	1985633	Purchase	4035633	5
		4035633	5	20190330				
6	India Opportunities III Pte. Limited	3228000	4.00	20180331				
				20190308	3228670	Purchase	6456670	8.00
		6456670	8.00	20190330				

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

S.No	Name	Shareholding		Date (YY/MM/DD)	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (31-03-18 to 31-03-19)	
		No of Shares at the Beginning (31-03-18) / end of the Year (31-03-19)	% of total shares of the Company				Shares	% of total shares of the Company
1	Rajasthan Global Securities Private Limited	3045899	3.77	20180331				
				20180420	-112597	Sale	2933302	3.63
				20180427	37281	Purchase	2970583	3.68
				20180504	56578	Purchase	3027161	3.75
				20180525	107710	Purchase	3134871	3.88
				20180601	304978	Purchase	3439849	4.26
				20180608	227619	Purchase	3667468	4.54
				20180615	327479	Purchase	3994947	4.95
				20180622	329258	Purchase	4324205	5.36
				20180629	80925	Purchase	4405130	5.46
				20180706	102554	Purchase	4507684	5.58
				20180713	193814	Purchase	4701498	5.82
				20180720	39914	Purchase	4741412	5.87
				20180727	106129	Purchase	4847541	6.01
				20180803	-119198	Sale	4728343	5.86
				20180929	36070	Purchase	4764413	5.90



**TOURISM FINANCE CORPORATION OF INDIA LIMITED**

S.No	Name	Shareholding		Date (YY/MM/DD)	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (31-03-18 to 31-03-19)	
		No of Shares at the Beginning (31-03-18) / end of the Year (31-03-19)	% of total shares of the Company				Shares	% of total shares of the Company
				20181026	100000	Purchase	4864413	6.03
				20181116	300000	Purchase	5164413	6.40
				20181130	219000	Purchase	5383413	6.67
				20181228	34721	Purchase	5418134	6.71
				20190215	-5350000	Sale	68134	0.08
				20190222	1032	Purchase	69166	0.09
				20190308	362907	Purchase	432073	0.54
				20190329	1565333	Purchase	1997406	2.47
		1997406	2.47	20190330				
2	Prime India Opportunity Ltd	1958342	2.43	20180331				
				20180608	42000	Purchase	2000342	2.48
				20180921	40000	Purchase	2040342	2.53
				20181005	14612	Purchase	2054954	2.55
				20181012	126038	Purchase	2180992	2.70
				20181116	77000	Purchase	2257992	2.80
				20190104	105575	Purchase	2363567	2.93
				20190308	-1262700	Sale	1100867	1.36
		1100867	1.36	20190330				
3	Motilal Oswal Focused Emergence Fund	0	0.00	20180331				
				20190315	900000	Purchase	900000	1.12
		900000	1.12	20190330				
4	Nomura Singapore Limited	964429	1.19	20180331				
				20180406	75000	Purchase	1039429	1.29
				20180427	25000	Purchase	1064429	1.32
				20180504	29349	Purchase	1093778	1.36
				20180511	74613	Purchase	1168391	1.45
				20180518	199752	Purchase	1368143	1.69
				20180525	98844	Purchase	1466987	1.82
				20180601	50000	Purchase	1516987	1.88
				20180608	174929	Purchase	1691916	2.10
				20180622	50000	Purchase	1741916	2.16
				20180629	89914	Purchase	1831830	2.27
				20190308	-978626	Sale	853204	1.06
		853204	1.06	20190330				
5	AXIS Bank Limited	38812	0.05	20180331				
				20180406	20200	Purchase	59012	0.07
				20180413	4800	Purchase	63812	0.08
				20180420	6880	Purchase	70692	0.09
				20180427	-4800	Sale	65892	0.08
				20180504	-24000	Sale	41892	0.05
				20180511	1220	Purchase	43112	0.05
				20180518	-872	Sale	42240	0.05
				20180525	902	Purchase	43142	0.05
				20180601	-2000	Sale	41142	0.05
				20180608	45625	Purchase	86767	0.11
				20180615	100	Purchase	86867	0.11
				20180622	273	Purchase	87140	0.11
				20180629	-1761	Sale	85379	0.11
				20180713	17502	Purchase	102881	0.13





**TOURISM FINANCE CORPORATION OF INDIA LIMITED**

S.No	Name	Shareholding		Date (YY/MM/DD)	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (31-03-18 to 31-03-19)	
		No of Shares at the Beginning (31-03-18) / end of the Year (31-03-19)	% of total shares of the Company				Shares	% of total shares of the Company
				20180720	-300	Sale	102581	0.13
				20180727	-22655	Sale	79926	0.10
				20180803	3191	Purchase	83117	0.10
				20180810	-2380	Sale	80737	0.10
				20180817	36500	Purchase	117237	0.15
				20180831	-10874	Sale	106363	0.13
				20180907	-10000	Sale	96363	0.12
				20180914	4138	Purchase	100501	0.12
				20180921	-11000	Sale	89501	0.11
				20180929	5834	Purchase	95335	0.12
				20181012	-408	Sale	94927	0.12
				20181019	-1114	Sale	93813	0.12
				20181026	-6095	Sale	87718	0.11
				20181102	34	Purchase	87752	0.11
				20181109	-751	Purchase	87001	0.11
				20181123	3707	Sale	90708	0.11
				20181207	-50	Sale	90658	0.11
				20181221	-4159	Sale	86499	0.11
				20190104	-1140	Sale	85359	0.11
				20190111	5461	Purchase	90820	0.11
				20190118	737301	Purchase	828121	1.03
				20190125	761	Purchase	828882	1.03
				20190201	252	Purchase	829134	1.03
				20190215	-31996	Sale	797138	0.99
				20190222	-26500	Sale	770638	0.95
				20190301	-51	Sale	770587	0.95
				20190308	26399	Purchase	796986	0.99
				20190315	1437	Purchase	798423	0.99
				20190322	-27	Sale	798396	0.99
				20190329	27692	Purchase	826088	1.02
		826088	1.02	20190330				
6	Polus Global Fund	1050000	1.30	20180331				
				20190125	50000	Purchase	1100000	1.36
				20190308	-395000	Sale	705000	0.87
		705000	0.87	20190330				
7	Vivek Mundra	600727	0.74	20180331				
				20190308	-320929	Sale	279798	0.35
				20190315	347745	Purchase	627543	0.78
		627543	0.78	20190330				
8	Indian Syntans Investments (P) Ltd	1000000	1.24	20180331				
				20190308	-534235	Sale	465765	0.58
		465765	0.58	20190330				
9	Bakulesh Trambaklal Shah	40000	0.05	20180331				
				20181019	60000	Purchase	100000	0.12
				20190201	125000	Purchase	225000	0.28
				20190308	205000	Purchase	430000	0.53
		430000	0.53	20190330				
10	Anant Ghanshyam Mundra	81869	0.10	20180331				
				20190208	1316557	Purchase	1398426	1.73
				20190215	874633	Purchase	2273059	2.82



S.No	Name	Shareholding		Date (YY/MM/DD)	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (31-03-18 to 31-03-19)	
		No of Shares at the Beginning (31-03-18) / end of the Year (31-03-19)	% of total shares of the Company				Shares	% of total shares of the Company
				20190222	-1240000	Sale	1033059	1.28
				20190308	-615469	Sale	417590	0.52
		417590	0.52	20190330				

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year 1.4.2018		Cumulative Shareholding during the year 1.4.2018 to 31.3.2019/end of the year 31.3.2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Shri S.Ravi	Nil	Nil	Nil	Nil
2	Shri Satpal Arora%	Nil	Nil	Nil	Nil
3	Shri Suman Billa	Nil	Nil	Nil	Nil
4.	Shri Niraj Agarwal	Nil	Nil	Nil	Nil
5	Shri S.Sridhar	Nil	Nil	Nil	Nil
6	Shri S.C.Sekhar	500	0.00	500	0.00
7	Shri K.B.Nagendra Murthy	Nil	Nil	Nil	Nil
8.	Justice (Retd.) Ms. Rekha Sharma \$	Nil	Nil	Nil	Nil
9.	Shri Rudhra Gangadharan	Nil	Nil	Nil	Nil
10	Shri Bapi Munshi	Nil	Nil	Nil	Nil
11	Mrs. Thankom T.Mathew*	Nil	Nil	Nil	Nil
12	Shri B.M.Gupta^	Nil	Nil	Nil	Nil
13	Shri Naresh T. Jain#	Nil	Nil	Nil	Nil
14	Shri Shyam Maheshwari#	Nil	Nil	Nil	Nil
15	Shri Koppa Sajeve Thomas#	2050000	2.54	4035633	5.00
16.	Shri Anoop Bali, CFO	Nil	Nil	Nil	Nil
17.	Shri Sanjay Ahuja, CS	Nil	Nil	Nil	Nil
	Date wise Increase /Decrease in share holding during the year specifying the reasons for increase /decrease (e.g.allotment /transfer /bonus/ sweat equity etc)	NIL	NIL	NIL	NIL

%resigned w.e.f. 15.5.2018  
 \$ resigned w.e.f. 25.7.2018  
 \*appointed w.e.f. 24.10.2018  
 ^appointed w.e.f. 25.1.2019  
 #appointed w.e.f. 15.3.2019

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
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	449.76	856.50	NIL	1,306.26
ii) Interest due but not paid	Nil	NIL	NIL	Nil
iii) Interest accrued but not due	3.85	15.60	NIL	19.45
<b>Total (i+ii+iii)</b>	<b>453.61</b>	<b>872.10</b>		<b>1,325.71</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	280.40	NIL	NIL	280.40
• Reduction	(185.02)	(75.00)	NIL	(260.02)
<b>Net Change</b>	<b>95.38</b>	<b>(75.00)</b>	<b>NIL</b>	<b>20.38</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	545.14	781.50	NIL	1,326.64
ii) Interest due but not paid	Nil	Nil	NIL	Nil
iii) Interest accrued but not due	5.27	14.91	NIL	20.18
<b>Total (i+ii+iii)</b>	<b>550.41</b>	<b>796.41</b>	<b>NIL</b>	<b>1,346.82</b>



**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

Sl. No.	Particulars of Remuneration	(Amount in Rs.)		
		Shri S.P. Arora, Managing Director	Shri B.M.Gupta, Whole Time Director	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	522471	3931202	4453673
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	-	61657	61657
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	NIL	NIL	
2	Stock Option	NIL	NIL	
3	Sweat Equity	NIL	NIL	
4	Commission			0
	- as % of profit			0
	- others, specify...			0
5	Others - PLI	925892	734076	1659968
	- Medical	4427	109683	114110
	- LFC	-	320000	320000
	- Leave Encashment	792817	151409	944226
	- Household Reimb.	14839	96000	110839
	- Contribution to PF	40468	398062	438530
	Total	2300914	5802089	8103003
	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
	Justice (Retd.) Ms. Rekha Sharma	Shri Rudhra Gangad- haran	Shri S. Ravi	Shri S. Sridhar	Shri S.C. Sekhar	Shri K.B Nagendra Murthy	Shri Bapi Munshi	Mrs. Thanktom T. Mathew		
1. Independent Directors										
• Fee for attending board /committee meetings	47,200	5,90,000	10,14,800	7,78,800	8,73,200	10,85,600	6,13,600	1,88,800	51,92,000	
• Commission	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
• Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
Total (1)	47,200	5,90,000	10,14,800	7,78,800	8,73,200	10,85,600	6,13,600	1,88,800	51,92,000	
2. Other Non-Executive Directors	Shri Niraj Agarwal									
• Fee for attending board / committee meetings	5,90,000								5,90,000	
• Commission	NIL								NIL	
• Others, please specify	NIL								NIL	
Total (2)	5,90,000								5,90,000	
Total (B)=(1+2)	6,37,200	5,90,000	10,14,800	7,78,800	8,73,200	10,85,600	6,13,600	1,88,800	57,82,000	
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		
		Shri Anoop Bali	Shri Sanjay Ahuja	Total Amount
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3461652	2626088	6087740
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	40925	79136	120061
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL



3	Sweat Equity	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL
	- as % of profit			
	- others, specify...			
5	Others - PLI	538113	320246	858359
	- Medical	88554	16149	104703
	- LFC	640000	432000	1072000
	- Leave Encashment	138709	102795	241504
	- Household Reimb.	96000	72000	168000
	- Contribution to PF	338945	260559	599504
	<b>Total</b>	<b>5342898</b>	<b>3908973</b>	<b>9251871</b>
	Ceiling as per the Act	Not Applicable		

C. REMUNERATION TO TOP TEN EMPLOYEES

Sl. No.	Particulars of Remuneration	Shri Anoop Bali	Ms. Charu Singh	Shri N. Rama chandran	Ms. Manju Kapoor	Shri Sanjay Ahuja	Ms. Avantika Dhar	Shri Rajiv Singh	Shri Parveen Kumar Ahuja	Shri A. Balaji	Total Amount
1	Gross salary										
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3461652	3018007	2495358	2755849	2626088	2601578	2503849	2282629	2222326	23967336
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	40925	72024	276126	57074	79136	63239	81797	59801	71997	802119
	(c) Profits in lieu of salary u/s 17(3) of Income Tax Act, 1962	-	-	-	-	-	-	-	-	-	-
2	Stock Option	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	- as % of profit										
	- others, specify...										
5	Others - PLI	538113	438056	330202	315268	320246	310290	342646	243669	230229	3068719
	- Medical	88554	42627	4286	0	16149	53218	20100	133029	78866	436829
	- LFC	640000	432000	432000	324000	432000	432000	324000	324000	405000	3745000
	- Leave Encashment	138709	118809	104707	109831	102795	107623	100205	90579	87754	961012
	- Household Reimb.	96000	72000	72000	72000	72000	72000	72000	48000	48000	624000
	- Contribution to PF	338945	300361	263739	276003	260559	255112	244927	223629	212356	2375631
	<b>Total</b>	<b>5342898</b>	<b>4493884</b>	<b>3978418</b>	<b>3910025</b>	<b>3908973</b>	<b>3895060</b>	<b>3689524</b>	<b>3405336</b>	<b>3356528</b>	<b>35980646</b>
	Ceiling as per the Act	Not Applicable									

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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





Form No. MR-3

Annexure 4

**SECRETARIAL AUDIT REPORT**

**For the financial year ended 31st March, 2019**

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

**SECRETARIAL AUDIT REPORT**

**For the financial year ended 31st March, 2019**

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

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

Based on our verification of the **Tourism Finance Corporation of India Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st March, 2019** 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, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period)**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) (Amendment) Regulations, 2016; **(Not applicable to the Company during the Audit Period)** and
  - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**
- (vi) Having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:
  - (a) Recovery of Debts to Banks and Financial Institutions Act, 1993.
  - (b) The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.
  - (c) RBI Act, 1934 and the Rule & Regulations made thereunder.

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

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

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

**We further report that**

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

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



## TOURISM FINANCE CORPORATION OF INDIA LIMITED

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) Appointment of Shri S. C. Sekhar (DIN: 00024780) as an Independent Director of the Company to hold office for second term upto 5 (Five) consecutive years commencing from March 18, 2018.
- (ii) Appointment of Shri K. B. N. Murthy (DIN:00359864), as an Independent Director of the Company to hold office for second term upto 5 (Five) consecutive years commencing from January 22, 2019.
- (iii) Amendment in existing Articles of Association of the Company as per Section 14 of the Companies Act, 2013.
- (iv) Under Section 42, 71: For approval of invitation to subscribe to securities, including but not limited to bonds and non-convertible debentures, by way of private placement.

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

Place : Delhi  
Date : 29.05.2019

(ARUN KUMAR GUPTA)  
FCS: 5551  
CP: 5086

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS** **Annexure 4A**  
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Tourism Finance Corporation of India Limited having CIN L65910DL1989PLC034812 and having registered office at 4<sup>th</sup> Floor, Tower-1, NBCC Plaza, Pushp Vihar, Sector-5, Saket, New Delhi-110017 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2019** has been debarred or disqualified from being appointed or continuing as Director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India or any such other Statutory Authority.

SR. NO.	NAME OF DIRECTOR	DIN	DATE OF APPOINTMENT IN COMPANY
1.	Mr. Niraj Agarwal	06483526	17/06/2013
2.	Mr. Sethurathnam Ravi	00009790	06/11/2013
3.	Mr. Srinivasan Sridhar	00004272	27/05/2014
4.	Mr. S. C. Sekhar	00024780	18/03/2015
5.	Mr. K. B. N. Murthy	00359864	22/01/2016
6.	Mr. Suman Billa	00368821	15/03/2016
7.	Mr. Rudhra Gangadharan	07863333	30/06/2017
8.	Mr. Bapi Munshi	02470242	01/02/2018
9.	Mrs. Thankom T. Mathew	00025326	24/10/2018
10.	Mr. Brij Mohan Gupta	00065035	25/01/2019
11.	Mr. Naresh T. Jain	01558836	15/03/2019
12.	Mr. Shyam Maheshwari	01744054	15/03/2019
13.	Mr. Koppara Sajeev Thomas	08069585	15/03/2019

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

Place : Delhi  
Date : 29.05.2019

(ARUN KUMAR GUPTA)  
FCS: 5551  
CP: 5086



## MANAGING DIRECTOR & CEO / CHIEF FINANCIAL OFFICER CERTIFICATION

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

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

Place : New Delhi

Date : May 28, 2019

**(Anoop Bali)**

Chief Financial Officer

**(Anirban Chakraborty)**

Managing Director & CEO

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

I hereby confirm that all Board Members and Senior Management Personnel have confirmed compliance with Code of Conduct for Directors and Senior Management Personnel for the Financial Year ended March 31, 2019.

Place : New Delhi

Date : May 28, 2019

**Anirban Chakraborty**

Managing Director & CEO

## CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of

### **Tourism Finance Corporation of India Limited**

We have examined the compliance of conditions of Corporate Governance by Tourism Finance Corporation of India Limited for the year ended 31st March, 2019, 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 : New Delhi

Date : 29.5.2019

FCS: 5551

CP: 5086



## APPENDIX TO DIRECTORS' REPORT

### TYPE OF PROJECTWISE CLASSIFICATION OF FINANCIAL ASSISTANCE SANCTIONED

(Rs. In Lakh)

Purpose	New		Expansion		Ren./Eq. Finance		Exp/Reno/ Acq./Restr.		Total	
	No	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
5 STAR HOTEL	4	16900	0	0	1	2800	4	23600	9	43300
	97	211875	17	18476	18	13208	48	132079	180	375638
4 STAR HOTEL	2	4600	0	0	0	0	1	1500	3	6100
	61	110976	8	11857	6	2395	13	25490	88	150718
3 STAR HOTEL	6	13100	0	0	0	0	5	9190	11	22290
	284	204522	27	19862	14	5283	51	43697	376	273364
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
	3	2710	0	0	1	24	3	7481	7	10215
AMUSEMENT PARK/ SHOPPING COMPLEX-CUM-ENT. CENTRE/ WATER PARK/MULTIPLEX/ ACTIVITY CENTRE/ INTIGRATED/ ROPEWAY/ CONVENTION CENTRE	0	0	0	0	0	0	1	2775	1	2775
	35	35483	5	2490	0	0	6	9692	46	47665
RESTAURANT	0	0	0	0	0	0	0	0	0	0
	17	6174	3	1835	4	509	2	1805	26	10323
TOURIST CARS/ COACHES	0	0	1	7500	0	0	0	0	1	7500
	2	241	7	17826	2	600	1	5000	12	23667
RTDC/PALACE ON WHEELS	0	0	0	0	0	0	0	0	0	0
	2	2150	0	0	1	1000	1	500	4	3650
OTHERS	0	0	6	17000	0	0	0	0	6	17000
	38	57835	21	50950	3	5273	28	72315	90	186373
<b>INFRASTRUCTURE PROJECTS</b>	2	7500	0	0	0	0	0	0	2	7500
	9	30680	1	3000	0	0	3	7270	13	40950
<b>TOTAL</b>	14	42100	7	24500	1	2800	11	37065	33	106465
	591	678978	93	127714	52	28807	160	306238	896	1141737

Normal - Current Year (2018-2019)

**Highlighted - Cumulative**





# INDEPENDENT AUDITORS' REPORT

To the Members of  
Tourism Finance Corporation of India Limited

## Report on the Financial Statements

### Opinion

We have audited the financial statements of Tourism Finance Corporation of India Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, (statement of changes in equity) and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit, (changes in equity) and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

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

Key Audit Matters	Our Response/Procedures
<p><b>Adoption of new accounting framework (Ind AS)</b> Effective 1 April 2018, the Company adopted the Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs with the transition date of 1 April 2017. The following are the major impact areas of the Company upon transition:</p> <ul style="list-style-type: none"> <li>• Classification and measurement of financial assets and financial liabilities</li> <li>• Measurement of loan losses (expected credit losses)</li> <li>• Accounting for loan fees and costs</li> </ul>	<p><b>Our Audit Procedure</b></p> <ul style="list-style-type: none"> <li>• Confirmed the approvals of the management for the choices and exemptions made by the Company for the compliance / acceptability under Ind AS 101.</li> <li>• Evaluated managements transition date choices and exemptions for compliance/ acceptability under Ind AS 101.</li> <li>• Understood the methodology implemented by management to give impact on the transition.</li> <li>• Assessed the accuracy of the computations.</li> </ul>

