



## CORPORATE GOVERNANCE REPORT

### Company's Philosophy on Corporate Governance

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

#### 1. Board of Directors:

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

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

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

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

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

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

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

%appointed w.e.f. 15.4.2019

\$ resigned w.e.f. 16.7.2019

^ resigned w.e.f. 27.6.2019

NED : Non-Executive Director

NEID : Non-Executive Independent Director

MD & CEO : Managing Director & Chief Executive Officer

WTD : Whole Time Director

\* resigned w.e.f. 13.8.2019

& resigned w.e.f. 14.7.2019

# resigned w.e.f. 9.3.2020

@appointed w.e.f. 30.9.2019



**Notes:**

- 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, 2020 and other Directorships in Listed companies as per disclosure filed by Directors is as under:

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

**Key Board qualifications, expertise and attributes**

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

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

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

**2. Board Committee Meetings and Procedures**

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

**(A) Audit Committee:**

**i) Constitution and Composition:**

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

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

#appointed as member w.e.f. 26.7.2019

& resigned as director w.e.f. 14.7.2019

@ resigned as director w.e.f. 9.3.2020

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



### Terms of Reference

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

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

### (B) Nomination and Remuneration Committee

#### (i) Composition:

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



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

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

@ resigned as director w.e.f. 14.7.2019

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

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

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

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

**(ii) Terms of reference:**

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

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

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

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

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

**(iv) Remuneration Policy:**

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

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

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

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

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

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





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

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

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

**(C) Stakeholder Relationship Committee:**

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

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

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

ii) **Terms of reference:**

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

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

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

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

**(D) Corporate Social Responsibility Committee**

i) **Composition**

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

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

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



ii) **Terms of reference:**

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

**(E) Risk Management Committee**

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

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

^appointed as chairman w.e.f.26.7.2019

#resigned as director w.e.f.16.7.2019

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

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

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

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

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

**3. Other Committees**

**Share-Transfer Committee**

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

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

**4. Functional Committees**

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

**Procedure at Committee Meetings**

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



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

**5. General Body Meeting:**

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

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

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

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

**6. Disclosures**

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

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

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

**(C) Related Party Transactions**

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

**(D) Disclosure of Accounting Treatment**

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

**(E) Disclosure on Risk Management**

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

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

**(G) Means of Communication:**

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

**Other information**

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

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

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

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

**6.1 Rating**

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



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

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

## 7. Reconciliation of Share Capital Audit

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

## 8. Code of Conduct

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

### 8.1 Prohibition of Insider Trading

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

## 8.2 Whistle Blower policy

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

## 9. General Shareholders' Information company Registration Details

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

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

### 9.2 Financial calendar (tentative)

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

Results for the quarter ending:

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

### 9.3 Date of Book Closure

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

### 9.4 Dividend Payment

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

### 9.5 Listing on Stock Exchanges

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





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

TFCI Share Price (in ₹)

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

Stock code: BSE: 526650, NSE: TFCILTD

Demat ISIN code: INE305A01015

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

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

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

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

**9.9 Share-Transfer System:**

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

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

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

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

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



**9.12 Dematerialization of Shares**

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

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

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

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

**9.15 Address for correspondence:**

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

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

Shareholders' correspondence should be addressed to:

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

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

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

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

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

**11. Compliance Certificate of the Auditors**

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

**12. Management Discussion and Analysis**

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

**13. Managing Director/CFO Certification**

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