

Tourism Finance Corporation of India Limited

January 21, 2020

Ratings

Facilities	Amount (Rs. crore)	Rating1	Rating Action
Long term subordinated bond	-	-	Withdrawn
Proposed Commercial Paper Issue	-	-	Withdrawn

Details of instruments/facilities in Annexure-1

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the ratings assigned to the Commercial Paper issue and subordinated debt of Tourism finance Corporation of India with immediate effect, as the company has repaid the aforementioned subordinated debt issue and has not raised anything against the proposed CP issue and there is no amount outstanding under both the issue as on date.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

TFCI was promoted by IFCI Ltd along with other financial institutions and banks in January 1989. IFCI divested its shareholding in TFCI and reduced it to 0.67% as on September 30, 2019. Now, a group of shareholders (including Redkite Capital Private Limited, a NBFC holding 22.11%, India Opportunities III Pte Limited ultimately owned by SSG Capital Partners holding 9.99%, Mr. Koppa Sajeve Thomas holding 5% and Tamaka Capital Advisors Limited (FDI arm of SSG) holding 3%) own 40.10% stake in the company as on September 30, 2019. The company was established to cater to the needs of the tourism industry and to ensure priority funding of tourism-related projects. TFCI provides financial assistance to tourism-related projects, such as hotels, resorts, restaurants, amusement parks, etc, primarily in the form of long-term loans and also by investing in such company's debentures, equity, preference shares, etc. Since FY12, consequent to change in Memorandum of Articles, TFCI has also started lending to other sectors such as infrastructure and solar power. The company also coordinates and formulates guidelines and policies related to financing of Tourism sector projects. As a developmental role, TFCI organizes seminars, participates in tourism related activities organized by the Ministry of Tourism and by trade bodies/associations. TFCI also provides research and consultancy services to state and central agencies for development of the tourism industry.

Brief Financials (Rs. crore)	FY18 (A)	FY19 (A)
Total Income	223.9	236.3
PAT	77.5	86.3
Interest coverage (%)	2.12	2.09
Total Assets	2,007.0	2,083.5
Net NPA (%)	0.08	2.88
ROTA (%)	4.18	4.22

A: Audited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not applicable

Rating History for last three years: Please refer Annexure-2

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Bonds-Subordinated	-	-	-	-	Withdrawn
Proposed Commercial Paper	-	-	-	-	Withdrawn

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Bonds-Subordinated	LT	-	-	1)CARE A+; Stable (05-Jul-19)	1)CARE A+; Stable (06-Jul-18)	1)CARE A; Stable (09-Oct-17)	1)CARE A; Stable (14-Mar-17) 2)CARE A (05-Oct-16)
2.	Bonds-Unsecured Redeemable	LT	50.00	CARE A+; Stable	1)CARE A+; Stable (05-Jul-19)	1)CARE A+; Stable (06-Jul-18)	1)CARE A+; Stable (09-Oct-17)	1)CARE A+; Stable (14-Mar-17) 2)CARE A+ (05-Oct-16)
3.	Bonds-Unsecured Redeemable	LT	200.00	CARE A+; Stable	1)CARE A+; Stable (05-Jul-19)	1)CARE A+; Stable (06-Jul-18)	1)CARE A+; Stable (09-Oct-17)	1)CARE A+; Stable (14-Mar-17) 2)CARE A+ (05-Oct-16)
4.	Bonds-Unsecured Redeemable	LT	56.50	CARE A+; Stable	1)CARE A+; Stable (05-Jul-19)	1)CARE A+; Stable (06-Jul-18)	1)CARE A+; Stable (09-Oct-17)	1)CARE A+; Stable (14-Mar-17) 2)CARE A+ (05-Oct-16)
5.	Bonds	LT	200.00	CARE A+; Stable	1)CARE A+; Stable (05-Jul-19)	1)CARE A+; Stable (06-Jul-18)	1)CARE A+; Stable (09-Oct-17)	1)CARE A+; Stable (14-Mar-17) 2)CARE A+ (05-Oct-16)
6.	Bonds	LT	175.00	CARE A+; Stable	1)CARE A+; Stable (05-Jul-19)	1)CARE A+; Stable (06-Jul-18)	1)CARE A+; Stable (09-Oct-17)	1)CARE A+; Stable (14-Mar-17) 2)CARE A+ (05-Oct-16)
7.	Commercial Paper	ST	-	-	1)CARE A1+ (05-Jul-19)	1)CARE A1+ (06-Jul-18)	1)CARE A1+ (09-Oct-17)	1)CARE A1+ (14-Mar-17)

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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