Key Audit Matters	Our Response/Procedures
<p>The migration to new accounting framework (Ind AS) is a complicated process involving multiple decision points upon transition. Ind AS 101, First Time Adoption prescribes choices and exemptions for first time application of Ind AS principles at the transition date.</p> <p>We identified transition date accounting as a key audit matter because of significant degree of management judgement and application on the areas noted above.</p>	
<p><b>Advances - Classification and Provisioning</b> The advances are classified as performing and non-performing advances (NPA) and provisioning thereon is made in accordance with the prudential norms as prescribed by the Reserve Bank Of India (RBI). The identification of non-performing assets and creation of provisions on such assets involves key management judgments relating to performance, determination of realizable securities available with the company and its valuation.</p>	<p><b>Our Audit Procedures:</b> We obtained an understanding of the Company's Software, circulars, guidelines and directives of the RBI and the company's internal instructions and procedures in respect of the assets classification and its provisioning. Our audit approach consisted of testing the system for identification of Non – Performing assets to ensure conformity with the guidelines of the RBI in the matter and test checking identification and valuation of Non-performing assets.</p> <ul style="list-style-type: none"> <li>- We have reviewed the documentations, operations / performance and monitoring of the advance accounts, on test check basis of the large and stressed advances, to ascertain any overdue, unsatisfactory conduct or weakness in any advance account, to ensure that its classification is in accordance with the prudential norms of RBI</li> <li>- Necessary changes were carried out during the course of audit and the effect of same was duly accounted for in the financial statements for the year ended 31st March, 2019.</li> </ul> <p><b>Our Results:</b> The results of our audit process were observed to be adequate and satisfactory considering the materiality of the transactions,</p>



Key Audit Matters	Our Response/Procedures
<p><b>Recognition of Deferred Tax Assets</b> Deferred income tax reflects the impact of timing difference between taxable income and accounting income. Deferred tax asset is not recognized unless there is a virtual certainty that sufficient future taxable income will be available against which such asset will be realized.</p>	<p><b>Our Audit Procedures:</b> We have relied upon the management estimates regarding eligibility of carried forward tax losses for setoff against future taxable income and used our own internal expertise in evaluating the claims, assumptions and profitability forecasts and assertions of the management provided to us, that sufficient future taxable income will be available for set off against the tax losses carried forward.</p>
<p><b>Contingent Liabilities and Claims</b> Contingent Liability is a possible obligation, outcome of which is contingent upon occurrence or non-occurrence of one or more uncertain future events. In the judgement of the management, such claims and litigations including tax demands against the bank would not eventually lead to a liability. However, should there be an adverse outcome; the company will be liable to pay the disputed amounts with interest/ penalty as may be decided by the competent authorities, the impact of which is uncertain / unascertainable at this stage.</p>	<p><b>Our Audit Procedures:</b> We have reviewed the management note and legal opinions obtained by the company regarding the claims and tax litigations and involved our internal team to review the nature of such litigations and claims, their sustainability and likelihood of claims/litigations materializing into eventual liability upon final resolution, from the available records and developments to date.</p>

**Management’s Responsibility for the Standalone Financial Statements**

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

also responsible for overseeing the Company’s financial reporting process.

**Auditor’s Responsibilities for the Audit of the Financial Statements**

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

**Report on Other Legal and Regulatory Requirements**

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

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts to the financial statements;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

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

(**Madhur Gupta**)

Partner

M.No.: 090205

Place: New Delhi  
Date : May 29, 2019



**Annexure- A -**

The Annexure referred to in our Independent Auditors Report to the members of **Tourism Finance Corporation of India Limited** on the financial statements for the year ended 31<sup>st</sup> March 2019, we report that:

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Company has a regular system of physical verification of its fixed assets every year. Accordingly, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of immovable properties are held in the company's name.
- ii. The nature of the company's business/activities/transactions does not require it to hold inventories. Hence, the provisions of Clause 3(ii) of the Order are not applicable to the company
- iii. The company has not granted any loan, secured or unsecured, to the companies, firms, and limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, the provisions of Clause, 3(iii) (a), (b) & (c) of the Order are not applicable to the Company.
- iv. There is no transaction during the year which attracts the provision of Section 185 & 186 of the companies Act, 2013.
- v. The Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and rules framed there under are not applicable to the Company.
- vi. According to Information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Companies Act, 2013 in respect of business carried out by the Company. Therefore, provisions of Clause 3(vi) of the Order are not applicable to the Company.
- vii. (a) The Company has been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, Income tax, service tax, cess and any other statutory dues as applicable to it with appropriate authorities.
- (b) According to the Information and explanations given to us, dues of Income tax, which have not been deposited on account of a dispute as at 31<sup>st</sup> March, 2019 are as follows:

<b>Name of Statute</b>	<b>Assessment Year</b>	<b>Amount (In Rs.)</b>	<b>Forum where the dispute Is pending</b>
Income Tax	2008-09	1,38,51,455	ITAT, Delhi

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

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

**(Madhur Gupta)**  
Partner  
M.No.: 090290

Place: New Delhi  
Date : May 29, 2019



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

We have audited the internal financial controls over financial reporting of Tourism Finance Corporation of India Ltd (“the Company”) as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

**Auditors’ Responsibility**

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

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

We believe that the audit evidence we have obtained is sufficient

and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

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

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

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

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on the reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**(Madhur Gupta)**  
Partner  
M.No.: 090205

Place: New Delhi  
Date : May 29, 2019





**BALANCE SHEET AS AT 31ST MARCH, 2019**

(₹ in lakh)

Particulars	Note No.	As at 31 March 2019		As at 31 March 2018		As at 01 April 2017	
<b>ASSETS</b>							
<b>(1) Financial Assets</b>							
(i) Cash and cash equivalents	3	4,958.81		12,397.41		921.04	
(ii) Bank balances other than (i) above	4	219.51		205.20		180.21	
(iii) Receivables	5						
- Other Receivables		9.12		20.74		19.52	
(iv) Loans & Advances	6	1,64,670.15		1,51,161.73		1,37,691.83	
(v) Investments	7	31,807.17		30,144.19		25,719.05	
(vi) Other financial assets	8	2,643.32	2,04,308.08	2,414.65	1,96,343.92	1,609.06	1,66,140.71
<b>(2) Non-Financial Assets</b>							
(i) Current tax assets (Net)	9	1,830.58		2,127.71		1,895.03	
(ii) Deferred tax assets (Net)	10	723.38		1,012.15		1,291.92	
(iii) Property, Plant and Equipment	11	1,435.03		1,469.21		1,509.15	
(iv) Other non-financial assets	12	240.00	4,228.99	232.09	4,841.16	294.07	4,990.17
<b>(3) Assets classified as held for sale</b>			530.99		530.99		530.99
<b>TOTAL ASSETS</b>			<b>2,09,068.06</b>		<b>2,01,716.07</b>		<b>1,71,661.87</b>
<b>LIABILITIES AND EQUITY</b>							
<b>(1) Financial Liabilities</b>							
(i) Payables	13						
- Other Payables							
"total outstanding dues of creditors other than micro enterprises and small enterprises"		139.14		143.69		799.02	
(ii) Debt Securities	14	83,901.21		83,866.91		83,835.42	
(iii) Borrowings (Other than Debt Securities)	15	38,459.84		36,502.49		10,872.49	
(iv) Subordinate Liabilities	16	9,999.92		9,988.35		9,977.98	
(v) Other financial liabilities	17	2,468.42	1,34,968.53	2,783.55	1,33,284.99	2,701.47	1,08,186.38
<b>(2) Non-Financial Liabilities</b>							
(i) Provisions	18	156.71		459.25		838.26	
(ii) Other Non-financial liabilities	19	251.61	408.32	152.77	612.02	61.10	899.36
<b>(3) Equity</b>							
(i) Equity Share Capital	20	8,071.67		8,071.67		8,071.67	
(ii) Other Equity	21	65,619.54	73,691.21	59,747.39		54,504.46	
					67,819.06		62,576.13
<b>TOTAL LIABILITIES AND EQUITY</b>			<b>2,09,068.06</b>		<b>2,01,716.07</b>		<b>1,71,661.87</b>

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

for and on behalf of the Board

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

(Anirban Chakraborty)  
Managing Director & CEO

(S.Ravi)  
Non-Executive Chairman

(Madhur Gupta)  
Partner  
M.No.90205

(Sanjay Ahuja)  
Company Secretary

(Anoop Bali)  
Chief Financial Officer

(B.M. Gupta)  
Whole Time Director

Date : May 29, 2019  
Place : New Delhi


**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2019**

(₹ in lakh)

Particulars	Note No.	Year Ended 31 March 2019	Year Ended 31 March 2018
<b>I. Revenue from Operations</b>			
(a) Interest income	22	21,160.09	19,705.44
(b) Dividend income	23	24.77	40.91
(c) Fees & commission income	24	474.20	917.15
(d) Net gain/(loss) on fair value changes	25	460.81	780.29
(e) Other operating income	26	875.00	918.52
<b>II. Other Income</b>	27	634.75	27.22
<b>III. Total Income (I + II)</b>		<b>23,629.62</b>	<b>22,389.53</b>
<b>Expenses</b>			
(a) Finance costs	28	10,435.13	9,644.87
(b) Employee benefit expenses	29	1,063.32	1,204.65
(c) Depreciation	11	36.92	62.51
(d) Other expenses	30	730.34	779.24
<b>IV. Total Expenses</b>		<b>12,265.71</b>	<b>11,691.27</b>
V. Profit before exceptional items and tax (III - IV)		11,363.91	10,698.26
VI. Exceptional Items		-	-
VII. Profit/(loss) before tax (V-VI)		11,363.91	10,698.26
<b>VIII. Tax expense:</b>			
(a) Current Tax		2,450.00	2,670.00
(b) Deferred Tax		288.76	279.78
<b>IX. Profit/(Loss) from continuing operations (VII - VIII)</b>		<b>8,625.15</b>	<b>7,748.48</b>
X. Profit/(Loss) from discontinuing operations		-	-
XI. Tax expense of discontinuing operations		-	-
<b>XII. Profit/(Loss) from Discontinuing operations (after tax) (X-XI)</b>		<b>-</b>	<b>-</b>
<b>XIII. Profit/(Loss) for the period (IX + XII)</b>		<b>8,625.15</b>	<b>7,748.48</b>
<b>XIV. Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plans		44.93	(164.58)
Less: Deferred Tax on above		-	-
(ii) Items that will be reclassified to profit or loss			
-Gain /(Loss) on change in fair valuation of investments in equity shares/debt instrument		(55.93)	53.88
<b>Other Comprehensive Income</b>		<b>(11.00)</b>	<b>(110.70)</b>
<b>XV. Total Comprehensive Income for the period (XIII + XIV)</b>		<b>8,614.15</b>	<b>7,637.78</b>
<b>XVI. Earnings per equity share :</b>			
(1) Basic		10.69	9.60
(2) Diluted		10.69	9.60

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

for and on behalf of the Board

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

(Anirban Chakraborty)  
Managing Director & CEO

(S.Ravi)  
Non-Executive Chairman

(Madhur Gupta)  
Partner  
M.No.90205

(Sanjay Ahuja)  
Company Secretary

(Anoop Bali)  
Chief Financial Officer

(B.M. Gupta)  
Whole Time Director

Date : May 29, 2019

Place : New Delhi



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2019**

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax	11,363.91	10,698.26
<b>Adjustment for :</b>		
Gain/(Loss) under OCI Section	(11.00)	(110.70)
Depreciation & Amortisation	36.92	62.51
(Profit)/Loss On Sale of Assets	(0.18)	(0.83)
<b>Operating Cash before working capital changes</b>	<b>11,389.65</b>	<b>10,649.24</b>
<b>Adjustment for :</b>		
Decrease/(Increase) in Loans & Advances	(14,258.41)	(13,879.91)
Decrease/(Increase) in Investments	(1,662.98)	(4,425.14)
Decrease/(Increase) in Receivables	11.62	(1.22)
Decrease/(Increase) in Other Financial Assets	(228.67)	(805.59)
Decrease/(Increase) in Other Non-Financial Assets	(7.91)	61.98
Increase/(Decrease) in Payables	(4.55)	(655.33)
Increase/(Decrease) in Debt Securities	34.30	31.49
Increase/(Decrease) in Borrowings	1,957.35	25,630.00
Increase/(Decrease) in Subordinate Liabilities	11.57	10.37
Increase/(Decrease) in Other Financial Liabilities	(315.13)	82.08
Increase/(Decrease) in Provisions	(302.54)	(379.01)
Increase/(Decrease) in Other Non-Financial Liabilities	98.84	91.67
<b>Cash Generated from Operation</b>	<b>(3,276.86)</b>	<b>16,410.63</b>
Direct Tax Paid	(2,152.87)	(2,902.68)
<b>Net Cash Flow from Operating Activities</b>	<b>(5,429.73)</b>	<b>13,507.95</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(2.74)	(22.99)
Sale of Fixed Assets	0.18	1.25
<b>Net Cash used in Investing Activities</b>	<b>(2.56)</b>	<b>(21.74)</b>
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
Share Capital and Reserves	-	-
Payment of Dividend and Dividend Distribution Tax	(1,946.16)	(1,942.98)
Amortisation of Bond Issue Exp through Security Premium	(45.84)	(41.87)
<b>Net Cash used in Financing Activities</b>	<b>(1,992.00)</b>	<b>(1,984.85)</b>
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(7,424.29)	11,501.36
Cash and Cash Equivalent at the Beginning of the Year	12,602.61	1,101.25
Cash and Cash Equivalent at the End of the Year	<b>5,178.32</b>	<b>12,602.61</b>
<b>COMPONENTS OF CASH AND CASH EQUIVALENTS</b>		
Cash in hand	0.08	0.16
Balance with Banks		
- Current Accounts	17.67	187.22
- Deposit Accounts (Bank Deposits & CD)	4,941.06	12,210.03
- Unclaimed Dividend Accounts	219.51	205.20
<b>Total Cash and Cash Equivalents (Note No. 3 &amp; 4)</b>	<b>5,178.32</b>	<b>12,602.61</b>

for and on behalf of the Board

As per our report of even date  
for Suresh Chandra & Associates  
(Chartered Accountants)  
Firm Reg. No: 001359N  
(Madhur Gupta)  
Partner  
M.No.90205  
Date : May 29, 2019  
Place : New Delhi

(Anirban Chakraborty)  
Managing Director & CEO

(S.Ravi)  
Non-Executive Chairman

(Sanjay Ahuja)  
Company Secretary

(Anoop Bali)  
Chief Financial Officer

(B.M. Gupta)  
Whole Time Director



STATEMENT OF CHANGES IN EQUITY

(₹ in lakh)

1 Equity Share Capital

Particulars	As at 31 March 2019	As at 31 March 2018
Balance at Beginning of the Year	8,071.67	8,071.67
Issued During year	-	-
Bought Back During year	-	-
Balance at End of the Year	8,071.67	8,071.67

2 Other Equity

Particulars	Reserve & Surplus						Equity Instruments through OCI	Total
	Retained Earnings	Capital Reserve	Securities Premium Reserve	Special Reserve u/s 36(1)(viii) of the Income Tax Act 1961	Special Reserve u/s 45IC of RBI Act, 1934	General Reserve		
<b>Balance as at 01 April 2018</b>	7,097.50	11.55	6,354.78	18,625.33	10,031.07	16,720.04	907.12	59,747.39
Profit for the year	8,625.15	-	-	-	-	-	-	8,625.15
Other Comprehensive Income	44.93	-	-	-	-	-	(55.93)	(11.00)
<b>Total Comprehensive Income for the year</b>	15,767.58	11.55	6,354.78	18,625.33	10,031.07	16,720.04	851.19	68,361.54
<b>Add: Transfer to reserve during the period</b>	-	-	-	1,980.00	1,725.00	2,200.00	-	5,905.00
<b>Add: Reclassification of Realised gain from OCI to reserves</b>	96.26	-	-	-	-	-	(96.26)	-
<b>Less: Appropriations</b>								
- Transfer to general Reserve	(2,200.00)	-	-	-	-	-	-	(2,200.00)
- Transfer to Special Reserve under Section 36(1)(viii) of the Income Tax Act 1961	(1,980.00)	-	-	-	-	-	-	(1,980.00)
- Provision u/s 36(1)(viii)(c) of the Income Tax Act 1961	(750.00)	-	-	-	-	-	-	(750.00)
- Provision Under Section 45 IC of RBI Act, 1934	(1,725.00)	-	-	-	-	-	-	(1,725.00)
- Payment of Dividend (incl tax thereon)	(1,946.16)	-	-	-	-	-	-	(1,946.16)
<b>Less: Adjustments</b>								
- Amortisation of transaction cost of bonds	-	-	(45.84)	-	-	-	-	(45.84)
<b>Balance as at 31 March 2019</b>	<b>7,262.68</b>	<b>11.55</b>	<b>6,308.94</b>	<b>20,605.33</b>	<b>11,756.07</b>	<b>18,920.04</b>	<b>754.93</b>	<b>65,619.54</b>





NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Particulars	Reserve & Surplus						Equity Instruments through OCI	Total
	Retained Earnings	Capital Reserve	Securities Premium Reserve	Special Reserve u/s 36(1)(viii) of the Income Tax Act 1961	Special Reserve u/s 45IC of RBI Act, 1934	General Reserve		
<b>Balance as at 01 April 2017</b>	<b>6,951.28</b>	<b>11.55</b>	<b>6,396.65</b>	<b>16,977.33</b>	<b>8,524.92</b>	<b>14,720.04</b>	<b>922.69</b>	<b>54,504.46</b>
Profit for the year	7,748.48	-	-	-	-	-	-	7,748.48
Other Comprehensive Income	(164.58)	-	-	-	-	-	53.88	(110.70)
<b>Total Comprehensive Income for the year</b>	<b>14,535.18</b>	<b>11.55</b>	<b>6,396.65</b>	<b>16,977.33</b>	<b>8,524.92</b>	<b>14,720.04</b>	<b>976.57</b>	<b>62,142.24</b>
<b>Add: Transfer to reserve during the period</b>	-	-	-	1,648.00	1,506.15	2,000.00	-	5,154.15
<b>Add: Reclassification of Realised gain from OCI to reserves</b>	69.45	-	-	-	-	-	(69.45)	-
<b>Less: Appropriations</b>								
- Transfer to general Reserve	(2,000.00)	-	-	-	-	-	-	(2,000.00)
- Transfer to Special Reserve under Section 36(1)(viii) of the Income Tax Act 1961"	(1,648.00)	-	-	-	-	-	-	(1,648.00)
- Provision u/s 36(1)(vii)(c) of the Income Tax Act 1961	(410.00)	-	-	-	-	-	-	(410.00)
- Provision Under Section 45 IC of RBI Act, 1934	(1,506.15)	-	-	-	-	-	-	(1,506.15)
- Payment of Dividend (incl tax thereon)	(1,942.98)	-	-	-	-	-	-	(1,942.98)
<b>Less: Adjustments</b>								
-Amortisation of transaction cost of bonds	-	-	(41.87)	-	-	-	-	(41.87)
<b>Balance as at 31 March 2018</b>	<b>7,097.50</b>	<b>11.55</b>	<b>6,354.78</b>	<b>18,625.33</b>	<b>10,031.07</b>	<b>16,720.04</b>	<b>907.12</b>	<b>59,747.39</b>

for and on behalf of the Board

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

(Madhur Gupta)

Partner  
M.No.90205

Date : May 29, 2019  
Place : New Delhi

(Anirban Chakraborty)  
Managing Director & CEO

(Sanjay Ahuja)  
Company Secretary

(Anoop Bali)  
Chief Financial Officer

(S.Ravi)  
Non-Executive Chairman

(B.M. Gupta)  
Whole Time Director



## NOTES FORMING PART OF FINANCIAL STATEMENTS

### Financial Statements for Year Ended 31 March 2019

#### 1. Corporate Information

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

#### 2. Significant Accounting Policies

##### 2.1 Basis of adoption of Financial Statements

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

The company has adopted all the Ind-AS standards and the adoption was carried out for the first time in accordance with Ind-AS 101 (first time adoption of Indian Accounting Standard) for the year ended March 31, 2019. The company prepared its financial statements in accordance with IGAAP, including Accounting Standards notified under the company (Accounting Standards) rules 2016 as amended, since incorporation and including the year ended 31<sup>st</sup> March 2018. The transition was carried out for the first time by preparing the financial statements for the year ending March 31, 2019 as per Ind-AS. In preparing these financial statements, the company has prepared opening Ind-AS Balance Sheet as at April 1, 2017 in accordance with the requirements of Ind-AS 101. The principal adjustments made in re-stating its IGAAP financial statements including the Balance Sheet as at April 1, 2017 and the financial statements as at and for the financial year ended March 31, 2018 are quantified and explained in Note No.31-34.

