



TOURISM FINANCE CORPORATION OF INDIA LTD.

13th Floor, IFCI Tower, 61 Nehru Place, New Delhi - 110 019

No. TFCI/SCS/2012- 23 / 11

July 25, 2012

National Stock Exchange of India Ltd.
Exchange Plaza
Bandra Kurla Complex
Bandra (E)
Mumbai-400 051

Sub: Minutes of 23rd Annual General Meeting of the Company

Dear Sir,

Pursuant to Clause 31 of the Listing Agreement, please find enclosed signed copy of the Minutes of 23rd Annual General Meeting held on July 18, 2012 at Air Force Auditorium, Subroto Park, Dhaula Kuan, New Delhi-110010 duly signed by the Chairman of the Meeting.

We request you to take it in your record.

Thanking you,

Yours faithfully

(Rajiv Singh)

Sr. Company Secretary & Compliance Officer

Encl.: as stated

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**MINUTES OF THE TWENTY THIRD ANNUAL GENERAL MEETING
OF MEMBERS OF TOURISM FINANCE CORPORATION OF INDIA
LIMITED (TFCI) HELD ON JULY 18, 2012 AT 02:00 PM AT
AIRFORCE AUDITORIUM, SUBROTO PARK, DHAULA KUAN, NEW
DELHI-110010.**

DIRECTORS PRESENT

1. Shri S. K. Ganguli : Chairman of the meeting
2. Shri Sujit K. Mandal
3. Shri V. P. Singh
4. Shri R. R. Rai
5. Shri R. P. Singh
6. Shri Rakesh Kapoor
7. Shri S. P. Arora
8. Shri Shivendra Tomar : Managing Director

IN ATTENDANCE

1. Shri Naveen Agarwal, Partner M/s S. S. Kothari & Associates, Statutory Auditors of the Company
2. Shri Rajiv Singh, Sr. Company Secretary

3041 members in person and 50 members by proxy were present at the commencement of the meeting.

CHAIRMAN OF THE MEETING

The Directors present in the meeting appointed Shri S. K. Ganguli, as Chairman for the meeting. Shri S. K. Ganguli presided over the meeting.

The Chairman welcomed the members to the Twenty Third Annual General Meeting of the Company and on being satisfied that the quorum of the meeting was present, called the meeting to order.

The Chairman informed the members that the Register of Directors' Shareholdings and other necessary statutory records were available and open for inspection during the meeting.

NOTICE OF MEETING

With permission of the members present, the Notice of the meeting dated May 16, 2012 alongwith the Directors' Report and Annual Accounts

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for the financial year ended March 31, 2012 sent to the members were taken as read.

The Chairman, thereafter, with the consent of the members, took up the following agenda items as listed in the notice for the meeting.

ITEM NO: 1

The Item No.1 of the agenda relating to the consideration and adoption of Audited Balance Sheet as at March 31, 2012 and Profit & Loss Account for the year ended on that date, the Directors' and Auditors' Report thereon were taken up for consideration.

As directed by the Chairman, Sr. Company Secretary read the Auditors' Report on the Annual Accounts of the Company for the financial year 2011-12.

Shri Man Singh Rawat, the Authorized representative of United India Insurance Co. Ltd., a member of the Company, proposed and Ms. Parul Chauhan, member, seconded the following resolution which was put to vote as an Ordinary Resolution and on show of hands, was declared by the Chairman, as passed unanimously:

"RESOLVED THAT the Audited Balance Sheet as at March 31, 2012, the Profit & Loss Account for the financial year ended on that date together with the reports of the Directors' and Auditors' thereon circulated to the members of the Company along with the Notice convening the 23rd Annual General Meeting of the Company be and is hereby considered and adopted."

ITEM NO:2

The Item No.2 of the agenda relating to declaration of dividend on Equity Shares of the Company for the financial year 2011-12 was taken up for consideration.

Smt. Suman Kapoor, member, proposed and Ms. Meenakshi Rawat, member, seconded the following resolution which was put to vote as an Ordinary Resolution and on show of hands, was declared by the Chairman, as passed unanimously:

"RESOLVED THAT a dividend for the financial year 2011-12 at the rate of 12% i.e. Rs.1.20 on 1 Equity Shares of Rs.10/- each, be and is hereby declared on the fully paid up

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Equity Share Capital of the Company and the said dividend be paid to all members or their mandates relevant to the Book Closure dates."

ITEM NO: 3

The Item No.3 of the agenda pertaining to appointment of Smt. Shashi Sharma, as a Director of the Company, who was retiring by rotation and being eligible, had offered herself for re-appointment, was taken for consideration.

Shri Gurcharan Singh, member, proposed and Shri Hari Kishan, member, seconded the resolution which was put to vote as an Ordinary Resolution and on show of hands, was declared by the Chairman, as passed unanimously:

"RESOLVED THAT Smt. Shashi Sharma, who retires by rotation and being eligible, offers herself for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

ITEM NO: 4

The Item No.4 of the agenda pertaining to appointment of Shri R. P. Singh, as a director of the Company, who was retiring by rotation and being eligible, had offered himself for re-appointment, was taken for consideration.