##### 2.2 Use of Estimation, Assumption and Judgement

The key assumption, judgement and estimation at the reporting date, that have significant risk, causing the material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The company based its assumption, judgement and estimation on parameters available on the date when financial statement were prepared. Existing circumstances and assumption about future development, however, may change due to the market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumption when they occur. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

##### 2.3 Exceptions

###### Derecognition of financial assets and liabilities

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

###### Classification & measurement of financial assets:

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

###### Estimates

An entity’s estimates in accordance with Ind-AS at the date of transition shall be consistent with estimates made for the same date in accordance with previous IGAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

The Company made estimates for following items in accordance with Ind-AS at the date of transition as these were not required under previous IGAAP :

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



## 2.4 Exemptions

### Deemed Cost for Property, Plant & Equipment and Intangible Assets

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

The cost of an item of Property, Plant & Equipment, comprises its purchase price, including import duties and non-refundable taxes after deducting trade discounts/rebates and including any directly attributable expenditure to bring the PPE to the location and making it ready for its intended use. Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the items will flow to the entity and the cost of the item can be reliably measured. Gains or losses arising from de-recognition of items of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized. Major repairs and/or renovation expenditure are capitalized under Ind AS-16 as replacement costs. An Intangible Asset is recognized where it is probable that the future economic benefits attributable to the asset will flow to the company. Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. These assets are amortized on the basis of Straight Line Method over a period of 10 years or its useful life, whichever is lower

## 2.5 Functional and Presentation Currency

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

## 2.6 Revenue Recognition

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

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

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

## 2.7 Depreciation

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

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

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

## 2.8 Assets held for Sale

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all of the following criteria's are met:

Decision has been made to sell,

The assets are available for sale in its present condition,

The assets are being actively marketed, and

Sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

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

## 2.9 Impairment - PPE and Intangible Assets

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

Recoverable amount is the higher of fair value less costs of disposal or value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates



of future cash flows have not been adjusted.

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

## 2.10 Investment Property

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

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

Investment properties to be depreciated in accordance to the class of asset that it belongs and the life of the asset shall be as conceived for the same class of asset by the Company.

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

## 2.11 Financial instruments

### 2.11.1 Financial Assets

Para D20 of Ind-AS 101, the financial assets and financial liabilities have been classified on the basis of facts existing as at the date of transition to Ind-AS. In addition, the exemption permits prospective application of requirements of Ind-AS 109 to transactions entered into on or after date of transition. Ind-AS 101 allows an entity to designate investments in equity instruments at FVTOCI on the basis of the facts and circumstances at the date of transition to Ind-AS. The Company has elected to apply this exemption for its investment in equity instruments.

The Company shall classify financial assets as subsequently measured at amortized cost, fair value through other comprehensive income (FVTOCI) or fair value through Statement of Profit and Loss (FVTPL) on

the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

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

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

Amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest

Fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and/or interest but also from the sale of such assets.

Fair value through profit or loss (FVTPL), where the financial assets are not classified either at amortized cost or FVTOCI.

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

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

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

### 2.11.2 Impairment

The Company has applied the impairment requirements of Ind-AS 109 retrospectively. However, as permitted by Ind-AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk as at the date that financial instruments were initially recognised in order to compare it with the credit risk





as at the transition date. However, as permitted by Ind-AS 101, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind-AS, whether there have been significant increases in credit risk since initial recognition.

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

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

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

Financial assets that are debt instruments measured at Amortized Cost (AC)

Equity investments are measured at Fair Value Through Other Comprehensive Income (FVTOCI)

Loan commitments not measured at FVTPL (Fair Value Through Profit and Loss)

Financial guarantee contracts issued in the scope of Ind AS 109 not measured at FVTPL

Lease receivables in the scope of Ind AS 17.

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

All credit exposure is classified into performing and non-performing assets as per RBI guidelines applicable to Non-Banking Financial Companies (NBFCs). General provision for standard assets and specific provision for sub-standard, doubtful 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 minimum 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.

The Company at each reporting year tests loan given to companies for impairment as per Ind AS- 109. However, Impairment loss is recognized as higher of impairment loss calculated as per provision of Ind AS 109 or as per RBI guidelines

### 2.11.3 Derecognition

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

### 2.11.4 Financial Liability

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

The subsequent measurement of financial liabilities depends on their classification, as described below:

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

- Fair value through statement of Profit and loss, include financial liabilities



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

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

## 2.12 Employee Benefits

### 2.12.1 Defined Contribution Plan

#### Employees Provident Fund:

In terms of the Employees Provident Fund and Miscellaneous Provisions Act, 1952, TFCI contributes at the rate of 12% of PF applicable salary (consisting basic salary, dearness allowance & other retaining allowances) payable to each employee covered under the scheme. An equal & matching contribution is payable by each employee. Both employer & employees contributions are deposited with EPFO within the prescribed time period on monthly basis. The entire employer contribution deposited with EPFO is recognized in the financial statement as Employees Benefit Expenses.

### 2.12.2 Defined Benefit Plan

#### Gratuity:

TFCI's gratuity policy provides for 15 days salary for each completed year or part thereof in excess of six months on separation of any employee from TFCI, on retirement or otherwise, after completion of 5 years of continuous services. However, in case of completion of minimum service of 10 years, the gratuity shall be payable @one month salary for each completed year or part thereof in excess of six months limited to maximum Rs.18.00 lakh or maximum amount provided under the Payment of Gratuity Act, 1952 whichever is higher. Further, in case of employment for more than 20 years in TFCI, in addition to above, gratuity shall also be admissible to a sum equal to half month's salary in respect of each year of service or part thereof in excess of six months of service over & above 20 years. As per

actuarial valuation, the expense has been recognized in the financial statement as Employees Benefit Expenses.

#### Leave Encashment:

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

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

## 2.13 Taxation

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

### 2.13.1 Current Tax

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

### 2.13.2 Deferred Tax

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

## 2.14 Lease

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

### 2.14.1 Company as a lessee

Finance leases are capitalized at the lease's inception date at the fair value



of the leased property or, if lower, at the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Operating lease payments are charged to the profit or loss on a straight-line basis over the lease term. However, rent expenses shall not be straight-lined, if escalation in rentals is in line with expected inflationary cost.

#### **2.14.2 Company as a lessor**

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

#### **2.15 Cash and cash equivalents**

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

#### **2.16 Borrowing Costs**

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

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

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

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

##### **2.17.1 Provisions**

A provision is recognized if, as a result

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

##### **2.17.2 Contingent Liabilities**

Contingent liabilities are not recognized but disclosed in Notes when the company has possible obligation due to past events and existence of the obligation depends upon occurrence or non-occurrence of future events not wholly within the control of the company. Contingent liabilities are assessed continuously to determine whether outflow of economic resources have become probable. If the outflow becomes probable, then relative provision is recognized in the financial statements.

##### **2.17.3 Contingent Assets**

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

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

#### **2.18 Earnings per Share**

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

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



## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
<b>3</b>	<b>Cash and Cash Equivalents</b>			
	Cash in hand	0.08	0.16	0.21
	Balances with Banks			
	- Current Account	17.67	187.22	80.21
	- Deposit Account	-	-	840.62
	Certificate of Deposits	4,941.06	12,210.03	-
	<b>TOTAL</b>	<b>4,958.81</b>	<b>12,397.41</b>	<b>921.04</b>
<b>4</b>	<b>Bank balances other than (I) above</b>			
	Balance in unclaimed dividend accounts	219.51	205.20	180.21
	<b>TOTAL</b>	<b>219.51</b>	<b>205.20</b>	<b>180.21</b>
<b>5</b>	<b>Receivables</b>			
	1. Trade Receivables	-	-	-
	2. Other Receivables	9.12	20.74	19.52
	<b>TOTAL</b>	<b>9.12</b>	<b>20.74</b>	<b>19.52</b>
<b>6</b>	<b>Loans &amp; Advances</b>			
	<b>I. Secured (Considered Good)</b>			
	(Secured by Mortgage/ Hypothecation of Assets)			
	(a) Loan to Companies/ LLP.	1,69,381.62	1,55,016.02	1,41,926.00
	Less: unamortised appraisal & Upfront fee received	(315.03)	(205.99)	-
	(b) Loan to Employees	293.33	299.77	330.05
	<b>II. Unsecured (Considered Good)</b>			
	(a) Loan to Employees	35.76	33.68	27.13
	<b>III. Gross Loans &amp; Advances (I + II)</b>	<b>1,69,395.68</b>	<b>1,55,143.48</b>	<b>1,42,283.18</b>
	<b>IV. Impairment loss allowance</b>			
	- on Standard Loans	774.00	774.00	614.00
	- on Other than Standard Loans	3,951.53	3,207.75	3,977.35
	<b>V. Net Loans &amp; Advances (III - IV)</b>	<b>1,64,670.15</b>	<b>1,51,161.73</b>	<b>1,37,691.83</b>
	<b>Breakup of Gross Loans &amp; Advances (at III above)</b>			
	Loans Within India			
	- Public Sector	-	-	-
	- Others	1,69,395.68	1,55,143.48	1,42,283.18
	Less: Impairment loss allowance (as per IV above)	4,725.53	3,981.75	4,591.35
	Total - Net (as per V above)	1,64,670.15	1,51,161.73	1,37,691.83





NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

	Investments	As at 31 March 2019			As at 31 March 2018			As at 01 April 2017					
		At Amortised Cost	At Fair Value		Total	At Amortised Cost	At Fair Value		Total	At Amortised Cost	At Fair Value		
			Through OCI	Through P/L			Through OCI	Through P/L			Through OCI	Through P/L	
7	<b>Investments</b>												
	<b>I. Debt securities:-</b>												
	<b>a) Investment in bonds/debentures (measured at amortised cost)</b>												
	8.76% IFCI Ltd - Tax Fee Bonds - Series I - 500(PY:2018-500, 2017-500) Bonds of Rs.10,00,000/- each	5,000.50	-	-	5,000.50	5,000.50	-	-	5,000.50	5,000.50	-	-	5,000.50
	9.40% IFCI Ltd - Bonds (NCD) - Series III - 150000(PY:2018-150000, 2017-150000) Bonds of Rs.1000/- each	1,500.00	-	-	1,500.00	1,500.00	-	-	1,500.00	1,500.00	-	-	1,500.00
	10.49% Vijaya Bank Series(IV) Perpetual Bonds - 250(PY:2018-250, 2017-250) Bonds of Rs.10,00,000/- each	2,527.61	-	-	2,527.61	2,527.61	-	-	2,527.61	2,527.61	-	-	2,527.61
	11.25% Syndicate Bank Perpetual Bonds - 250(PY: 2018-250, 2017-250) Bonds of Rs.10,00,000/- each	2,594.04	-	-	2,594.04	2,594.04	-	-	2,594.04	2,594.04	-	-	2,594.04
	10.99% Andhra Bank Series(III) Perpetual Bonds - 200(PY:2018-200, 2017-200) Bonds of Rs.10,00,000/- each	2,054.86	-	-	2,054.86	2,054.86	-	-	2,054.86	2,054.86	-	-	2,054.86
	10.90% Punjab & Sind Bank Perpetual Bonds - 350(PY: 2018-350, 2017-350) Bonds of Rs.10,00,000/- each	3,488.07	-	-	3,488.07	3,488.07	-	-	3,488.07	-	-	-	-
	10.00% Cox & Kings Ltd - 500 (PY: 2018-500, 2017-500) Debentures of Rs.100,000/- each	5,000.00	-	-	5,000.00	-	-	-	-	-	-	-	-
	<b>b) Investment in bonds/debentures (measured at fair value through P&amp;L)</b>												
	8.95% Food Corporation Of India 2029 - 200 Bonds of Rs.10,00,000/- each	-	-	2,038.10	2,038.10	-	-	-	-	-	-	-	-
	9.10% Power Finance Corporation 2029 - 200 Bonds of Rs.10,00,000/- each	-	-	2,007.50	2,007.50	-	-	-	-	-	-	-	-
	8.97% REC Ltd 2029 - 100 Bonds of Rs.10,00,000/- each	-	-	1,002.50	1,002.50	-	-	-	-	-	-	-	-
	11.15% Allahabad Bank Perpetual Bonds - 190 Bonds of Rs.10,00,000/- each	-	-	-	-	-	1,951.25	1,951.25	-	-	-	-	-
	8.65% Bank of Baroda Perpetual Bonds - 240 Bonds of Rs.10,00,000/- each	-	-	-	-	-	2,355.60	2,355.60	-	-	-	-	-
	10.90% Punjab & Sind Bank Perpetual Bonds - 60 Bonds of Rs.10,00,000/- each	-	-	-	-	-	607.20	607.20	-	-	-	-	-
	9.00% Yes Bank Perpetual Bonds - 300 Bonds of Rs.10,00,000/- each	-	-	-	-	-	3,000.00	3,000.00	-	-	-	-	-



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Investments	As at 31 March 2019				As at 31 March 2018				As at 01 April 2017			
	At Amortised Cost	At Fair Value		Total	At Amortised Cost	At Fair Value		Total	At Amortised Cost	At Fair Value		Total
		Through OCI	Through P/L			Through OCI	Through P/L			Through OCI	Through P/L	
7.83% Indian Railways Finance Corporation Ltd 2027 - 196 Bonds of Rs.10,00,000/- each	-	-	-	-	-	-	-	-	-	-	1,994.89	1,994.89
9.30% Dewan Housing Finance Corporation Ltd 2026 - 20000 Bonds of Rs. 1,000/- each	-	-	-	-	-	-	-	-	-	-	197.20	197.20
7.37% NTPC Ltd.2031 - 250 Bonds of Rs.10,00,000/- each	-	-	-	-	-	-	-	-	-	-	2,501.25	2,501.25
7.18% Power Finance Corporation Ltd 2027 - 200 Bonds of Rs.10,00,000/- each	-	-	-	-	-	-	-	-	-	-	1,974.98	1,974.98
<b>Sub total-I</b>	<b>22,165.08</b>	<b>-</b>	<b>5,048.10</b>	<b>27,213.18</b>	<b>17,165.08</b>	<b>-</b>	<b>7,914.05</b>	<b>25,079.13</b>	<b>13,677.01</b>	<b>-</b>	<b>6,668.32</b>	<b>20,345.33</b>
<b>II. Equity &amp; Preference shares:-</b>												
<b>a) Investment in Equity instruments (measured at fair value through OCI)</b>												
Cross Country Hotels Ltd. - 250000 (PY: 2018-250000, 2017-250000) shares of Rs.10/- each	-	24.63	-	24.63	-	24.63	-	24.63	-	24.63	-	24.63
Balaji Hotels Ltd. - 170000 (PY: 2018-170000, 2017-170000) shares of Rs.10/- each	-	255.00	-	255.00	-	255.00	-	255.00	-	255.00	-	255.00
Hotel Parag Ltd. - 726258 (PY: 2018-826258, 2017-826258) shares of Rs.10/- each	-	72.63	-	72.63	-	82.63	-	82.63	-	82.63	-	82.63
Assets Care & Reconstruction Enterprise Ltd. - 2856000(PY: 2018-2040000, 2017-2040000) shares Rs.10/- each	-	473.28	-	473.28	-	204.00	-	204.00	-	204.00	-	204.00
Shell Inn International Limited - 8667064(PY: 2018-10399964, 2017-11700000) shares of Rs.10/- each	-	866.71	-	866.71	-	1,040.00	-	1,040.00	-	1,170.00	-	1,170.00
<b>b) Investment in Equity instruments (measured at fair value through P&amp;L)</b>												
Viceroy Hotels Ltd. - 200000 (PY: 2018-200000, 2017-200000)share of Rs.10/- each	-	-	200.00	200.00	-	-	200.00	200.00	-	-	200.00	200.00
Punjab Woolcombers Ltd. - 2500 (PY: 2018-2500, 2017-2500)share of Rs.10/- each	-	-	0.22	0.22	-	-	0.22	0.22	-	-	0.22	0.22
<b>c) Investment in Preference shares (measured at amortised cost)</b>												
IFCI Ltd - Nil(PY: 2018-2000000, 2017-2000000) Shares of Rs.10/- each	-	-	-	-	200.00	-	-	200.00	200.00	-	-	200.00
<b>Subtotal-II</b>	<b>-</b>	<b>1,692.24</b>	<b>200.22</b>	<b>1,892.45</b>	<b>200.00</b>	<b>1,606.26</b>	<b>200.22</b>	<b>2,006.48</b>	<b>200.00</b>	<b>1,736.26</b>	<b>200.22</b>	<b>2,136.48</b>
<b>III. Other approved securities:-</b>												
<b>a) Investment in Security Receipts (measured at fair value through P&amp;L)</b>												



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Investments	As at 31 March 2019				As at 31 March 2018				As at 01 April 2017			
	At Amortised Cost	At Fair Value		Total	At Amortised Cost	At Fair Value		Total	At Amortised Cost	At Fair Value		Total
		Through OCI	Through P/L			Through OCI	Through P/L			Through OCI	Through P/L	
Assets Care & Reconstruction Enterprise Ltd 2014-15 - V - Trust Security Receipts (In case of Loan of Kamath Hotels Ltd)	-	-	2,618.00	2,618.00	-	-	2,804.00	2,804.00	-	-	2,952.00	2,952.00
<b>Subtotal-III</b>	-	-	<b>2,618.00</b>	<b>2,618.00</b>	-	-	<b>2,804.00</b>	<b>2,804.00</b>	-	-	<b>2,952.00</b>	<b>2,952.00</b>
<b>Gross Investments (Subtotal I+II+III).... (A)</b>	22,165.08	1,692.24	7,866.32	31,723.63	17,365.08	1,606.26	10,918.27	29,889.61	13,877.01	1,736.26	9,820.54	25,433.81
(i) Investment outside India	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Investment in India	22,165.08	1,692.24	7,866.32	31,723.63	17,365.08	1,606.26	10,918.27	29,889.61	13,877.01	1,736.26	9,820.54	25,433.81
<b>Total Gross (B)</b>	<b>22,165.08</b>	<b>1,692.24</b>	<b>7,866.32</b>	<b>31,723.63</b>	<b>17,365.08</b>	<b>1,606.26</b>	<b>10,918.27</b>	<b>29,889.61</b>	<b>13,877.01</b>	<b>1,736.26</b>	<b>9,820.54</b>	<b>25,433.81</b>
<b>Add: Appreciation in value of investments:-</b>												
Assets Care & Reconstruction Enterprise Ltd.	-	273.45	-	273.45	-	329.39	-	329.39	-	297.89	-	297.89
Shell Inn International Limited.	-	481.46	-	481.46	-	577.72	-	577.72	-	624.80	-	624.80
8.95% Food Corporation Of India 2029	-	-	0.30	0.30	-	-	-	-	-	-	-	-
9.10% Power Finance Corporation 2029	-	-	0.70	0.70	-	-	-	-	-	-	-	-
8.97% REC Ltd 2029	-	-	0.70	0.70	-	-	-	-	-	-	-	-
11.15% Allahabad Bank Perpetual Bonds	-	-	-	-	-	-	3.85	3.85	-	-	-	-
8.65% Bank of Baroda Perpetual Bonds	-	-	-	-	-	-	17.52	17.52	-	-	-	-
10.90% Punjab & Sind Bank Perpetual Bonds	-	-	-	-	-	-	3.96	3.96	-	-	-	-
9.00% Yes Bank Perpetual Bonds	-	-	-	-	-	-	0.60	0.60	-	-	-	-
7.83% Indian Railways Finance Corporation Ltd 2027	-	-	-	-	-	-	-	-	-	-	3.53	3.53
9.30% Dewan Housing Finance Corporation Ltd 2026	-	-	-	-	-	-	-	-	-	-	0.20	0.20
7.37% NTPC Ltd.2031	-	-	-	-	-	-	-	-	-	-	17.82	17.82
7.18% Power Finance Corporation Ltd 2027	-	-	-	-	-	-	-	-	-	-	9.86	9.86
<b>Sub total (A)</b>	-	<b>754.91</b>	<b>1.70</b>	<b>756.61</b>	-	<b>907.11</b>	<b>25.93</b>	<b>933.04</b>	-	<b>922.69</b>	<b>31.41</b>	<b>954.10</b>
<b>Less: Allowance for Impairment loss</b>												
Cross Country Hotels Ltd.	-	24.62	-	24.62	-	24.62	-	24.62	-	24.62	-	24.62
Balaji Hotels Ltd.	-	255.00	-	255.00	-	255.00	-	255.00	-	255.00	-	255.00
Hotel Parag Ltd.	-	72.63	-	72.63	-	82.63	-	82.63	-	82.63	-	82.63
Assets Care & Reconstruction Enterprise Ltd 2014-15 - V - Trust Security Receipts	-	-	130.90	130.90	-	-	140.20	140.20	-	-	147.60	147.60
Viceroy Hotels Ltd.	-	-	189.70	189.70	-	-	175.79	175.79	-	-	158.79	158.79
Punjab Woolcombers Ltd.	-	-	0.22	0.22	-	-	0.22	0.22	-	-	0.22	0.22
<b>Sub total (B)</b>	-	<b>352.25</b>	<b>320.82</b>	<b>673.07</b>	-	<b>362.25</b>	<b>316.21</b>	<b>678.46</b>	-	<b>362.25</b>	<b>306.61</b>	<b>668.86</b>
<b>Total Investment - Net</b>	<b>22,165.08</b>	<b>2,094.89</b>	<b>7,547.20</b>	<b>31,807.17</b>	<b>17,365.08</b>	<b>2,151.12</b>	<b>10,627.99</b>	<b>30,144.19</b>	<b>13,877.01</b>	<b>2,296.70</b>	<b>9,545.34</b>	<b>25,719.05</b>

Note 1:- Fair value of unquoted equity investment in Assets Care & Reconstruction Enterprise Ltd is based on its last published book value discounted @15%.

Note 2:- Fair value of project related unquoted equity investment in Shell Inn International Limited is based on DSV of fixed assets net of outstanding debt discounted @15%.



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	As at 31 March 2019		As at 31 March 2018		As at 01 April 2017	
<b>8</b>	<b>Other Financial Assets</b>						
	Interest accrued on investment		1,016.25		1,211.05		463.77
	Interest & Other Charges accrued and due on loans and advances		719.58		453.37		287.15
	Interest accrued but not due on loans and advances		888.19		737.52		674.49
	Advance to Employees		0.10		0.10		0.10
	Legal Charges Recoverable		14.73		7.56		177.97
	Security Deposits		4.47		5.05		5.58
	<b>TOTAL</b>		<b>2,643.32</b>		<b>2,414.65</b>		<b>1,609.06</b>
<b>9</b>	<b>Current Tax Assets (Net)</b>						
	Advance Income Tax & TDS (Net of Provision for Taxation)		1,830.58		2,127.71		1,895.03
	<b>TOTAL</b>		<b>1,830.58</b>		<b>2,127.71</b>		<b>1,895.03</b>
	<b>Yearwise details of Current Tax Assets</b>						
	Advance Tax & TDS						
	- F.Y. 1993-94		442.63		442.63		442.63
	- F.Y. 1994-95		609.04		609.04		609.04
	- F.Y. 1995-96		934.32		934.32		934.32
	- F.Y. 1996-97		761.17		761.17		761.17
	- F.Y. 1997-98		655.12		655.12		655.12
	- F.Y. 1998-99		432.18		432.18		432.18
	- F.Y. 1999-00		454.88		454.88		454.88
	- F.Y. 2000-01		522.97		522.97		522.97
	- F.Y. 2001-02		237.85		237.85		237.85
	- F.Y. 2002-03		600.75		600.75		600.75
	- F.Y. 2003-04		285.32		285.32		285.32
	- F.Y. 2004-05		394.35		394.35		394.35
	- F.Y. 2005-06		103.43		103.43		103.43
	- F.Y. 2006-07		386.63		386.63		386.63
	- F.Y. 2007-08		893.05		893.05		893.05
- F.Y. 2008-09		1,256.90		1,256.90		1,256.90	
- F.Y. 2009-10		1,492.75		1,492.75		1,445.75	
- F.Y. 2010-11		1,969.78		1,969.78		1,969.78	
- F.Y. 2011-12		1,232.80		1,232.80		1,232.80	
- F.Y. 2012-13		1,872.73		1,872.73		1,872.73	
- F.Y. 2013-14		2,392.89		2,392.89		2,392.89	
- F.Y. 2014-15		2,117.92		2,117.92		2,012.92	
- F.Y. 2015-16		2,080.48		2,080.48		2,080.48	





NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	As at 31 March 2019		As at 31 March 2018		As at 01 April 2017	
	- F.Y. 2016-17		2,458.19		2,451.72		2,418.82
	- F.Y. 2017-18		2,724.25		2,717.78		-
	- F.Y. 2018-19		2,139.95		-		-
	Less: Provison for Taxation						
	- F.Y. 1993-94		(442.63)		(442.63)		(442.63)
	- F.Y. 1994-95		(644.62)		(644.62)		(644.62)
	- F.Y. 1995-96		(767.27)		(767.27)		(767.27)
	- F.Y. 1996-97		(520.96)		(520.96)		(520.96)
	- F.Y. 1997-98		(668.44)		(668.44)		(668.44)
	- F.Y. 1998-99		(252.74)		(252.74)		(252.74)
	- F.Y. 1999-00		(509.40)		(509.40)		(509.40)
	- F.Y. 2000-01		(301.48)		(301.48)		(301.48)
	- F.Y. 2001-02		(134.27)		(134.27)		(134.27)
	- F.Y. 2002-03		(215.66)		(215.66)		(215.66)
	- F.Y. 2003-04		(358.49)		(358.49)		(358.49)
	- F.Y. 2004-05		(121.67)		(121.67)		(121.67)
	- F.Y. 2005-06		(201.93)		(201.93)		(201.93)
	- F.Y. 2006-07		(342.00)		(342.00)		(342.00)
	- F.Y. 2007-08		(822.25)		(822.25)		(822.25)
	- F.Y. 2008-09		(1,244.93)		(1,244.93)		(1,244.93)
	- F.Y. 2009-10		(1,449.49)		(1,449.49)		(1,449.49)
	- F.Y. 2010-11		(1,701.00)		(1,701.00)		(1,701.00)
	- F.Y. 2011-12		(1,235.00)		(1,235.00)		(1,235.00)
	- F.Y. 2012-13		(1,887.00)		(1,887.00)		(1,887.00)
	- F.Y. 2013-14		(2,381.50)		(2,381.50)		(2,381.50)
	- F.Y. 2014-15		(1,870.00)		(1,870.00)		(1,870.00)
	- F.Y. 2015-16		(1,807.00)		(1,807.00)		(1,807.00)
	- F.Y. 2016-17		(2,622.00)		(2,622.00)		(2,622.00)
	- F.Y. 2017-18		(2,670.00)		(2,670.00)		-
	- F.Y. 2018-19		(2,450.00)		-		-
	<b>Total (Net)</b>		<b>1,830.58</b>		<b>2,127.71</b>		<b>1,895.03</b>
<b>10</b>	<b>Deferred Tax Assets/ Liability (Net)</b>						
	<b>A. Profit &amp; Loss Section</b>						
	<b>Deferred Tax Assets</b>						
	a) Allowance for doubtful debts and advances		789.09		939.93		1,207.62
	b) Allowance for diminution in value of investments		148.96		178.92		175.92
	c) Provision for employees benefits expenses		-		119.48		147.49
	<b>Deferred Tax Liabilities</b>						
	a) Depreciation		(214.67)		(219.30)		(230.77)
	b) Fair value changes on investments		0.00		(6.88)		(8.34)
	<b>TOTAL</b>		<b>723.38</b>		<b>1,012.15</b>		<b>1,291.92</b>



## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

## 11 Property, Plant and Equipments as at 31 March 2019

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Gross Carrying Value as at 01/04/2018	Addi-tion	Disposal / Adjust-ments	Gross Carrying Value as at 31/03/2019	As at 01/04/2018	Addition for the Period	Disposal / Adjust-ments	As at 31/03/2019	Net Carrying Value as at 31/03/2019	Net Carrying Value as at 31/03/2018
Building (NBCC Plaza)	1,457.32	-	-	1,457.32	26.41	26.48	-	52.89	1,404.43	1,430.91
Furniture & Fixtures	24.04	-	0.82	23.22	11.98	5.06	0.82	16.22	7.00	12.06
Office Equipment	5.23	-	0.46	4.77	1.02	0.68	0.46	1.24	3.53	4.21
Electricals	22.12	-	-	22.12	15.72	1.06	-	16.78	5.34	6.40
Computers	7.82	2.74	-	10.56	4.83	1.09	-	5.92	4.64	3.00
Vehicles	15.19	-	-	15.19	2.55	2.55	-	5.10	10.09	12.63
<b>Total</b>	<b>1,531.72</b>	<b>2.74</b>	<b>1.28</b>	<b>1,533.18</b>	<b>62.51</b>	<b>36.92</b>	<b>1.28</b>	<b>98.15</b>	<b>1,435.03</b>	<b>1,469.21</b>

## Property, Plant and Equipments as at 31 March 2018

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Deemed Cost as at 01/04/2017	Addi-tion	Disposal / Adjust-ments	Gross Carrying Value as at 31/03/2018	As at 01/04/2017	Addition for the Period	Disposal / Adjust-ments	As at 31/03/2018	Net Carrying Value as at 31/03/2018	Net Carrying Value as at 31/03/2017
Building (NBCC Plaza)	1,439.08	18.24	-	1,457.32	-	26.41	-	26.41	1,430.91	1,439.08
Furniture & Fixtures	24.00	0.08	0.04	24.04	-	11.98	-	11.98	12.06	24.00
Office Equipment	5.09	0.14	-	5.23	-	1.02	-	1.02	4.21	5.09
Electricals	17.72	4.53	0.13	22.12	-	15.72	-	15.72	6.40	17.72
Computers	8.07	-	0.25	7.82	-	4.83	-	4.83	2.99	8.07
Vehicles	15.19	-	-	15.19	-	2.55	-	2.55	12.64	15.19
<b>Total</b>	<b>1,509.15</b>	<b>22.99</b>	<b>0.42</b>	<b>1,531.72</b>	<b>-</b>	<b>62.51</b>	<b>-</b>	<b>62.51</b>	<b>1,469.21</b>	<b>1,509.15</b>

Note:

The Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as of 01 April 2017 (transition date), measured as per the previous GAAP.



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Schedule of deemed cost of PPE as on 01.04.2017 as per previous GAAP

Particulars	Gross Block			Accumulated Depreciation			Net Block
	Gross carrying value as at March 31, 2017	Ind AS Adjustments- Assets classified as held for sale	Gross carrying value as at April 1, 2017	Accumulated depreciation/ impairment as at March 31, 2017	Ind AS Adjustments- Assets classified as held for sale	Accumulated depreciation/ impairment as at April 01, 2017	Deemed cost as at April 01, 2017
Land (Mussoorie)	133.84	(133.84)	-	-	-	-	-
Building (Mussoorie)	448.47	(448.47)	-	51.33	(51.33)	-	-
Building (NBCC Plaza)	2,062.02		2,062.02	622.94		622.94	1,439.08
Furniture & Fixture	132.92		132.92	108.92		108.92	24.00
Office Equipment	55.89		55.89	50.80		50.80	5.09
Electricals	59.08		59.08	41.36		41.36	17.72
Computers	124.53		124.53	116.46		116.46	8.07
Vehicles	21.52		21.52	6.33		6.33	15.19
<b>Leased Assets</b>							
Plant & Machinery	130.33		130.33	130.33		130.33	-
Furniture & Fixture	31.09		31.09	31.09		31.09	-
Vehicles	69.67		69.67	69.67		69.67	-
<b>Total</b>	<b>3,269.36</b>	<b>(582.31)</b>	<b>2,687.05</b>	<b>1,229.23</b>	<b>(51.33)</b>	<b>1,177.90</b>	<b>1,509.15</b>

Note No.	Particulars	As At 31 March 2019		As At 31 March 2018		As At 01 April 2017	
<b>12</b>	<b>Other Non-Financial Assets</b>						
	Loans to Staff (Employee benefit cost at fair value)		206.86		232.09		274.00
	Advance to Employees		-		-		15.96
	Prepaid Expenses		33.14		-		4.11
	<b>TOTAL</b>		<b>240.00</b>		<b>232.09</b>		<b>294.07</b>

Note No.	Particulars	As At 31 March 2019		As At 31 March 2018		As At 01 April 2017	
<b>13</b>	<b>Payables</b>						
	<b>I. Trade Payables</b>		-		-		-
	<b>II. Other Payables</b>		139.14		143.69		799.02
	<b>TOTAL</b>		<b>139.14</b>		<b>143.69</b>		<b>799.02</b>



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	At Amortised Cost As at 31 March 2019		At Amortised Cost As at 31 March 2018		At Amortised Cost As at 01 April 2017	
14	<b>Debt Securities</b>						
	<b>- Secured</b>						
	(Secured By Hypothecation of Book Debts/ future receivables)						
	<b>8.81% Bonds (2025)</b> <b>(Series MB 2015-01)</b>						
	15974 Nos of 8.81% Bonds of Rs.1,00,000/- each Redeemable at par on 09 November 2025		15,974.00		15,974.00		15,974.00
	Less- Bond issue expenses	(117.35)		(117.35)		(117.35)	
	Add- Amortisation of bond issue expense	29.80	(87.55)	20.39	(96.96)	11.85	(105.50)
	Sub-Total		15,886.45		15,877.04		15,868.50
	<b>- Un Secured</b>						
	<b>8.90% Bonds (2020)</b> <b>(Series MB XXXX)</b>						
	500 Nos of 8.90% Bonds of Rs.10,00,000/- each Redeemable at par on 29 November 2020		5,000.00		5,000.00		5,000.00
	Less- Bond issue expenses	(18.79)		(18.79)		(18.79)	
	Add- Amortisation of bond issue expense	14.90	(3.89)	12.51	(6.28)	10.32	(8.47)
			4,996.11		4,993.72		4,991.53
<b>10.15% Bonds (2021)</b> <b>(Series MB XLI)</b>							
1000 Nos of 10.15% Bonds of Rs.10,00,000/- each Redeemable at par on 01 September 2021		10,000.00		10,000.00		10,000.00	
Less- Bond issue expenses	(37.58)		(37.58)		(37.58)		
Add- Amortisation of bond issue expense	24.81	(12.77)	20.37	(17.21)	16.36	(21.22)	
		9,987.23		9,982.79		9,978.78	
<b>10.20% Bonds (2021)</b> <b>(Series MB XLII)</b>							
1000 Nos of 10.20% Bonds of Rs.10,00,000/- each Redeemable at par on 16 November 2021		10,000.00		10,000.00		10,000.00	
Less- Bond issue expenses	(37.58)		(37.58)		(37.58)		
Add- Amortisation of bond issue expense	27.70	(9.88)	23.94	(13.64)	20.19	(17.39)	
		9,990.12		9,986.36		9,982.61	





NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	At Amortised Cost As at 31 March 2019		At Amortised Cost As at 31 March 2018		At Amortised Cost As at 01 April 2017	
	<b>9.65% Bonds (2022) (Series MB XLIII)</b> 565 Nos of 9.65% Bonds of Rs.10,00,000/- each Redeemable at par on 19 April 2022		5,650.00		5,650.00		5,650.00
	Less- Bond issue expenses	(21.14)		(21.14)		(21.14)	
	Add- Amortisation of bond issue expense	12.95	(8.19)	10.59	(10.55)	8.44	(12.70)
			5,641.81		5,639.45		5,637.30
	<b>9.95% Bonds (2022) (Series MB XLIV)</b> 750 Nos of 9.95% Bonds of Rs.10,00,000/- each Redeemable at par on 01 July 2022		7,500.00		7,500.00		7,500.00
	Less- Bond issue expenses	(28.57)		(28.57)		(28.57)	
	Add- Amortisation of bond issue expense	16.20	(12.37)	13.10	(15.47)	10.28	(18.29)
			7,487.63		7,484.53		7,481.71
	<b>9.95% Bonds (2022) (Series MB XLV)</b> 750 Nos of 9.95% Bonds of Rs.10,00,000/- each Redeemable at par on 21 August 2022		7,500.00		7,500.00		7,500.00
	Less- Bond issue expenses	(28.57)		(28.57)		(28.57)	
	Add- Amortisation of bond issue expense	16.06	(12.51)	12.96	(15.61)	10.15	(18.42)
			7,487.49		7,484.39		7,481.58
	<b>9.50% Bonds (2023) (Series MB XLVI-A)</b> 500 Nos of 9.50% Bonds of Rs.10,00,000/- each Redeemable at par on 25 February 2023		5,000.00		5,000.00		5,000.00
	Less- Bond issue ex- penses	(23.04)		(23.04)		(23.04)	
	Add- Amortisation of bond issue expense	11.50	(11.54)	9.15	(13.89)	7.01	(16.03)
			4,988.46		4,986.11		4,983.97



## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	At Amortised Cost As at 31 March 2019		At Amortised Cost As at 31 March 2018		At Amortised Cost As at 01 April 2017	
	<b>9.60% Bonds (2028) (Series MB XLVI-B)</b> 1000 Nos of 9.60% Bonds of Rs.10,00,000/- each Redeemable at par on 25 February 2028		10,000.00		10,000.00		10,000.00
	Less- Bond issue expenses	(46.08)		(46.08)		(46.08)	
	Add- Amortisation of bond issue expense	11.65	(34.43)	9.26	(36.82)	7.09	(38.99)
			9,965.57		9,963.18		9,961.01
	<b>9.65% Bonds (2033) (Series MB XLVI-C)</b> 750 Nos of 9.65% Bonds of Rs.10,00,000/- each Redeemable at par on 25 February 2033		7,500.00		7,500.00		7,500.00
	Less- Bond issue expenses	(34.56)		(34.56)		(34.56)	
	Add- Amortisation of bond issue expense	4.90	(29.66)	3.90	(30.66)	2.99	(31.57)
	<b>Total</b>		7,470.34		7,469.34		7,468.43
	Debt Securities in India		<b>83,901.21</b>		<b>83,866.91</b>		<b>83,835.42</b>
	Debt Securities outside India		83,901.21		83,866.91		83,835.42
			-		-		-
<b>15</b>	<b>Borrowings (Other than Debt Securities)</b> <b>I- Secured</b> <i>(Secured By Hypoth- ecation of Book Debts/ future receivables)</i> <b>(i) Term Loans from State Bank of India</b> 8.75% p.a. repayable by 31.03.2021 <i>(12 Quarterly installments starting from 30.06.2018 and ending on 31.03.2021)</i> <b>(ii) Term Loans from State Bank of India</b> 8.75% p.a. repayable by 31.03.2023 <i>(12 Quarterly install- ments starting from 30.06.2020 and ending on 31.03.2023)</i>		10,500.00		15,000.00		1,700.00
	Less: Upfront Fee	(81.75)					
	Add: Amortisation of Upfront fee	1.43	24,919.68		-		-



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	At Amortised Cost As at 31 March 2019		At Amortised Cost As at 31 March 2018		At Amortised Cost As at 01 April 2017	
	(iii) WCDL from State Bank of India 8.25% p.a. repayable by April 2017		-		-		8,000.00
	(iv) Cash Credit from Banks		3,040.16		14,002.49		1,172.49
	<b>II. Unsecured</b>						
	(i) Loan from Bank of Baroda 51.02 crore @ 7.25% p.a. repayable by April 2018 23.98 crore @ 7.25% p.a. repayable by July 2018		-		7,500.00		-
	<b>TOTAL</b>		<b>38,459.84</b>		<b>36,502.49</b>		<b>10,872.49</b>
	Borrowings in India		38,459.84		36,502.49		10,872.49
	Borrowings outside India		-		-		-

16	<b>Subordinate Liabilities</b>						
	<b>9.50% Bonds (2019) [Series MB XXXVIII]</b> 750 Nos of 9.50% Bonds of Rs.10,00,000/- each Redeemable at par on 30 April 2019		7,500.00		7,500.00		7,500.00
	Less- Bond issue expenses	(58.18)		(58.18)		(58.18)	
	Add- Amortisation of bond issue expense	58.16	(0.02)	49.44	(8.74)	41.66	(16.52)
			7,499.98		7,491.26		7,483.48
	<b>9.50% Bonds (2019) [Series MB XXXIX]</b> 250 Nos of 9.50% Bonds of Rs.10,00,000/- each Redeemable at par on 30 April 2019		2,500.00		2,500.00		2,500.00
	Less- Bond issue expenses	(19.39)		(19.39)		(19.39)	
	Add- Amortisation of bond issue expense	19.33	(0.06)	16.48	(2.91)	13.89	(5.50)
			2,499.94		2,497.09		2,494.50
	<b>Total</b>		<b>9,999.92</b>		<b>9,988.35</b>		<b>9,977.98</b>
Subordinate liabilities in India		9,999.92		9,988.35		9,977.98	
Subordinate liabilities outside India		-		-		-	



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	As at 31 March 2019		As at 31 March 2018		As at 01 April 2017	
17	<b>Other Financial Liabilities</b>						
	Interest & Other Charges Accrued but not due on Borrowings		2,017.88		1,945.07		1,868.24
	Unclaimed Dividend		219.51		205.20		180.21
	Refundable security deposit		5.71		5.71		5.71
	Amount Received Pending Adjustment		225.32		627.34		647.22
	Stale Cheque		-		0.23		0.09
	<b>TOTAL</b>		<b>2,468.42</b>		<b>2,783.55</b>		<b>2,701.47</b>
18	<b>Provisions</b>						
	Provision for Employee Benefits		116.72		419.27		457.47
	Provision for Expenses		39.99		39.98		30.79
	Provision for Arrears of Salaries		-		-		350.00
<b>TOTAL</b>		<b>156.71</b>		<b>459.25</b>		<b>838.26</b>	
19	<b>Other Non-financial liabilities</b>						
	Statutory Dues		60.79		60.78		45.60
	Unamortised appraisal & upfront fees (Non-disbursed loans)		190.82		91.99		15.50
	<b>TOTAL</b>		<b>251.61</b>		<b>152.77</b>		<b>61.10</b>
20	<b>Equity Share Capital</b>						
	<b>Authorised Share Capital</b>						
	25,00,00,000 Equity Shares (P. Y. 25,00,00,000) of ₹10/- each		25,000.00		25,000.00		25,000.00
	25,00,00,000 Cumulative Redeemable Preference Shares (P. Y. 25,00,00,000) of ₹10/- each		25,000.00		25,000.00		25,000.00
<b>TOTAL</b>		<b>50,000.00</b>		<b>50,000.00</b>		<b>50,000.00</b>	