Shri Aasheesh Gupta, member, proposed and Shri Ajay Khurana, member, seconded the following resolution which was put to vote as an ordinary resolution and on show of hands, was declared by the Chairman, as passed unanimously:

"RESOLVED THAT Shri R. P. Singh, who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

ITEM NO: 5

The Item No. 5 of the agenda pertaining to appointment of Shri V. P. Singh, as a director of the Company, who was retiring by rotation and being eligible, had offered himself for re-appointment, was taken for consideration.

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Shri Gagan Kumar, member, proposed and Shri Abhishek Yadav, member, seconded the following resolution which was put to vote as an Ordinary Resolution and on show of hands, was declared by the Chairman, as passed unanimously:

"RESOLVED THAT Shri V. P. Singh, who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

ITEM NO: 6

The Item No. 6 of the agenda pertaining to appointment of M/s S. S. Kothari & Associates, Chartered Accountants as Auditors of the Company was taken up for consideration.

The Chairman informed to the members that the Company had received a letter from the Statutory Auditors that their partners had signed an agreement for merger of their firm with another firm of the same group M/s S. S. Kothari & Co. (Firm Registration No. 302034E) w.e.f. July 1, 2012 and papers had been filed with the Institute of Chartered Accountants of India (ICAI) for their approval. Accordingly, the Chairman asked the members to pass the necessary resolution(s) to the effect that if the merger of M/s S. S. Kothari & Associates becomes effective on approval of ICAI, the resultant firm after merger i.e. M/s S. S. Kothari & Co. (Firm Registration No. 302034E) would become the Statutory Auditors of the Company to hold office till the conclusion of the next Annual General Meeting.

Smt. Nalini Ratnam, the Authorized representative of Life Insurance Corporation of India, a member of the Company, proposed and Ms. Jagpreet Kaur, member, seconded the following resolution which was put to vote as a Special Resolution and on show of hands, was declared by the Chairman, as passed unanimously:

"RESOLVED THAT M/s. S. S. Kothari & Associates, Chartered Accountants (Registration No. 305147E), be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of 23rd Annual General Meeting until the conclusion of the next Annual General Meeting on such remuneration as decided by the Audit Committee of the Board."

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"RESOLVED FURTHER THAT after the necessary approval of Institute of Chartered Accountants of India (ICAI) on the merger of M/s S. S. Kothari & Associates with M/s S. S. Kothari & Co., the resultant firm after merger i.e. M/s S. S. Kothari & Co. (Firm Registration No. 302034E) be appointed as Statutory Auditors of the Company with the effective date of merger till the conclusion of the next Annual General Meeting of the company on such remuneration as decided by the Audit Committee of the Board."

ITEM NO: 7

The Item No. 7 of the agenda pertaining to appointment of Shri Shivendra Tomar, as Managing Director was taken up for consideration.

The Chairman informed to the members that Shri Shivendra Tomar had joined as Chief Executive Officer of the Company w.e.f. June 6, 2011 (later re-designated as Managing Director w.e.f. July 1, 2011) and was entitled for annual increment @12.5% on the salary. The Board had in its meeting held on February 27, 2012 further appointed Shri Shivendra Tomar as Managing Director w.e.f. February 27, 2012 for a period of 5 years on the recommendation of a Selection Committee constituted pursuant to the Order of the Hon'ble High Court of Delhi dated 16.12.2011 on the existing terms and conditions of his appointment. Therefore, members may consider to approve the annual increment payable to the Managing Director on the prescribed pay scale owing to his continuance in the same position and scale since June 6, 2011. Members consented with the views of the Chairman.

Smt. Rashmi Sachdev, the Authorized representative of IFCI Limited, a member of the Company, proposed and Ms. Ayesha Singh, member, seconded the following resolution which was put to vote as an Ordinary Resolution and on show of hands, was declared by the Chairman, as passed unanimously:

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, 310, read with the Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof, for the time being in force) consent of the members of the Company be and is hereby accorded for appointment of Shri Shivendra Tomar as Managing Director of the Company w.e.f. February 27, 2012 on the terms and conditions of appointment as set out below:

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(A) Salary:

₹2,00,000/- p. m. with the annual increment of 12.5% of the salary subject to the condition that annual increment shall be allowed with relevant to his first date of joining (June 6, 2011) i.e. the first annual increment shall become due on June 6, 2012 and the same shall be continued annually on June 6 each year during his tenure.

(B) Perquisites

- (i) Housing: Rent Free furnished accommodation along with benefit of gas, fuel, water, electricity, telephone, internet and fax, as also upkeep and maintenance of the Company's furnished accommodation.

Or

House Rent allowance (HRA) limited to 60% of the salary or if offers a house in his own name/spouse, the same may be taken on lease limited to 60% of the salary.