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	As at 31 March 2019		As at 31 March 2018		As at 01 April 2017	
	<b>Issued, subscribed and fully paid</b> 8,07,16,748 Equity Shares (P.Y. 8,07,16,748) of ₹10/- each Fully Paid Up		8,071.67		8,071.67		8,071.67
	<b>TOTAL</b>		<b>8,071.67</b>		<b>8,071.67</b>		<b>8,071.67</b>
	<b>Reconciliation of Issued Share Capital</b> Equity shares outstanding at the beginning of the year	<b>No of Shares</b>	<b>Amount</b>	<b>No of Shares</b>	<b>Amount</b>	<b>No of Shares</b>	<b>Amount</b>
	Equity shares outstanding at the beginning of the year	80716748	8,071.67	80716748	8,071.67	80716748	8,071.67
	Issued During year	-	-	-	-	-	-
	Bought Back During year	-	-	-	-	-	-
	Equity shares outstanding at the end of the year	<b>80716748</b>	<b>8,071.67</b>	<b>80716748</b>	<b>8,071.67</b>	<b>80716748</b>	<b>8,071.67</b>
	<b>Shareholders holding more than 5% of Shares in the company</b>	<b>No of Shares</b>	<b>% of shares</b>	<b>No of Shares</b>	<b>% of shares</b>	<b>No of Shares</b>	<b>% of shares</b>
	(a) Redkite Capital Private Limited	26481498	32.81%	10709446	13.27%	-	-
	(b) India Opportunities III Pte Ltd	6456670	8.00%	3228000	4.00%	-	-
	(c) Koppara Sajeeve Thomas	4035633	5.00%	2050000	2.54%	-	-
	(d) Life Insurance Corporation of India	3013180	3.73%	4613180	5.71%	5413180	6.71%
	(e) IFCI Ltd	786170	0.97%	1687909	2.09%	23699684	29.36%
<b>21</b>	<b>Other Equity Reserves and Surplus</b>						
	(i) Capital Reserves		11.55		11.55		11.55
	(ii) Security Premium Reserve		6,308.94		6,354.78		6,396.65
	(iii) General Reserve		18,920.04		16,720.04		14,720.04
	(iv) Retained Earnings		7,262.68		7,097.50		6,951.28
	<b>SUB - TOTAL</b>		<b>32,503.21</b>		<b>30,183.87</b>		<b>28,079.52</b>
	<b>Special Reserves</b>						
	(i) Under Section 36(1) (viii) of the Income Tax Act 1961		20,605.33		18,625.33		16,977.33
	(ii) Under Section 45 IC of RBI Act, 1934		11,756.07		10,031.07		8,524.92
	<b>SUB - TOTAL</b>		<b>32,361.40</b>		<b>28,656.40</b>		<b>25,502.25</b>
	<b>Other Reserves</b>						
	(i) Equity Instruments through Other Comprehensive Income		754.93		907.12		922.69
	<b>SUB - TOTAL</b>		<b>754.93</b>		<b>907.12</b>		<b>922.69</b>
	<b>TOTAL</b>		<b>65,619.54</b>		<b>59,747.39</b>		<b>54,504.46</b>





## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	As at 31 March 2019		As at 31 March 2018		As at 01 April 2017	
	<b>Reserves and Surplus</b>						
	<b>(i) Capital Reserves</b>						
	Balance at the beginning of the year		11.55		11.55		11.55
	Add: Current Year Transfer		-		-		-
	Less: Written Back in Current period		-		-		-
	Balance at the end of the year		11.55		11.55		11.55
	<b>(ii) Security Premium Reserve</b>						
	Balance at the beginning of the year		6,354.78		6,396.65		6,117.33
	Add: Current Year Transfer		-		-		-
	Add: Adjustment of transaction cost of bonds (as per EIR)		-		-		439.53
	Less: Adjustment of ammortization of transaction cost of bonds		(45.84)		(41.87)		(160.22)
	Less: Utilised during the year		-		-		-
	Balance at the end of the year		6,308.94		6,354.78		6,396.65
	<b>(iii) General Reserve</b>						
	Balance at the beginning of the year		16,720.04		14,720.04		14,720.04
	Add: Current Year Transfer		2,200.00		2,000.00		-
	Less: Written Back in Current period		-		-		-
	Balance at the end of the year		18,920.04		16,720.04		14,720.04
	<b>(iv) Retained Earnings</b>						
	Balance at the beginning of the year		7,097.50		6,951.28		1,001.67
	- Add: Current Year Transfer		8,625.15		7,748.48		-
	- Add/Less: Other Comprehensive Income directly recognised. (Remeasurement of Acturial Gain /(Loss))		44.93		(164.58)		-
	- Less: Payment of Dividend (Including Tax thereon)		(1,946.16)		(1,942.98)		-



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	As at 31 March 2019		As at 31 March 2018		As at 01 April 2017	
	- Add: Reclassification of Realised gain from OCI to Reserves		96.26		69.45		-
	<b>Less: Appropriations</b>						
	- Transfer to General Reserve		(2,200.00)		(2,000.00)		-
	- Transfer to Special Reserve under Section 36(1)(viii) of the Income Tax Act 1961		(1,980.00)		(1,648.00)		-
	- Provision u/s 36(1)(vii)(c) of the Income Tax Act 1961		(750.00)		(410.00)		-
	- provision Under Section 45 IC of RBI Act, 1934		(1,725.00)		(1,506.15)		-
	<b>Add/(Less): Adjustments as per Ind-AS as on 01.04.2017</b>						
	Add: Reversal of proposed dividend (including CDT)		-		-		1,942.98
	Add: Net gain on financial assets mandatorily measured through fair value through profit & loss (Net of Tax)		-		-		23.08
	Add: Bond Issue Expenses (as per EIR)		-		-		31.29
	Add: Reversal of DTL on special reserve u/s 36(1)(viii) of I.Tax Act		-		-		3,967.76
	Less: Unamortised Appraisal & upfront fee (Non-disbursed loans)		-		-		(15.50)
	Balance at the end of the year		7,262.68		7,097.50		6,951.28
	<b>Special Reserves (i) Under Section 36(1)(viii) of the Income Tax Act 1961</b>						
	Balance at the beginning of the year		18,625.33		16,977.33		16,977.33
	Add: Current Year Transfer		1,980.00		1,648.00		-
	Less: Written Back in Current period		-		-		-
	Balance at the end of the year		20,605.33		18,625.33		16,977.33



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	As at 31 March 2019		As at 31 March 2018		As at 01 April 2017	
	<b>(ii) Under Section 45 IC of RBI Act, 1934</b>						
	Balance at the beginning of the year		10,031.07		8,524.92		8,524.92
	Add: Current Year Transfer		1,725.00		1,506.15		-
	Less: Written Back in Current period		-		-		-
	Balance at the end of the year		11,756.07		10,031.07		8,524.92
	<b>Other Reserves</b>						
	<b>Equity Instruments through Other Comprehensive Income</b>						
	Balance at the beginning of the year		907.12		922.69		922.69
	Add: Other Comprehensive Income		(55.93)		53.88		-
	Less: Reclassification of Realised gain from OCI to reserves		(96.26)		(69.45)		-
	Balance at the end of the year		754.93		907.12		922.69

Note No.	Particulars	Period ended 31 March 2019			Period ended 31 March 2018		
		On Financial Assets measured at Amortised Cost	On Financial Assets measured Through P&L	On Financial Assets measured Through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured Through P&L	Financial Assets measured Through OCI
22	<b>Interest Income</b>						
	<b>I. Interest on Loans</b>						
	(a) Interest on Loans & Advances	19,159.39	-	-	16,900.83	-	-
	(b) Interest on Loans to Staff	17.46	-	-	21.34	-	-
	(c) Interest on Loans to Staff (due to amortisation of loan at FV)	27.05	-	-	30.04	-	-
	<b>Total-I</b>	19,203.90	-	-	16,952.21	-	-
	<b>II. Interest on Investments</b>						
	(a) Interest on investment in bonds	1,823.80	104.03	-	1,641.83	1,087.17	-
	(b) Interest on investment in CD's	17.44	-	-	9.30	-	-
	(c) Interest on term deposit with banks	10.92	-	-	14.93	-	-
	<b>Total-II</b>	1,852.16	104.03	-	1,666.06	1,087.17	-
	<b>Grand Total (I + II)</b>	<b>21,056.06</b>	<b>104.03</b>	<b>-</b>	<b>18,618.27</b>	<b>1,087.17</b>	<b>-</b>



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	Period ended 31 March 2019			Period ended 31 March 2018		
		On Financial Assets measured at Amortised Cost	On Financial Assets measured Through P&L	On Financial Assets measured Through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured Through P&L	On Financial Assets measured Through OCI
23	<b>Dividend Income</b>						
	Dividend Received	0.08	-	24.69	0.20	-	40.71
	<b>Total</b>	<b>0.08</b>	<b>-</b>	<b>24.69</b>	<b>0.20</b>	<b>-</b>	<b>40.71</b>

Note No.	Particulars	Period ended 31 March 2019	Period ended 31 March 2018
24	<b>Fees &amp; Commission Income</b>		
	Premium on prepayments of loan	187.91	612.69
	Restructuring fee	1.00	0.56
	Legal fee	29.24	24.29
	Appraisal & upfront fee	211.47	213.87
	Management fee	44.58	65.74
	<b>Total</b>	<b>474.20</b>	<b>917.15</b>

25	<b>Net gain/(loss) on fair value changes</b>		
	<b>Net Gain/(Loss) on financial instruments at fair value through profit or loss</b>		
	(i) On trading portfolio - Investments		
	- Gain/(Loss) on fair valuation of Bonds/debentures	1.70	25.93
	<b>Net Gain/(Loss) realised on sale of financial instruments</b>		
	(i) On trading portfolio - Investments		
	- Gain/(Loss) on investment in mutual funds (debt based)	229.52	447.24
	- Gain/(Loss) on sale of Bonds/Debentures	(26.08)	154.84
	- Gain/(Loss) on sale of Shares	246.37	152.28
	(ii) On financial instruments designated at fair value through profit or loss		
	- Gain/ (Loss) on fair valuation of security receipts	9.30	-
	<b>Total Net gain/(loss) on fair value changes</b>	<b>460.81</b>	<b>780.29</b>
	<b>Fair Value changes:</b>		
	- Realised	459.11	754.36
	- Unrealised	1.70	25.93
	<b>Total</b>	<b>460.81</b>	<b>780.29</b>



## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	Period ended 31 March 2019	Period ended 31 March 2018
<b>26</b>	<b>Other Operating Income</b>		
	Bad Debt Recovered	875.00	918.52
	<b>Total</b>	<b>875.00</b>	<b>918.52</b>

<b>27</b>	<b>Other Income</b>		
	Consultancy Income	5.00	8.00
	Miscellaneous Income	629.57	18.39
	Profit on Sale of Assets	0.18	0.83
	<b>Total</b>	<b>634.75</b>	<b>27.22</b>

	Particulars	Period ended 31 March 2019		Period ended 31 March 2018	
		On Financial liabilities measured at Amortised Cost	On Financial liabilities measured through P&L	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured through P&L
<b>28</b>	<b>Finance Cost</b>				
	Interest on borrowings	1,386.99	-	286.03	-
	Interest on debt securities	8,083.78	-	8,083.78	-
	Interest on subordinated liabilities	950.00	-	950.00	-
	Other Fee and charges	14.36	-	325.06	-
	<b>Total</b>	<b>10,435.13</b>	<b>-</b>	<b>9,644.87</b>	<b>-</b>

	Particulars	Period ended 31 March 2019	Period ended 31 March 2018
<b>29</b>	<b>Employee Benefit Expenses</b>		
	Salaries & Allowances	834.06	955.52
	Contribution to Provident Fund	57.44	91.57
	Contribution for Gratuity	50.88	48.38
	Contribution for Leave Encashment	50.12	48.90
	Staff Welfare Expenses & Others	43.77	30.24
	Interest on Loans to Staff (due to amortisation of loan at FV)	27.05	30.04
	<b>Total</b>	<b>1,063.32</b>	<b>1,204.65</b>





NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	Period ended 31 March 2019	Period ended 31 March 2018
<b>30</b>	<b>Other Expenses</b>		
	Rent Rates & Taxes	8.68	12.05
	Office Upkeep & Maintenance	101.13	100.06
	Insurance Premium	4.89	2.77
	Electricity charges	4.23	3.41
	Travelling and Conveyance	85.35	74.38
	Printing and Stationery	6.49	4.98
	Postage, Telephone and Internet	28.94	23.21
	Advertisement & Publicity	23.89	16.07
	Books & Periodicals	5.72	5.78
	Membership and Subscription	5.88	3.79
	Directors Sitting Fee	57.82	21.89
	Board Meeting Expenses	43.87	35.92
	AGM Expenses	16.07	14.32
	Registrar & Transfer Agent Fee	6.70	5.41
	Listing Fee	9.94	9.45
	Rating Fees	65.06	69.94
	Audit Fee	5.90	5.90
	Legal and Professional Charges	55.12	184.85
	Corporate Social Responsibility(CSR) Expenses	187.69	180.20
	Miscellaneous Expenses	6.97	4.86
	<b>Total</b>	<b>730.34</b>	<b>779.24</b>

31	First time adoption of Ind AS Reconciliation of Balance Sheet as previously reported under IGAAP to Ind AS							
	Particulars	Refer Note No.	Balance Sheet as at 01 April 2017			Balance Sheet as at 31 March 2018		
			IGAAP *	Adjustments	Ind AS	IGAAP *	Adjustments	Ind AS
	<b>ASSETS</b>							
	<b>A. Financial Assets</b>							
	(a) Cash and cash equivalents		1,101.25	-	1,101.25	12,602.61	-	12,602.61
	(b) Receivables							
	(i) Other Receivables		19.52	-	19.52	20.74	-	20.74
	(c) Loans	35 (a)	1,37,965.83	(274.00)	1,37,691.83	1,51,599.81	(438.08)	1,51,161.73
	(d) Investments	35(b)	24,764.94	954.11	25,719.05	29,211.14	933.05	30,144.19
	(e) Other financial assets		1,609.05	0.01	1,609.06	2,414.64	0.01	2,414.65
	<b>Total (A)</b>		<b>1,65,460.59</b>	<b>680.12</b>	<b>1,66,140.71</b>	<b>1,95,848.94</b>	<b>494.98</b>	<b>1,96,343.92</b>
	<b>B. Non-financial Assets</b>							
	(a) Current tax Assets (Net)		1,895.02	0.01	1,895.03	2,127.70	0.01	2,127.71
	(b) Deferred Tax Assets (Net)	35 (f)	(2,667.49)	3,959.41	1,291.92	(3,351.03)	4,363.18	1,012.15
	(c) Plant, Property and Equipment	35 (e)	1,509.15	-	1,509.15	1,462.39	6.82	1,469.21
	(d) Other non-financial assets	35 (a)	20.07	274.00	294.07	0.00	232.09	232.09
	<b>Assets classified as held for sale</b>	35(e)	530.99	-	530.99	530.99	-	530.99
	<b>Total (B)</b>		<b>1,287.74</b>	<b>4,233.42</b>	<b>5,521.16</b>	<b>770.05</b>	<b>4,602.10</b>	<b>5,372.15</b>
	<b>Total Assets (A+B)</b>		<b>1,66,748.33</b>	<b>4,913.54</b>	<b>1,71,661.87</b>	<b>1,96,619.01</b>	<b>5,097.08</b>	<b>2,01,716.07</b>



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No. 31 Contd.	Particulars	Refer Note No.	Balance Sheet as at 01 April 2017			Balance Sheet as at 31 March 2018		
			IGAAP *	Adjustments	Ind AS	IGAAP *	Adjustments	Ind AS
	<b>LIABILITIES AND EQUITY</b>							
	<b>LIABILITIES</b>							
	<b>A. Financial Liabilities</b>							
	(a) Payables							
	(b) Other Payables							
	(i) total outstanding dues of micro enterprises and small enterprises							
	(ii) total outstanding dues of creditor other than micro enterprises and small enterprises		799.02	-	799.02	143.69	-	143.69
	(c) Debt Securities	35(c)	84,124.00	(288.58)	83,835.42	84,124.00	(257.09)	83,866.91
	(d) Borrowings (Other than Debt Securities)	35(c)	10,872.49	-	10,872.49	36,502.49	-	36,502.49
	(e) Subordinated Liabilities	35(c)	10,000.00	(22.02)	9,977.98	10,000.00	(11.65)	9,988.35
	(f) Other financial liabilities		2,701.48	-	2,701.48	2,783.54	0.01	2,783.55
	<b>Total(A)</b>		<b>1,08,496.99</b>	<b>(310.60)</b>	<b>1,08,186.39</b>	<b>1,33,553.72</b>	<b>(268.73)</b>	<b>1,33,284.99</b>
	<b>B. Non-Financial Liabilities</b>							
	(a) Provisions	35 (d)	2,781.23	(1,942.97)	838.26	459.25	-	459.25
	(b) Other non-financial liabilities	35 (a)	45.60	15.50	61.10	60.78	91.99	152.77
	<b>Total(B)</b>		<b>2,826.83</b>	<b>(1,927.47)</b>	<b>899.36</b>	<b>520.03</b>	<b>91.99</b>	<b>612.02</b>
	<b>EQUITY</b>							
	(a) Equity Share Capital		8,071.67	-	8,071.67	8,071.67	-	8,071.67
	(b) Other Equity	32	47,352.84	7,151.61	54,504.45	54,473.59	5,273.80	59,747.39
	<b>Total(C)</b>		<b>55,424.51</b>	<b>7,151.61</b>	<b>62,576.12</b>	<b>62,545.26</b>	<b>5,273.80</b>	<b>67,819.06</b>
	<b>Total Liabilities and Equity (A+B+C)</b>		<b>1,66,748.33</b>	<b>4,913.54</b>	<b>1,71,661.87</b>	<b>1,96,619.01</b>	<b>5,097.06</b>	<b>2,01,716.07</b>

\*The IGAAP figures have been regrouped & reclassified in conformity with the Ind AS requirements.

32	Reconciliation of Total Equity		
	Particulars	As at 31 March 2018	As at 01 April 2017
	<b>Total Equity as previously reports under IGAAP (Equity share capital + Other Equity)</b>	<b>62,545.26</b>	<b>55,424.51</b>
	<b>Adjustments:</b>		
	Add: Reversal of proposed dividend (including CDT)	-	1,942.98
	Add: Net gain on financial assets mandatorily measured through fair value through P&L (Net of Tax)	23.08	23.08
	Add: Bond Issue Expenses (as per EIR)	470.82	470.82
	Add: Reversal of DTL on special reserve u/s 36(1)(viii) of I.Tax Act upto 1 April 2017	3,967.76	3,967.76
	Add: Gain on fair valuation of Equity Instruments.	976.59	922.69
	Less: Unamortised Appraisal & upfront fee (Non-disbursed loans)	(15.50)	(15.50)
	Less: Amortisation of Bond Issue Expenses	(202.08)	(160.22)



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Reconciliation of Total Equity			
32 Contd.	Particulars		As at 31 March 2018	As at 01 April 2017
	Add: recognition of interest of staff loan as per EIR method		30.04	-
	Less: Adjustment of upfront fees on loans given as per EIR method		(282.48)	-
	Less: Loss due to fair value of investments		(74.96)	-
	Less: amortisation of deferred interest of staff loan as per EIR method		(30.04)	-
	Add: Reversal of depreciation due to classification of Asset held for sale		6.82	-
	Add: Reversal of DTL on special reserve u/s 36(1)(viii) of I.Tax Act for FY 2017-18		403.75	-
	<b>Total Adjustment</b>		<b>5,273.80</b>	<b>7,151.61</b>
	<b>Total Equity as per Ind AS (Equity share capital + Other Equity)</b>		<b>67,819.06</b>	<b>62,576.12</b>

33	Reconciliation statement of Profit & Loss (Incl OCI) as previously reported under IGAAP to Ind AS				
	Particulars	Refer Note No.	Year Ended 31 March 2018		
			IGAAP*	Adjustments	Ind AS
<b>I.</b>	<b>Revenue from Operations</b>				
	a) Interest Income	35(a)	19,675.39	30.05	19,705.44
	b) Dividend Income		40.91	0.00	40.91
	c) Fees and Commission Income	35(a)	1,199.63	(282.48)	917.15
	d) Net gain on fair value changes	35(b)	855.25	(74.96)	780.29
	e) Other operating Income		918.52	0.00	918.52
	<b>Total Revenue from operations</b>		<b>22,689.70</b>	<b>(327.39)</b>	<b>22,362.31</b>
<b>II.</b>	<b>Other Income</b>		<b>27.22</b>	<b>-</b>	<b>27.22</b>
<b>III.</b>	<b>Total Income (I+II)</b>		<b>22,716.92</b>	<b>(327.39)</b>	<b>22,389.53</b>
	<b>Expenses</b>				
	Finance Cost		9,644.18	0.69	9,644.87
	Employee Benefits Expenses	35(a)/35(g)	1,339.19	(134.54)	1,204.65
	Depreciation, amortization and impairment	35(e)	69.33	(6.82)	62.51
	Others expenses		779.94	(0.70)	779.24
<b>IV.</b>	<b>Total Expenses</b>		<b>11,832.64</b>	<b>(141.37)</b>	<b>11,691.27</b>
<b>V.</b>	<b>Profit/(loss) before exceptional items and tax (III-IV)</b>		<b>10,884.28</b>	<b>(186.02)</b>	<b>10,698.26</b>
<b>VI.</b>	Exceptional Items		-	-	-
<b>VII.</b>	<b>Profit/(loss) before tax (V-VI)</b>		<b>10,884.28</b>	<b>(186.02)</b>	<b>10,698.26</b>
<b>VIII.</b>	<b>Tax Expense</b>				
	(i) Current tax		2,670.00	-	2,670.00
	(ii) Deferred tax	35 (f)	683.53	(403.75)	279.78
<b>IX.</b>	<b>Profit/(loss) for the period (VII-VIII)</b>		<b>7,530.75</b>	<b>217.73</b>	<b>7,748.48</b>
<b>IX.</b>	<b>Other Comprehensive Income</b>				
	(A) (i) Items that will not be reclassified to profit or loss				
	- Remeasurements of the defined benefit plans:-	35(g)	-	(164.58)	(164.58)
	Less: Deferred Tax on Above		-	-	-
	- Gain on sale of investments in equity shares		-	-	-
	<b>Subtotal (A)</b>		<b>-</b>	<b>(164.58)</b>	<b>(164.58)</b>
	(B) (i) Items that will be classified to profit or loss :-				
	-Gain/(Loss) on change in fair valuation of	35(b)	-	53.88	53.88
	investments in equity shares/debt instrument				
	<b>Subtotal (B)</b>		<b>-</b>	<b>53.88</b>	<b>53.88</b>
	<b>Other Comprehensive Income (A+B)</b>		<b>-</b>	<b>(110.70)</b>	<b>(110.70)</b>
	<b>Total Comprehensive Income for the period (IX+X)</b>		<b>7,530.75</b>	<b>107.03</b>	<b>7,637.78</b>

\*The IGAAP figures have been regrouped & reclassified in conformity with the Ind AS requirements.



## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Effect of adoption of Ind AS on Cash Flow Statement for year ended 31 March 2018	IGAAP*	Adjustments	Ind AS
<b>34</b>	<b>Particulars</b>			
	Net cash flow from operating activities	13,466.08	41.87	13,507.95
	Net cash flow from Investing activities	(21.74)	-	(21.74)
	Net cash flow from financing activities	(1,942.98)	(41.87)	(1,984.85)
	Net Increase/(Decrease) in cash and cash equivalent	11,501.36	-	11,501.36
	Cash and cash equivalent as on 1 April 2017	1,101.25	-	1,101.25
	Cash and cash equivalent as on 31 March 2018	12,602.61	-	12,602.61

\*The IGAAP figures have been regrouped & reclassified in conformity with the Ind AS requirements.

**35 First time adoption of Ind AS (Explanations to Note No. 31 - 34 above)**

- (a) In IGAAP, Loans to Employees and Loans to Companies/LLP were recorded at gross cost. As per Ind AS these assets should be recorded using EIR method. EIR method calculate the amortised cost of a financial instruments and allocate such cost over the relevant period. Based on EIR method following adjustments are made in Loans to Employees and Loans to Companies /LLP.
- (i) SBI rates for perquisite are considered for valuation of Loans to employees on EIR method. Accordingly, Loan to Employees decreased by Rs.232.09 lakh as at 31 March 2018 (Rs.274.00 Lakh as at 01 April 2017) and other non-financial assets increased by same amount. Interest income and employee benefit cost has increased by Rs.30.04 lakh during year ended 31 March 2018 due to recognition of interest at EIR and amortisation of deferred employee cost.
- (ii) Appraisal & Upfront fees received on Loans given to Companies/LLP are amortised in tenure of loan on the basis of effective interest rate (EIR) method. Consequently, Loan to companies/LLP decreased by Rs.205.99 Lakh as at 31 March 2018 and other non- financial liability increased by Rs.91.99 Lakh as at 31 March 2018 (Rs.15.50 lakhs as at 01 April 2017). Correspondingly, fees & Commission income decreased by Rs.282.48 Lakh as at 31 March 2018 due to recognition of Appraisal & Upfront fee using EIR method.
- (b) In IGAAP, the company had accounted long term investments in unquoted and quoted equity shares as investment measured at cost less diminution (other than temporary) in value of investments.
- (i) In Ind AS, the company has categorised equity investments at FVTPL/FVTOCI investments. Ind-AS requires FVTPL/ FVOCI investments to be measured at fair value resulting :-
- Fair value changes for FVTPL investment recognised in retained earnings for Rs.25.93 Lakh as at 31 March 2018 (Rs.31.43 Lakh as at 1 April 2017) and investment appreciated by same amount.
  - For investments categorised at FVOCI company has recognised fair value changes through OCI as a separate component of equity for Rs. 907.12 lakh as at 31 March 2018 (Rs. 922.69 lakh as at 1 April 2017) (FVOCI reserve) as at the date of transition and correspondingly investment increased by the same amount.
- (c) In IGAAP, Transaction cost on Borrowings (Market & Bank Borrowings) are charged to statement of profit and loss as and when incurred. However, Ind AS - 109 "Financial instruments" requires long term debt to be recognised at amortised cost and upfront fees are charged on the basis of effective interest rate method. Accordingly, the bond issue expenses of Rs.268.73 lakhs as on 31 March 2018 (Rs.310.60 lakhs as on 1 April 2017) are adjusted from carrying value of Bonds and added in Security Premium A/c (where charged when incurred).
- (d) In IGAAP, Proposed Dividends and related dividend distribution tax are recognised as a provision in the year to which they relates. As per Ind AS, dividends to shareholders declared after the end of the reporting period but before the financial statements are authorised are not recognised as a liability at the end of the reporting period, but are disclosed separately in the notes. They are charged to Reserves A/c on payment basis. Accordingly Provision for dividend was reversed and retained earnings increased by Rs.1942.97 lakhs as on 1 April 2017.
- (e) Company has classified one Land & Building (at Mussoorie) as "Non-Financial Assets - Held for Sale" as per Ind AS 105, which was earlier part of Fixed Assets. Accordingly, depreciation charge of Rs.6.82 lakh during FY 2017-18 has been reversed. The carrying value as on 01 April 2017 has been taken to Asset held for sale.
- (f) In IGAAP, deferred taxes were recognised for the tax effect of timing differences between accounting income and taxable

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

(₹ in lakh)

income for the year i.e., Income Statement Approach. However, under Ind AS - 12 “deferred taxes” are computed for temporary differences between the carrying amount of an asset or liability in the balance sheet and their respective tax base i.e. balance sheet approach. due to which following adjustments are made.

- (i) The deferred tax liability (DTL) is not required on Reserves created u/s 36(1)(viii) of Income Tax Act 1961 as per Ind AS. Accordingly, DTL of Rs.4415.56 lakh upto 31 March 2018 (Rs.3967.76 lakh as on 1 April 2017) on reserve created u/s 36(1)(viii) of Income Tax Act 1961 as per IGAAP has been reversed and no further DTL has been provided for subsequent periods.
- (ii) Company has recognised the deferred tax liability for Rs.6.88 lakh as at 31 March 2018 (Rs.8.34 lakh as at 1 April 2017) on fair valuation changes in investments.
- (iii) Reversal of DTL of Rs.1.81 lakh on reversal of depreciation on assets classified as Held for Sale.
- (iv) Reversal of DTL of Rs.47.30 lakh on OCI section for remeasurement of defined benefit plan as the company had provided full tax liability as per Income Tax Act as on 31 March 2018.
- (g) As per IGAAP as well as as per Ind-AS, the company recognised costs related to its post-employment defined benefit plan on an actuarial basis. In IGAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind-AS, remeasurements (comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability) are recognised in Other Comprehensive Income
- (h) Retained Earnings as at 1 April 2017 has been adjusted consequent to the above Ind AS transition adjustments. Refer ‘Reconciliation of Total Equity as at 31 March 2018 and 1 April 2017’ given at Note No.32.
- (i) In IGAAP, the company has not presented Other Comprehensive Income (OCI) separately. Items that have been reclassified from statement of profit and loss to other comprehensive income includes remeasurement of defined benefit plans and fair value gain/loss on equity instruments measured at FVTOCI. Hence, IGAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

The following items have been reclassified to OCI :-

- (i) Gain on Equity instruments measured at FVTOCI has been classified to OCI of Rs.53.88 lakh
- (ii) Actuarial Gain/(loss) on defined benefit plan has been reclassified to OCI of Rs.164.58 lakh

**36 Provisions, Contingent Liabilities and Contingent Assets (Ind AS - 37)****a) Contingent Liabilities:**

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

Particulars	31 March 2019	31 March 2018	01 April 2017
Income Tax	138.51	891.53	1,567.20
<b>Total</b>	<b>138.51</b>	<b>891.53</b>	<b>1,567.20</b>

- b) Contingent Assets: There are no reportable contingent assets.

**37 Commitments**

- a) **Capital Commitments:** Nil (PY: 2018-Nil, 2017- Rs.21.28 lakh)
- b) **Other Commitments:** Nil (PY: 2018-Nil, 2017- Nil)

- 38** 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, 2019. 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.

**39 Effects of changes in Foreign Exchange Rates (Ind AS - 21) : NIL****40 Employee Benefits (Ind AS - 19)**





## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

The summarized position of various defined benefits recognized in the Statement of Profit & Loss, Other Comprehensive Income (OCI) and Balance Sheet & other disclosures.

Summary of membership data (Gratuity & Leave Encashment )	31 March 2019	31 March 2018
Number of employees	29	30
Total Monthly Salary for gratuity	41.58	40.14
Total Monthly Salary for leave encashment	49.34	48.13
Total Monthly Salary for leave availment	49.34	48.13
Average Past Service (in Years)	20.62	19.03
Average Age of Employees (in Years)	47.99	47.43
Average remaining working life (in Years)	12.01	12.57
Leave balance considered on valuation date (No's)	5594	5235
Weighted average duration of PBO (in Years)	10.72	10.89

## Balances of defined benefit obligation

Particulars	31 March 2019		31 March 2018		01 April 2017	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Defined Benefit Obligation	486.42	328.80	456.42	268.98	281.13	209.75
Fair Value of Plan Assets	519.56	277.08	132.27	248.86	139.15	-
<b>Net Defined Benefit Assets/ (Liabilities)</b>	<b>33.14</b>	<b>(51.72)</b>	<b>(324.15)</b>	<b>(20.12)</b>	<b>(141.98)</b>	<b>(209.75)</b>

## Movement in present value of defined benefit obligation

Particulars	31 March 2019		31 March 2018		01 April 2017	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Defined benefit obligation at the beginning of the period	456.42	268.98	281.13	209.75	235.94	170.89
Service cost	22.67	16.93	37.99	17.96	16.11	15.10
Interest Cost	36.51	21.52	20.58	15.35	18.87	13.67
Benefits Paid	-	(7.93)	(46.79)	(3.79)	-	-
Total actuarial loss/(gain) on obligation	(29.20)	29.30	163.52	29.70	10.21	10.09
<b>Defined benefit obligation at the end of the period</b>	<b>486.42</b>	<b>328.80</b>	<b>456.42</b>	<b>268.98</b>	<b>281.13</b>	<b>209.75</b>

## Movement in fair value of plan asset

Particulars	31 March 2019		31 March 2018		01 April 2017	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Fair value of plan assets at the beginning of the period	132.27	248.86	139.15	-	16.53	-
Actuarial return on the plan assets	26.32	19.22	9.94	10.32	8.46	-
Mortality charges	-	(1.59)	(0.81)	-	(0.93)	-
Employer contribution	360.97	18.52	8.73	238.53	115.09	-
Benefit paid	-	(7.93)	(24.73)	-	-	-
<b>Fair value of plan assets at end of year</b>	<b>519.56</b>	<b>277.08</b>	<b>132.27</b>	<b>248.86</b>	<b>139.15</b>	<b>-</b>



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Amount Recognized in Statement of Profit and Loss

Particulars	31 March 2019		31 March 2018		01 April 2017	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current service cost	22.67	16.93	37.99	17.96	16.11	15.10
Past Service Cost including Curtailment loss/gain	-	-	-	-	-	-
Gain or loss on non-routine settlement	-	-	-	-	-	-
<b>Service Cost</b>	<b>22.67</b>	<b>16.93</b>	<b>37.99</b>	<b>17.96</b>	<b>16.11</b>	<b>15.10</b>
Net interest cost	25.93	1.60	10.39	15.35	17.55	13.67
Net actuarial (gain) / loss recognized in the period		31.57	-	19.38	-	10.09
<b>Cost Recognized in P&amp;L</b>	<b>48.60</b>	<b>50.10</b>	<b>48.38</b>	<b>52.69</b>	<b>33.66</b>	<b>38.86</b>

Amount recognized in Other Comprehensive Income (OCI)

Particulars	31 March 2019		31 March 2018		01 April 2017	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Net cumulative unrecognised actuarial gain/(loss) - opening balance	-	-	-	-	-	-
Actuarial gain/(loss) for the year on PBO	29.20		(163.52)	-	(10.21)	-
Actuarial gain/(loss) for the year on Asset	15.74		(1.06)	-	6.21	-
<b>Unrecognised actuarial gain/(loss) at the end of the year</b>	<b>44.93</b>		<b>(164.58)</b>	<b>-</b>	<b>(4.00)</b>	<b>-</b>

Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Assumptions	31 March 2019		31 March 2018	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Present Value of Obligation at the end of the period	486.42	328.80	456.42	268.98
Impact due to increase of 0.50% in discount rate	(19.28)	(13.60)	(20.83)	(11.54)
Impact due to decrease of 0.50 % in discount rate	20.49	14.50	22.25	12.32
Impact due to increase of 0.50% in salary	20.51	14.51	22.36	12.38
Impact due to decrease of 0.50 % in salary	(19.48)	(13.73)	(21.12)	(11.69)

Actuarial Assumption

Particulars	31 March 2019		31 March 2018		01 April 2017	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Method used	Projected Unit Credit (PUC)					
Discount rate	7.60%	7.60%	8.00%	8.00%	7.32%	7.32%
Rate of salary increase	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%



## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

## Maturity Profile of Defined Benefit Obligation

Year of payment	31 March 2019		31 March 2018	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
0 to 1 Year	59.21	47.66	31.64	42.80
1 to 2 Year	7.30	4.78	6.51	3.82
2 to 3 Year	6.97	4.81	6.48	3.84
3 to 4 Year	6.83	4.62	6.45	3.69
4 to 5 Year	6.88	4.50	37.56	3.61
5 to 6 Year	6.92	4.33	21.06	34.98
6 Year onwards	392.30	258.11	346.72	176.23

## Category of investment in Plan assets

Category of Investment	31 March 2019		31 March 2018		01 April 2017	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	% of fair value of plan assets					
Funds Managed by Insurer	100.00%	100.00%	100.00%	100.00%	100.00%	NA

## 41 Operating Segments (Ind AS - 108)

- a) Based on the "Management Approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the performance and allocates resources based on an analysis of various performance indicators by business segments. The Managing Director (MD) has been identified as CODM. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual business segment, and are as set out in the significant accounting policies.
- b) The company operates in a single segment namely "Financing and Investment Activities" taking into account the different risks and returns, the organisational structure and the internal reporting systems.
- c) **Entity-Wide Disclosures-**

## (i) Information about major customers

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

## (ii) Geographical Information

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

Particulars	Geographical Location - INDIA				
	Non Current Assets			Revenue from External Customers	
	31 March 2019	31 March 2018	01 April 2017	31 March 2019	31 March 2018
Property, Plant & Equipment	1,435.03	1,469.21	1,509.15	22,994.87	22,362.31
Loans & Advances (Gross)	1,69,395.68	1,55,143.48	1,42,283.18		
<b>Total</b>	<b>1,70,830.71</b>	<b>1,56,612.69</b>	<b>1,43,792.33</b>	<b>22,994.87</b>	<b>22,362.31</b>

## (iii) Revenue from Major Products

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

Particulars	31 March 2019	31 March 2018
Interest Income	21,160.09	19,705.44

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



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

42 Earning Per Share (Ind AS - 33)

a) Basic EPS

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Net Profit Attributable to Equity Shareholders	8,625.15	7,748.48
Weighted Average Number of Equity Shares (No's)	80716748	80716748
Basic Earning Per Share (Face Value Rs.10/- each)	10.69	9.60

b) Diluted EPS

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Net Profit Attributable to Equity Shareholders (Rs. in lakh)	8,625.15	7,748.48
Weighted Average Number of Equity Shares (No's)	80716748	80716748
Diluted Earning Per Share (Face Value Rs.10/- each)	10.69	9.60

43 Dividends

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Dividend Paid During Year	1,614.33	1,614.33
Equity Shares (No's)	80716748	80716748
Dividend Per Share (Face Value Rs.10/- each)	2.00	2.00
Dividend (as % of per equity share)	20.00%	20.00%

44 Related Part Disclosure (Ind AS -24)

(a) List of Related Party and their Relationship

Sr. No.	Name	Relationship	Related Party During	
			FY: 2018-19	FY: 2017-18
<b>- Directors &amp; Key Managerial Persons</b>				
1	Shri S. Ravi	Non-Executive Chairman (Independent Director)	✓	✓
2	Shri Shyam Maheshwari	Promoter Director (w.e.f. 15.03.2019)	✓	
3	Shri Naresh T. Jain	Promoter Director (w.e.f. 15.03.2019)	✓	
4	Shri Koppara Sajeeve Thomas	Promoter Director (w.e.f. 15.03.2019)	✓	
5	Mrs.Thankom T Mathew	Independent Director (w.e.f. 24.10.2018)	✓	
6	Shri Sanjeev Kaushik I.A.S.	Non-Executive Chairman (upto 22.09.2017)		✓
7	Shri Satpal Kumar Arora	Managing Director (upto 15.05.2018)	✓	✓
8	Shri A.K. Dogra	Nominee Director, Ministry of Finance, Govt. of India (upto 08.12.2017)		✓
9	Shri Suman Billa	Nominee Director, Ministry of Tourism, Govt. of India	✓	✓
10	Shri Niraj Agarwal	Representing LIC of India	✓	✓
11	Shri B.N. Nayak	Representing IFCI Ltd. (upto 26.03.2018)		✓
12	Shri S. Sridhar	Independent Director	✓	✓
13	Shri S.C. Sekhar	Independent Director	✓	✓



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Sr. No.	Name	Relationship	Related Party During	
			FY: 2018-19	FY: 2017-18
14	Shri K.B. Nagendra Murthy	Independent Director	✓	✓
15	Justice (Retd.) Ms. Rekha Sharma	Independent Director (upto 25.07.2018)	✓	✓
16	Shri Rudhra Gangadharan I.A.S. (Retd.)	Independent Director	✓	✓
17	Shri Bapi Munshi	Independent Director (w.e.f. 01.02.2018)	✓	✓
18	Shri B.M.Gupta	Manager/Whole Time Director (w.e.f. 16.05.2018)	✓	
19	Shri Anoop Bali	Chief Financial Officer	✓	✓
20	Shri Sanjay Ahuja	Company Secretary	✓	✓

**- Other Related Parties**

1	Redkite Capital Pvt. Ltd. (Investing Company)	Associate (w.e.f. 06.03.2019)	✓	
2	IFCI Limited (Investing Company)	Associate (Ceased to be associate w.e.f. 30.09.2017)		✓
3	UTI Trustee Company Pvt. Ltd.	Company with Common Directors	✓	✓
4	S.Ravi Financial Manage- ment Services Pvt. Ltd.	Company with Common Directors	✓	✓
5	GVFL Trustee Company Pvt. Ltd.	Company with Common Directors	✓	✓
6	Universal Trustees Pvt. Ltd.	Company with Common Directors	✓	✓
7	Strategic Research & Information Capital Services Pvt. Ltd.	Company with Common Directors	✓	✓
8	Epitome Multitrade Pvt. Ltd.	Company with Common Directors	✓	
9	Moneytree Multitrade Pvt. Ltd.	Company with Common Directors	✓	
10	Aparjita Mercantile Pvt. Ltd.	Company with Common Directors	✓	
11	Epitome Consulting Services Pvt. Ltd.	Company with Common Directors	✓	
12	Shapoorji Pallonji Finance Pvt. Ltd.	Company with Common Directors	✓	
13	Sunbright Consulting Pvt. Ltd.	Director is Member	✓	
14	Varanium Advisory Pvt. Ltd.	Director is Member	✓	
15	Essfore Consultancy Services Pvt. Ltd.	Company with Common Directors	✓	





## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

## (b) Transactions with Related Parties

Sr. No.	Name	Nature of Transaction	Year Ended 31 March 2019	Year Ended 31 March 2018
1	S.P. Arora	Salary including perquisites Arrears of Salaries	23.01 -	*54.18 6.98
2	B.M. Gupta	Salary including perquisites	58.02	-
3	Anoop Bali	Salary including perquisites Arrears of Salaries	53.43 -	*55.01 28.23
4	Sanjay Ahuja	Salary including perquisites Arrears of Salaries	39.09 -	*39.41 17.42
5	IFCI Ltd. (Ceased to be related party w.e.f. 30.09.2017)	Dividend Paid	-	421.20
		Dividend Received	-	0.20
		Rent, IT Support Services & Other Expenses Paid	-	12.24
		Interest on Bonds Received	-	580.59

\*Includes payment of Provident Fund contribution for Previous Year due to salary revision.