- (ii) Medical Reimbursement: Reimbursement of medical expenses for self and family including dependent parents and children, at actual, in India.
- (iii) Leave Travel Allowance: Leave Travel Allowance will be paid by the Company for self and family including dependent parents and children once in two years.
- (iv) Club Fees: Reimbursement of club fees, subject to maximum two clubs.
- (v) Personal Accident Insurance Policy subject to annual premium of Rs.20,000/-.
- (vi) Furniture/Fixture at residence upto Rs.5.00 Lakh and payment of 5% as annual maintenance allowance on self certification basis with option to repurchase at book value after 5 years or on retirement whichever is earlier.

(C) OTHER BENEFITS

- (i) Contribution to Provident Fund in accordance with the rules of the Company. The contribution to Superannuation Fund/Annuity Fund will be 15% of the salary.

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- (ii) Gratuity at the rate not exceeding one month salary for each completed year of services subject to the monetary limit as prescribed under the Payment of Gratuity Act, 1972 and the rules of the Company.
 - (iii) Car with the services of a Driver to be maintained by the Company for official use. The permissible limit for personnel use would be 1000 km per month with an annual ceiling of 12000 kms.
 - (iv) Telephone/fax/internet facility at actual.
 - (v) Leave/Leave salary as per the rules of the Company. Entitled to encash accrued earned leave at the time of retirement.
 - (vi) The performance incentive would be decided by Remuneration Committee of the Board on a year to year basis based on the performance of the Company.
 - (vii) Commission on profit, if any decided by the Board on yearly basis subject to and within the ceiling as may be approved by the shareholders.
 - (viii) Any or all allowance, perquisites and benefit under the appropriate schemes and rules applicable generally to officers of the Company provided however that the total remuneration shall be within the ceiling prescribed under Schedule XIII of the Companies Act, 1956.
- (D) The appointment may be subject to termination by 3 months notice in writing on either side or three months pay in lieu thereof.

"RESOLVED FURTHER THAT the Board (hereinafter referred to as "the Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) be and is hereby authorized to increase alter and to vary the remuneration consisting salary, perquisites, allowance etc. including the monetary value thereof as may be permitted or authorized in accordance with the provisions of the Companies Act, 1956, for the time being in force, provided however, that the remuneration payable to Shri Shivendra Tomar shall be within the limits as prescribed in Schedule XIII of the Companies Act, 1956."

"RESOLVED FURTHER THAT notwithstanding anything contained to the contrary in the Companies Act, 1956 where in any financial year Company has no profit or inadequate profit; Shri Shivendra

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Tomar will be paid minimum remuneration within the ceiling limits prescribed under Scheduled XIII of the Companies Act, 1956 or any modification or re-enactment thereof."

"RESOLVED FURTHER THAT in the event of any statutory amendment(s) or modification(s) or relaxation(s) by the Central Government to Schedule XIII of the Companies Act, 1956, the Board of Directors or Committee thereof be and is hereby authorized to vary or increase the remuneration including salary, perquisites, allowances etc. within such prescribed limit in order to give effect to such modification(s) relaxation(s) or variation(s) without any further reference to the Company in General Meeting."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board in the best interest of the Company, as it may deem fit."

ITEM NO: 8

The Item No. 8 of the agenda pertaining to increase in the borrowing power of the Board was taken up for consideration.

Shri Nirmal Jeet Singh Nayyar, member, proposed and Ms. Preeti Chawla, member, seconded the following resolution which was put to vote as an Ordinary Resolution and on show of hands, was declared by the Chairman, as passed unanimously:

"RESOLVED THAT in supersession of the earlier resolution passed at the Seventh Annual General Meeting held on August 28, 1996, the consent of the members of the Company, be and is hereby accorded to the Board of Directors of the Company pursuant to Section 293(1)(d) of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Article 76, 77, 78 and 79 of the Articles of Association of the Company for borrowing from time to time any sum of money including from Commercial Banks, Financial Institutions, Mutual Funds, Public Financial Institutions, Promoters, Foreign Financial Institutions, Provident Fund Trusts, Pension Funds or from any other person(s) or entities as term loans, through Commercial Paper, through issue of Non Convertible Bonds, Debentures on private placement basis, whether within India and/or abroad,

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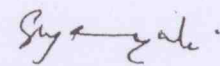
notwithstanding that the money/monies to be borrowed together with monies already borrowed by the Company (apart from the temporary loans obtained from the bankers of the Company in the ordinary course of business) may exceed the aggregate for the time being of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/monies so borrowed by the Board shall not at any time exceed the limit of ₹3000 Crore (Rupees Three Thousand Crore only)."

"RESOLVED FURTHER THAT the Board of Directors or any Committee thereof/person(s) authorized by the Board, be and is/are hereby authorized to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

VOTE OF THANKS

There being no other business to be transacted, the Chairman declared the meeting as concluded with a vote of thanks to all the members present at the meeting.

Date: 23.7.2012
Place: New Delhi



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