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

## (c) Outstanding Balances with Related Parties

Sr. No.	Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
1	Investment in Preference Shares of IFCI Ltd.	*---	200.00
2	Investment in 8.76% Tax Free Bonds of IFCI Ltd.	*---	5,000.50
3	Investment in 9.40% Bonds of IFCI Ltd.	*---	1,500.00

\*Ceased to be Related Party w.e.f. 30.09.2017.

## 45 Leases (Ind AS - 17)

## Operating lease

The Company has taken Office Space on cancellable operating lease. Details of lease rentals paid for such lease are as follows.

Sr. No.	Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
1	Lease Payments Charged to P&L A/c	5.20	5.02

## 46 Corporate Social Responsibility(CSR)

## (i) Corporate Social Responsibility (CSR) Expenditure

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Gross amount required to be spent by the company	187.69	169.70
Amount spent during the period on		
i) Construction / acquisition of any assets	-	-
ii) On purposes other than (i) above	187.69	180.20
<b>Total</b>	<b>187.69</b>	<b>180.20</b>

Note: An amount of Rs.10.50 lakh relating to FY 2016-17 CSR activities spent during FY 2017-18.



## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

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

Sr. No	CSR Project/Activity	Outlay & Spent	
		Year ended 31 March 2019	Year ended 31 March 2018
1	Contribution to Prime Minister's National Relief Fund.	162.80	127.20
2	Contribution to AKSHAYA PATRA FOUNDATION - for mid day meal to students of Govt. Schools.	9.50	8.00
3	Contribution to ARYA KANYA SADAN (AKS) - for part funding for education expenses of girl students in Faridabad, Haryana.	5.00	-
4	Contribution to ISKCON Food Relief Foundation - for purchase of one vehicle for transporting meals to children under mid-day meal project in Gurgaon.	7.39	-
5	Contribution to Shri Ram College of Commerce - to organize Financial Literacy Project 'SAHAY', 'UMEED' and 'ASHA' spreading financial awareness in the rural sector in backward areas.	3.00	-
6	Contribution to Institute of Leadership Development - To providing Employment Oriented Skill Training Programs (EOSTP) for unemployed youths	-	25.00
7	Contribution to KHUSHII - For Remedial Education at government school at Sangam Vihar, New Delhi	-	8.00
8	Contribution to HOPE EK A.S.H.A. - for holding medical health camp for senior citizen	-	0.75
9	Contribution to Mukherjee Memorial School - To install water cooler along with RO at school.	-	0.75
	<b>Total</b>	<b>187.69</b>	<b>169.70</b>

## 47 Auditor Remuneration

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Audit fees	5.90	5.90
Reimbursement of expenses	-	-
Certification Charges	0.35	-
<b>Total</b>	<b>6.25</b>	<b>5.90</b>



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Fair Value Measurement (Ind AS - 113)

48 Financial instrument by category

A(i)	Particulars	March 31,2019			
		At Amortised Cost	At Fair Value		Total
			Through Other Comprehensive Income	Through P & L	
<b>Financial assets</b>					
	Cash and cash equivalents	4,958.81	-	-	4,958.81
	Bank balances otherthan (i) above	219.51	-	-	219.51
	Other receivables	9.12	-	-	9.12
	Loans & Advances	1,64,341.06	-	-	1,64,341.06
	Loan to employees	329.09	-	-	329.09
	Investment in debt securities	22,165.08	-	5,049.80	27,214.88
	Investment in equity securities	-	2,094.89	10.30	2,105.19
	Investment in security receipts	-	-	2,487.10	2,487.10
	Other financial assets	2,643.32	-	-	2,643.32
	<b>Total financial assets</b>	<b>1,94,665.99</b>	<b>2,094.89</b>	<b>7,547.20</b>	<b>2,04,308.08</b>
<b>Financial liabilities</b>					
	Payables	139.14	-	-	139.14
	Debt Securities	83,901.21	-	-	83,901.21
	Borrowings (other than debt securities)	38,459.84	-	-	38,459.84
	Subordinated Liabilities	9,999.92	-	-	9,999.92
	Other financial liabilities	2,468.42	-	-	2,468.42
	<b>Total financial liabilities</b>	<b>1,34,968.53</b>	-	-	<b>1,34,968.53</b>

A(ii)	Particulars	March 31,2018			
		At Amortised Cost	At Fair Value		Total
			Through Other Comprehensive Income	Through P & L	
<b>Financial assets</b>					
	Cash and cash equivalents	12,397.41	-	-	12,397.41
	Bank balances otherthan (i) above	205.20	-	-	205.20
	Other receivables	20.74	-	-	20.74
	Loans & Advances	1,50,828.28	-	-	1,50,828.28
	Loan to employees	333.45	-	-	333.45
	Investment in debt securities	17,165.08	-	7,939.98	25,105.06
	Investment in equity securities	200.00	2,151.12	24.21	2,375.33
	Investment in security receipts	-	-	2,663.80	2,663.80
	Other financial assets	2,414.65	-	-	2,414.65
	<b>Total financial assets</b>	<b>1,83,564.81</b>	<b>2,151.12</b>	<b>10,627.99</b>	<b>1,96,343.92</b>



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

<b>Financial liabilities</b>				
Payables	143.69	-	-	143.69
Debt Securities	83,866.91	-	-	83,866.91
Borrowings (other than debt securities)	36,502.49	-	-	36,502.49
Subordinated Liabilities	9,988.35	-	-	9,988.35
Other financial liabilities	2,783.55	-	-	2,783.55
<b>Total financial liabilities</b>	<b>1,33,284.99</b>	-	-	<b>1,33,284.99</b>

A(iii) Particulars	April 1, 2017			Total
	At Amortised Cost	At Fair Value		
		Through Other Comprehensive Income	Through profit or loss	
<b>Financial assets</b>				
Cash and cash equivalents	921.04	-	-	921.04
Bank balances otherthan (i) above	180.21	-	-	180.21
Other receivables	19.52	-	-	19.52
Loans & Advances	1,37,334.65	-	-	1,37,334.65
Loan to employees	357.18	-	-	357.18
Investment in debt securities	13,677.01	-	6,699.73	20,376.74
Investment in equity securities	200.00	2,296.70	41.21	2,537.91
Investment in security receipts	-	-	2,804.40	2,804.40
Other financial assets	1,609.06			1,609.06
<b>Total financial assets</b>	<b>1,54,298.67</b>	<b>2,296.70</b>	<b>9,545.34</b>	<b>1,66,140.71</b>
<b>Financial liabilities</b>				
Payables	799.02	-	-	799.02
Debt Securities	83,835.42	-	-	83,835.42
Borrowings (other than debt securities)	10,872.49	-	-	10,872.49
Subordinated Liabilities	9,977.98	-	-	9,977.98
Other financial liabilities	2,701.47	-	-	2,701.47
<b>Total financial liabilities</b>	<b>1,08,186.38</b>	-	-	<b>1,08,186.38</b>

B. Particulars	March 31, 2019		March 31, 2018	
	Fair value at the date of derecognition	Cumulative gain or loss on disposal	Fair value at the date of derecognition	Cumulative gain or loss on disposal
Shell Inn International Limited	269.55	340.71	199.46	221.74
- Promoters of Shell Inn International Limited have bought back investment in company as per agreement.				



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Fair value hierarchy

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

Particulars	Amount at Fair Value									Valuation Techniques & Significant Inputs
	As at 31 March 2019			As at 31 March 2018			As at 1 April 2017			
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	
<b>I. FINANCIAL ASSETS</b>										
<b>Financial Investments at FVTOCI</b>										
- Investment in Equity Instruments (refer footnote of Note No.7)	-	-	2,094.89	-	-	2,151.12	-	-	2,296.70	Fair value ascertained based on Book Value/Market Value of Securities
<b>Financial Investments at FVTPL</b>										
- Investment in Debt Securities	5,049.80	-	-	7,939.98	-	-	6,699.73	-	-	Open Market Settlement Rate
- Investment in Equity Instruments	10.30	-	-	24.21	-	-	41.21	-	-	Share Market Quoted Price
- Investment in Security Receipts	-	-	2,487.10	-	-	2,663.80	-	-	2,804.40	NAV Declared by SR Trust
<b>TOTAL</b>	<b>5,060.10</b>	<b>-</b>	<b>4,581.99</b>	<b>7,964.19</b>	<b>-</b>	<b>4,814.92</b>	<b>6,740.94</b>	<b>-</b>	<b>5,101.10</b>	
<b>II. FINANCIAL LIABILITIES</b>										
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

Particulars	Amount at Fair Value									Valuation Techniques & Significant Inputs
	As at 31 March 2019			As at 31 March 2018			As at 1 April 2017			
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	
<b>I. FINANCIAL ASSETS</b>										
- Loan to Companies/LLP	-	-	1,69,066.59	-	-	1,54,810.03	-	-	1,41,926.00	Effective Interest Rate (EIR).
- Loan to Employees	-	329.09	-	-	333.45	-	-	357.18	-	NPV at SBI Rate for Perquisite.
- Investment in Debt Securities	-	-	22,165.08	-	-	17,165.08	-	-	13,677.01	Effective Interest Rate (EIR).
- Investment in Preference shares	-	-	-	-	-	200.00	-	-	200.00	
<b>TOTAL</b>	<b>-</b>	<b>329.09</b>	<b>1,91,231.67</b>	<b>-</b>	<b>333.45</b>	<b>1,72,175.11</b>	<b>-</b>	<b>357.18</b>	<b>1,55,803.01</b>	
<b>II. FINANCIAL LIABILITIES</b>										
- Debt securities	-	-	83,901.21	-	-	83,866.91	-	-	83,835.42	Effective Interest Rate (EIR).
- Borrowings (other than debt securities)	-	-	38,459.84	-	-	36,502.49	-	-	10,872.49	Effective Interest Rate (EIR).
- Subordinated liabilities	-	-	9,999.92	-	-	9,988.35	-	-	9,977.98	Effective Interest Rate (EIR).
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>1,32,360.97</b>	<b>-</b>	<b>-</b>	<b>1,30,357.75</b>	<b>-</b>	<b>-</b>	<b>1,04,685.89</b>	

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date.

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

- Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Company can access at measurement date.





## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

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

Particulars	as at 31 March 2019		as at 31 March 2018		as at 1 April 2017	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>I. FINANCIAL ASSETS</b>						
- Cash & cash equivalent	5,178.32	5,178.32	12,602.61	12,602.61	1,101.25	1,101.25
- Receivables	9.12	9.12	20.74	20.74	19.52	19.52
- Loans & advances	1,69,917.57	1,69,395.68	1,55,581.56	1,55,143.48	1,42,557.18	1,42,283.18
- Investments	31,723.63	31,807.17	29,889.61	30,144.19	25,433.81	25,719.05
- Other Financial Assets	2,643.32	2,643.32	2,414.65	2,414.65	1,609.06	1,609.06
<b>TOTAL</b>	<b>2,09,471.96</b>	<b>2,09,033.61</b>	<b>2,00,509.17</b>	<b>2,00,325.67</b>	<b>1,70,720.82</b>	<b>1,70,732.06</b>
<b>II. FINANCIAL LIABILITIES</b>						
- Payables	139.14	139.14	143.69	143.69	799.02	799.02
- Debt securities	84,124.00	83,901.21	84,124.00	83,866.91	84,124.00	83,835.42
- Borrowings (other than debt securities)	38,540.15	38,459.84	36,502.49	36,502.49	10,872.49	10,872.49
- Subordinated liabilities	10,000.00	9,999.92	10,000.00	9,988.35	10,000.00	9,977.98
- Other financial liabilities	2,468.42	2,468.42	2,783.55	2,783.55	2,701.47	2,701.47
<b>TOTAL</b>	<b>1,35,271.71</b>	<b>1,34,968.53</b>	<b>1,33,553.73</b>	<b>1,33,284.99</b>	<b>1,08,496.98</b>	<b>1,08,186.38</b>

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

## 49 Financial Risk Management

Associated Risk to Company and its Management

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

## (A) Credit Risk

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

## ii Significant estimates and judgements

**Impairment of financial assets:-**

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

As per Para B8D of Ind AS 101, An entity shall apply the impairment requirements in Section 5.5 of Ind AS 109 retrospectively subject to paragraphs B8E, B8F and B8G of this Ind AS.

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

As per Para B8E of Ind AS 101, at the date of transition to Ind AS, an entity shall use reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised and compare that to the credit risk at the date of transition to Ind AS.

Company has adopted policy to recognise impairment loss i.e. expected credit loss (ECL) in books as higher of provision as per Ind AS 109 or as per RBI guidelines.

Company has categorized all loans in three stages:

Stage-1 – Performing (Not deteriorated significantly since its initial recognition)

Stage-2 – Under Performing (Deteriorated significantly since its initial recognition)

Stage-3 – Non-Performing (objective evidence of impaired)

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

$ECL = \text{Probability of Default (PD)} \times \text{Loss given default (LGD)}$

Probability of Default (PD) is calculated as NPA accretion over last 10 years to total loan accretion over last 10 years in percentage terms.

Loss given Default is calculated as loss of principal during last 10 years to total NPAs during the last 10 years in percentage terms.

The company considers an exposure to have significantly increased in credit risk when the borrower crosses 30 DPD but is within 90 DPD.

The company has availed exception under para B8D of appendix B which permits the first time adopter to apply the impairment requirement of Ind AS 109 prospectively.

**iii. Provision for expected credit losses**

Level	Category	Discription of category	Basis for recognition of expected credit loss provision
			Loans
Stage 1	Standard Assets, High quality assets, negligible credit risk	Assets where counter party has strong capacity to meet the obligations and where risk of default is nil or negligible/ regularly paying assets	12 month ECL
Stage 2	Increased Risk Assets or Assest having significant risk	Assets where there has been a significant increase in credit risk since initial recognition.	Life time ECL
Stage 3	Impaired Assets		Life time ECL

**iv. Analysis of risk concentration**

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

(₹ in lakh)

Particulars	31 March 2019	31 March 2018	1 April 2017
Carrying value of Loans to companies	1,69,066.59	1,54,810.03	1,41,926.00
Mortgage & Assets backed loans	1,69,066.59	1,54,810.03	1,41,926.00

Collateral and other credit enhancements

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

The main types of collateral obtained are, as follows:

- For project lending to hotel/other tourism sector, Exclusive/Pari-passu charge on project assets alongwith mortgage of land and building and hypothecation of movables.

- For manufacturing lendings, the security cover by means of charge on net fixed assets/project assets of the borrower company should be atleast 1.5 times or by way of charge on collateral immovable assets based on distress sale value Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement.



## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Loan to Value (LTV) range	31 March 2019	31 March 2018	1 April 2017
Above 100% Coverage	1,69,066.59	1,54,810.03	1,41,926.00

**(B) Liquidity Risk**

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

**(i) Financing arrangements**

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

Particulars	31-Mar-19	31-Mar-18	01-Apr-17
Floating rate			
- Expiring within one year (bank overdraft and other facilities)	13,959.84	2,997.51	21,127.51

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

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

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

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

(₹ in lakh)

Particulars	Contractual maturities of financial liabilities			Contractual maturities of financial liabilities			Contractual maturities of financial liabilities		
	31 March 2019			31 March 2018			1 April 2017		
	Bank Borrowings	Market Borrowings	Total	Bank Borrowings	Market Borrowings	Total	Bank Borrowings	Market Borrowings	Total
1 day to 30/31 days (one month)	3,040.16	10,000.00	13,040.16	19,104.49	-	19,104.49	9,172.49	-	9,172.49
Over one month to 2 months	-	-	-	-	-	-	-	-	-
Over 2 months upto 3 months	1,125.00	-	1,125.00	1,125.00	-	1,125.00	-	-	-
Over 3 months to 6 months	1,125.00	-	1,125.00	3,523.00	-	3,523.00	-	-	-
Over 6 months to 1 year	2,250.00	-	2,250.00	2,250.00	-	2,250.00	-	-	-
Over 1 year to 3 years	21,000.00	25,000.00	46,000.00	10,500.00	15,000.00	25,500.00	1,133.33	10,000.00	11,133.33
Over 3 years to 5 years	10,000.00	25,650.00	35,650.00	-	45,650.00	45,650.00	566.67	10,650.00	11,216.67
Over 5 years	-	33,474.00	33,474.00	-	33,474.00	33,474.00	-	73,474.00	73,474.00
Total	38,540.16	94,124.00	1,32,664.16	36,502.49	94,124.00	1,30,626.49	10,872.49	94,124.00	1,04,996.49

**(C) Market Risk**

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



## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the long term loans with floating interest rates. The Company manages its interest rate risk according to its Board approved Interest Rate Risk Management policy'. Market interest rate risk is mitigated by proper review of market conditions, factors etc.

The company's borrowings are carried at amortised cost.

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

**(a) Interest rate risk exposure**

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

Particulars	31 March 2019	31 March 2018	1 April 2017
Variable rate borrowings	38,540.15	29,002.49	10,872.49
Fixed rate borrowings	94,124.00	1,01,624.00	94,124.00
<b>Total borrowings</b>	<b>1,32,664.15</b>	<b>1,30,626.49</b>	<b>1,04,996.49</b>

**(b) Sensitivity**

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

Particulars	0.50% increase in rates	
	31 March 2019	31 March 2018
Impact on Cost (on Borrowings)	(169.01)	(66.53)
Impact on Earnings (on Standard Loans)	803.34	808.43
<b>Increase/(decrease) in Profit</b>	<b>634.33</b>	<b>741.90</b>

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

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

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

**(b) Sensitivity**

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

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

**50 Capital Management**

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

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



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

51 Tax Expense (Ind AS - 12)

(i) Movement of Deferred Tax

Particulars	Net balance as at 31 March 2018	Recognised in profit or loss	Recognised in OCI	Net balance as at 31 March 2019
<b>Deferred Tax Asset</b>				
a) Allowance for doubtful debts and advances	939.93	(150.84)	-	789.09
b) Allowance for diminution in value of investments	178.92	(29.96)	-	148.96
c) Provision for employees benefits expenses	119.48	(119.48)	-	-
<b>Deferred Tax Liabilities</b>				
a) Depreciation	(219.30)	4.63	-	(214.67)
b) Fair value changes on investments	(6.88)	6.88	-	-
<b>Total</b>	<b>1,012.15</b>	<b>(288.76)</b>	<b>-</b>	<b>723.38</b>

Particulars	Net balance as at 1 April 2017	Recognised in profit or loss	Recognised in OCI	Net balance as at 31 March 2018
<b>Deferred Tax Asset</b>				
a) Allowance for doubtful debts and advances	1,207.62	(267.69)	-	939.93
b) Allowance for diminution in value of investments	175.92	3.00	-	178.92
c) Provision for employees benefits expenses	147.49	(28.01)	-	119.48
<b>Deferred Tax Liabilities</b>				
a) Depreciation	(230.77)	11.47	-	(219.30)
b) Fair value changes on investments	(8.34)	1.46	-	(6.88)
<b>Total</b>	<b>1,291.92</b>	<b>(279.78)</b>	<b>-</b>	<b>1,012.15</b>

(ii) Tax recognised in Statement of profit and loss

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Current Income Tax	2,450.00	2,670.00
Deferred Tax (Net)	288.76	279.78
<b>Total</b>	<b>2,738.76</b>	<b>2,949.78</b>

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

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Profit before tax	11,363.91	10,698.26
Applicable Income Tax Rate	29.12%	34.61%
Income Tax at Applicable Tax Rates	3,309.17	3,702.45
<b>Adjustments</b>		
- Tax-Exempt Income	(134.76)	(165.74)
- Deductions/adjustments as per Income Tax Act	(724.41)	(866.71)
Income Tax expense recognised in P&L	2,450.00	2,670.00
Actual effective Tax Rate	21.56%	24.96%





**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**52 Approval of Financial Statements (Ind AS - 10)**

These financial statements are approved by the Board of Directors and authorized for issue on May 29, 2019

**53 Recent Accounting Pronouncements (Ind AS - 8)**

**- Ind AS issued but not yet effective:-**

In March 2019, Ministry of Corporate Affairs notified Ind AS 116 Leases, which is applicable to the company w.e.f. accounting period beginning from 1 April 2019. The standard changes the classification and accounting for leases, and also provides transition guidance. The effect of change in Ind AS 116 is not material on the company.

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

The company has property consisting Land & Building having carrying value of Rs.530.99 lakh (Land Rs.133.84 lakh & building Rs.397.15 lakh) as on 31 March 2017 at "Mussoorie". The company is in the process to sale off this assets, accordingly the property has been classified as "Non-current asset held for Sale" as on 1 April 2017. The estimated market value of this property is Rs.750.00 lakh.

**55 Revenue from Contracts with Customers (Ind AS - 115)**

**Component wise revenue of Company**

(₹ in lakh)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Interest Income	21,160.09	19,705.44
Dividend Income	24.77	40.91
Fees and Commission Income	474.20	917.15
Net gain on fair value changes on investments	460.81	780.29
Other Operating Income	875.00	918.52
<b>TOTAL</b>	<b>22,994.87</b>	<b>22,362.31</b>

**56** In the opinion of the Management, the All Financial Assets, including Loans & Advances, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet and necessary provision has been made in the cases wherever it is considered as doubtful.

**57** Miscellaneous Expenses do not include items of expenses exceeding 1% of the total revenue of the company or Rupees Ten Lakh which ever is higher.

**58** Figures in Financial Statements have been rounded off to the nearest lakh (except number of shares) and previous years figures have been re-grouped, re-arranged wherever necessary to make them comparable with those of the current year's figures.

**59 Maturity Analysis of Assets & Liabilities**

(₹ in lakh)

Particulars	Note No.	As at 31 March 2019		As at 31 March 2018		As at 01 April 2017	
		Current	Non Current	Current	Non Current	Current	Non Current
<b>ASSETS</b>							
<b>(1) Financial Assets</b>							
(i) Cash and cash equivalents	3	4,958.81	-	12,397.41	-	921.04	-
(ii) Bank balances other than (i) above	4	219.51	-	205.20	-	180.21	-
(iii) Receivables	5						
- Other Receivables		9.12	-	20.74	-	19.52	-
(iv) Loans & Advances	6	16,251.62	1,48,418.53	15,362.53	1,35,799.20	16,458.67	1,21,233.16
(v) Investments	7	5,060.10	26,747.07	7,964.68	22,179.51	6,741.04	18,978.01
(vi) Other financial assets	8	2,638.85	4.47	2,409.60	5.05	1,603.48	5.58
		29,138.01	1,75,170.07	38,360.16	1,57,983.76	25,923.96	1,40,216.75
<b>(2) Non-Financial Assets</b>							
(i) Current tax assets (Net)	9	(310.05)	2,140.63	47.78	2,079.93	(203.18)	2,098.21
(ii) Deferred tax assets (Net)	10	-	723.38	-	1,012.15	-	1,291.92



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Particulars	Note No.	As at 31 March 2019		As at 31 March 2018		As at 01 April 2017	
		Current	Non Current	Current	Non Current	Current	Non Current
(iii) Property, Plant and Equipment	11	-	1,435.03	-	1,469.21	-	1,509.15
(iv) Other non-financial assets	12	33.14	206.86	-	232.09	4.11	289.96
		(276.91)	4,505.90	47.78	4,793.38	(199.07)	5,189.24
<b>(3) Assets classified as held for sale</b>		-	530.99	-	530.99	-	530.99
<b>TOTAL ASSETS</b>		<b>28,861.10</b>	<b>1,80,206.96</b>	<b>38,407.94</b>	<b>1,63,308.13</b>	<b>25,724.89</b>	<b>1,45,936.98</b>
<b>LIABILITIES AND EQUITY</b>							
<b>(1) Financial Liabilities</b>							
(i) Payables	13						
- Other Payables							
total outstanding dues of creditors other than micro enterprises and small enterprises		139.14	-	143.69	-	799.02	-
(ii) Debt Securities	14	-	83,901.21	-	83,866.91	-	83,835.42
(iii) Borrowings (Other than Debt Securities)	15	7,540.16	30,919.68	26,002.49	10,500.00	9,172.49	1,700.00
(iv) Subordinate Liabilities	16	9,999.92	-	9,988.35	-	9,977.98	-
(v) Other financial liabilities	17	2,462.71	5.71	2,777.61	5.94	2,695.67	5.80
		20,141.93	1,14,826.60	28,923.79	1,04,361.20	12,667.18	95,519.20
<b>(2) Non-Financial Liabilities</b>							
(i) Provisions	18	156.71	-	459.25	-	838.26	-
(ii) Other Non-financial liabilities	19	60.79	190.82	60.78	91.99	45.60	15.50
		217.50	190.82	520.03	91.99	883.86	15.50
<b>(3) Equity</b>							
(i) Equity Share Capital	20	-	8,071.67	-	8,071.67	-	8,071.67
(ii) Other Equity	21	-	65,619.54	-	59,747.39	-	54,504.46
		-	73,691.21	-	67,819.06	-	62,576.13
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>20,359.43</b>	<b>1,88,708.63</b>	<b>29,443.82</b>	<b>1,72,272.25</b>	<b>13,551.04</b>	<b>1,58,110.83</b>

Note No.	Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
<b>60</b>	<b>The additional information required to be disclosed vide RBI norms - as certified by the management</b>		
	<b>1 Rating Assigned By Credit Rating Agencies for the Bonds/Borrowings of TFCI</b>		
	- CARE Ratings Ltd,	CARE A+ (reaffirmed vide letter dated 19.07.2018)	
		CARE A1+ (reaffirmed vide letter dated 19.07.2018)	
	- Brickworks Ratings (India) Pvt. Ltd.	BWR AA- (reaffirmed Vide letter dated 21.12.2018)	
	- Acuite Rating & Research Ltd	ACUITE AA- (reaffirmed Vide letter dated 27.07.2018)	
	- No Migration of Ratings took place during the year		
	<b>2 No Penalty is levied by any regulator during the year.</b>		
	<b>3 Capital</b>		
i)	CRAR (%)	39.01%	39.90%
ii)	CRAR - Tier I Capital (%)	38.60%	38.31%
iii)	CRAR - Tier II Capital (%)	0.41%	1.59%
iv)	Amount of Subordinate debt raised as Tier-II Capital	10,000 (discounted at 100%)	10,000 (discounted at 80%)
v)	Amount raised by issue of perpetual debt instruments	Nil	Nil



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

60 contd.	Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
	<b>4 Investments</b>		
	- TFCI does not hold any Investments Outside India		
	1) Value of Investments		
	(a) Gross Value of Investments	31,723.63	29,889.61
	(b) Fair Value Changes(Net)	83.54	254.58
	(c) Net Value of Investments	31,807.17	30,144.19
	2) Movement in fair value changes of Investments (Net)		
	(a) Opening Balance	254.58	285.24
	(b) Add: Increase in Value	-	-
	(c) Less: Decrease in Value	171.04	30.66
	(d) Closing Balance	83.54	254.58
	<b>5 Derivatives</b>		
	Exposure to Derivative Instruments/Products	Nil	Nil
	<b>6 Securitisation</b>		
	<b>A. Details of SPVs Sponsored for Securitisation of Assets</b>		
	SPVs Sponsored	Nil	Nil
	<b>B. Details of Financial Assets sold to Securitisation / Reconstruction Company for Assets Reconstruction</b>		
	Financial Assets Sold	Nil	Nil
	<b>C. Details of Assignment transaction undertaken</b>		
	Assignment transaction undertaken	Nil	Nil
	<b>D. Details of Non-performing financial assets purchased/sold</b>		
	1) Non-performing financial assets purchased	Nil	Nil
	2) Non-performing financial assets sold		
	(a) No. of accounts sold	Nil	Nil
	(b) Aggregate outstanding	Nil	Nil
	(c) Aggregate consideration received	Nil	Nil
	(d) Gain/Loss over net book value	Nil	Nil
	<b>7 Exposures</b>		
	<b>A. Exposure to Real Estate Sector (Direct)</b>		
	1) Residential Mortgage	Nil	Nil
	2) Commercial Real Estate		
	- Lending secured by mortgage on commercial real estate	Nil	700.00
	- lending in mortgage backed securities & other exposure	Nil	Nil
	<b>B. Exposure to Capital Market (Gross)</b>		
	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	1,892.45	1,806.48
	advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	Nil	Nil
	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	Nil	Nil



## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

60 contd.	Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	Nil	Nil
	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	Nil	Nil
	loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	Nil	Nil
	bridge loans to companies against expected equity flows / issues;	Nil	Nil
	all exposures to Venture Capital Funds (both registered and unregistered)	Nil	Nil
<b>8 Additional Disclosures</b>			
<b>8.1 Breakup of Provision &amp; Contingencies shown under the head expenditure in profit &amp; loss account</b>			
	1) Provision for Fair Value Changes on Investments	6.22	9.60
	2) Provision for NPAs/Doubtful Debts	(6.22)	(2.60)
	3) Provision for Diminution in NPV of Loans	-	(167.00)
	4) Provision for Standard Assets	-	160.00
	5) Provision Made towards Income Tax	2,450.00	2,670.00
	6) Other Provision and Contingencies (Deferred Tax Liability)	288.76	279.78
<b>8.2 Concentration of Advances and NPAs.</b>			
<b>8.2.1 Concentration of Advances.</b>			
	1) Total Advances to Twenty Large Borrowers	1,06,275.00	96,966.64
	2) Percentage of Advances to Twenty Large Borrowers	62.74%	62.55%
<b>8.2.2 Concentration of NPAs.</b>			
	1) Total Exposure to Top Four NPA Accounts	8,713.76	3,329.92
<b>8.2.3 Sector Wise NPAs.</b>			
<b>Sector</b>		<b>% of NPA to Total Advances in that Sector</b>	<b>% of NPA to Total Advances in that Sector</b>
Tourism Sector		6.18%	2.66%
Manufacturing Sector		2.67%	0.00%
<b>8.3 Movement of NPAs.</b>			
	1) Net NPAs to Net Advances (%)	2.88%	0.08%
	2) Movement of Gross NPAs		
	(a) Opening Balance	3,329.92	8,112.44
	(b) Add: Addition During Year	5,977.66	-
	(c) Less: Reduction/Write-off During Year	593.82	4,782.52
	(d) Closing Balance	8,713.76	3,329.92
	3) Movement of Net NPAs		
	(a) Opening Balance	122.17	4,302.09
	(b) Add: Addition During Year	4,640.06	-
	(c) Less: Reduction/Write-off During Year	-	4,179.92
	(d) Closing Balance	4,762.23	122.17



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

60 contd.	Particulars	Year Ended 31 March 2019			Year Ended 31 March 2018			
	4) Movement in Provision for NPA							
	(a) Opening Balance			3,207.75			3,810.35	
	(b) Add: Provision made during the year*			750.00			410.00	
	(c) Less: Loans Written off during the year			-			1,010.00	
	(d) Less: Provision Written Back			6.22			2.60	
	(e) Closing Balance			3,951.53			3,207.75	
	* Provision made u/s 36(1)(vii)(c) of Income Tax Act 1961							
	<b>8.4 Loans and advances availed (including interest due thereon but not paid)</b>							
	<b>Particulars</b>		<b>Outstanding</b>	<b>Overdue</b>		<b>Outstanding</b>	<b>Overdue</b>	
	Debentures (Bonds)							
	- Secured	15,974.00		Nil		15,974.00	Nil	
	- Unsecured	78,150.00		Nil		78,150.00	Nil	
	Deferred Credits	Nil		Nil		Nil	Nil	
	Term Loans, WCDL/CC & FCNR(B)	38,540.16		Nil		36,502.49	Nil	
	Inter Corporate Deposits	Nil		Nil		Nil	Nil	
	Commercial Papers	Nil		Nil		Nil	Nil	
	<b>8.5 Break-up of Loans and Advances including bills receivables (Net of provision).</b>							
	<b>Particulars</b>			<b>Amount Outstanding</b>		<b>Amount Outstanding</b>		
	a) Secured			1,64,634.39		1,51,128.05		
	b) Unsecured			35.76		33.68		
	<b>8.6 Break up of Leased Assets and stock on hire and other assets counting towards AFC activities : NIL</b>							
	<b>8.7 Break-up of Investments (Net of Provision)</b>							
	<b>Investment in Debt securities</b>							
	- at amortised cost			22,165.08		17,165.08		
	- at fair value through P&L			5,049.80		7,939.98		
	<b>Investment in Equity/Preference Instruments</b>							
	- at amortised cost			-		200.00		
	- at fair value through OCI			2,094.89		2,151.12		
	- at fair value through P&L			10.30		24.21		
	<b>Investment in Other approved securities</b>							
	- at fair value through P&L			2,487.10		2,663.80		
	<b>Total Investment</b>			<b>31,807.17</b>		<b>30,144.19</b>		
	<b>8.8 Borrower group-wise classification of assets financed as in (8.5) and (8.6) above</b>							
	<b>Particulars</b>		<b>Amount (Net of Provision)</b>			<b>Amount (Net of Provision)</b>		
			<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>	<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
	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	164634.39	35.76	164670.15	151128.05	33.68	151161.73	





NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

60 contd.	<b>8.9 Investor group-wise classification of all investments in shares and securities (Both Quoted &amp; Unquoted)</b>				
	<b>Particulars</b>	<b>Market value/ Break up value or Fair Value or NAV</b>	<b>Book Value (Net of Specific provision)</b>	<b>Market value/ Break up value or Fair Value or NAV</b>	<b>Book Value (Net of Specific provision)</b>
	i) Related Parties				
	- Subsidiaries	Nil	Nil	Nil	Nil
	- Companies in Same Group	Nil	Nil	Nil	Nil
	- Other Related Parties	Nil	Nil	Nil	Nil
	ii) Other than Related Parties	31,807.17	31,723.63	30,144.19	29,889.61
	<b>TOTAL</b>	<b>31,807.17</b>	<b>31,723.63</b>	<b>30,144.19</b>	<b>29,889.61</b>
<b>8.10 Other Information</b>					
	i) Gross Non-Performing Assets				
	- Related parties		Nil		Nil
	- Other than related parties		8,713.76		3,329.92
	ii) Net Non-Performing Assets				
	- Related parties		Nil		Nil
	- Other than related parties		4,762.23		122.17
	iii) Assets acquired in satisfaction of debt		Nil		Nil
<b>8.11 Customer &amp; Investor Complaints</b>					
	a) No. of complaints pending at the beginning of the year		Nil		Nil
	b) No. of complaints received during the year		227		304
	c) No. of complaints redressed during the year		227		304
	d) No. of complaints pending at the end of the year		Nil		Nil
<b>8.12 Disclosure on Flexible Structuring of Existing Loans</b>					
Period & No. of Borrowers taken up for flexible structuring		Amount of Loan Taken up for flexible structuring		Exposure weighted average duration of loans taken up for flexible structuring	
Period	No. of Borrowers	Classified as Standard	Classified as NPA	Before Applying flexible structuring	After applying flexible structuring
F.Y. 2017-18	1	1,748.04	-	8 Years	Initial period of 7 years, Overall 12 years
F.Y. 2018-19	Nil	-	-	-	-



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

S.No	Type of Restructuring Assets Classificatio Details	Under CDR Mechanism			Others			Total		
		Standard	Sub-Standard	Total	Standard	Sub-Standard	Total	Standard	Sub-Standard	Total
1	Restructured Accounts as on 01.04.2018	-	-	-	1	-	1	3	-	3
	Amount Outstanding	-	-	-	3,632.77	-	3,632.77	3,281.20	-	6,913.97
	Provision Thereon	-	-	-	181.64	-	181.64	1,444.36	-	1,626.00
2	Fresh restructuring during the year	-	-	-	-	-	-	-	-	-
	Amount Outstanding	-	-	-	-	-	-	-	-	-
	Provision Thereon	-	-	-	-	-	-	-	-	-
3	Upgradations to restructured standard	-	-	-	-	-	-	-	-	-
	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	-	-	-	1	-	1	-	-	1
	Amount Outstanding	-	-	-	3,632.77	-	3,632.77	-	-	3,632.77
	Provision Thereon	-	-	-	181.64	-	181.64	-	-	181.64
5	Downgradations of restructured accounts during the FY	-	-	-	-	-	-	-	-	-
	Amount Outstanding	-	-	-	-	-	-	-	-	-
	Provision Thereon	-	-	-	-	-	-	-	-	-
6	Write-offs of restructured accounts during the FY	-	-	-	-	-	-	-	-	-
	Amount Outstanding	-	-	-	-	-	-	-	-	-
	Provision Thereon	-	-	-	-	-	-	-	-	-
7	Restructured Accounts as on March 31 of the FY (closing figure)	-	-	-	-	-	-	2	-	2
	Amount Outstanding	-	-	-	-	-	-	2,736.10	-	2,736.10
	Provision Thereon	-	-	-	-	-	-	1,280.83	-	1,280.83



NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakh)

Note No.	Particulars	As On 31 March 2019								
		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
<b>60</b>	<b>10 Asset Liability Management Maturity pattern of certain items of assets and liabilities</b>									
	<b>Liabilities</b>									
	- Borrowings from banks	3,040.16	-	1,125.00	1,125.00	2,250.00	21,000.00	10,000.00	-	38,540.16
	- Market Borrowings	10,000.00	-	-	-	-	25,000.00	25,650.00	33,474.00	94,124.00
	<b>Assets</b>									
	- Advances	2,590.79	392.57	519.13	3,836.24	8,870.08	42,905.38	34,078.88	76,188.55	1,69,381.62
	- Investments	5,067.80	19.70	19.70	59.10	1,022.83	11,817.31	12,764.07	953.12	31,723.63

for and on behalf of the Board

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

(Chartered Accountants)  
Firm Reg. No: 001359N

(Madhur Gupta)

Partner  
M.No.90205

Date : May 29, 2019

Place : New Delhi

(Anirban Chakraborty)  
Managing Director & CEO

(Sanjay Ahuja)  
Company Secretary

(Anoop Bali)  
Chief Financial Officer

(S.Ravi)  
Non- Executive Chairman

(B.M. Gupta)  
Whole Time Director



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# Tourism Finance Corporation of India Ltd.

(CIN L65910DL1989PLC034812)

4th Floor, Tower 1, NBCC Plaza, Pushp Vihar, Sector-V, Saket, New Delhi-110 017

Phone No.: 011-47472200, 29561180 Fax: 011-29561171

Email: [complianceofficer@tfcilttd.com](mailto:complianceofficer@tfcilttd.com) website: [www.tfcilttd.com](http://www.tfcilttd.com)

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

## ATTENDANCE SLIP

<b>DP ID *</b>	
<b>CLIENT ID</b>	

<b>FOLIO NO. *</b>
--------------------

I hereby record my presence at the 30<sup>th</sup> ANNUAL GENERAL MEETING of the Company being held on Friday, the 9th day of August, 2019 at 11.00 A.M. at Little Theatre Group Auditorium, Mandi House, 1, Copernicus Marg, Opp. Doordarshan Bhavan, Near Connaught Place, 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)

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Phone No.: 011-47472200, 29561180 Fax: 011-29561171

Email: [complianceofficer@tfcilttd.com](mailto:complianceofficer@tfcilttd.com) website: [www.tfcilttd.com](http://www.tfcilttd.com)

## 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 Thirtieth Annual General Meeting of the Company to be held on Friday, the 9th day of August, 2019 at 11.00 A.M. at Little Theatre Group Auditorium, Mandi House, 1, Copernicus Marg, Opp. Doordarshan Bhavan, Near Connaught Place, New Delhi -110001 and at any adjournment thereof in respect of such resolutions as are indicated below:



Resolution No.	Resolution Matter	For	Against
1	To consider and adopt the audited financial statements of the Company including the Balance Sheet as at March 31, 2019 and the statement of Profit and Loss Account for the year ended March 31, 2019 and the report of the Board of Directors' and Auditors' thereon.		
2	To declare Dividend on Equity Shares.		
3	To approve appointment of a Director in place of Shri Niraj Agarwal who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.		
4	To approve appointment of Shri Naresh T. Jain as Director liable to retire by rotation.		
5	To approve appointment of Shri Shyam Maheshwari as Director liable to retire by rotation.		
6	To approve appointment of Koppara Sajeeve Thomas as Director liable to retire by rotation.		
7	To approve appointment of Mrs. Thankom T. Mathew as Independent Director for a term upto 5 (Five) consecutive years commencing from 24.10.2018.		
8	To approve Appointment of Shri B.M.Gupta as Whole Time Director of the Company w.e.f. 25.1.2019 till September 30, 2019 or the date of 30 <sup>th</sup> AGM whichever is later.		
9	To approve Appointment of Shri Anirban Chakraborty as Managing Director & CEO of the Company for a period of 3 years w.e.f. 15.4.2019.		
10	To approve private placement of bond/debentures etc.		

Signed this .....day of ..... 2019

Affix  
Revenue  
Stamp

Signature of Shareholder(s)

Signature of proxy holder(s)

**Note:**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before commencement of the Meeting.**
- For the resolutions, Explanatory Statements and Notes, please refer to the notice of the 30<sup>th</sup> 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.

**ROUTE MAP TO THE VENUE OF THE AGM**





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