



DIRECTORS' REPORT

Your Directors are pleased to present their Eighteenth Annual Report to the shareholders, together with the financial statements for the year ended 31 March 2015.

OPERATIONAL RESULTS

The summary of the financial performance of the Company for the period ended 31st March 2015 as compared to the previous financial year is stated below:

Particulars	(Rs. in lakhs)	
	Year 31 st 2015	Year 31 st 2014
1. Turnover	81,201	71,201
2. Profit before Tax	45,726	15,324
3. Tax Expenses	-	1,447
4. Current Tax	8,838	6,407
5. MAT Credit Entitlements	(8,838)	(4,960)
6. Net Current Tax	-	1,447
7. Deferred Tax	14,965	(35,312)
8. Profit after Taxation	30,762	49,189
9. Add : Balance carried forward from previous year	784	(68,114)
10. Balance of Transferor on account of merger	1,498	66,975
11. Addition on account of release of provision of proposed dividend and dividend distribution tax of the transferor company declared in previous year	-	11,575
12. Amount available for Appropriation (8+9+10+11)	33,044	59,625
13. Amount transferred to Statutory Reserves	6,152	9,838
14. Amount transferred to General Reserves	-	2,459
15. Interim Dividend	12,297	
16. Tax on Interim Dividend	2,518	
17. Proposed Dividend	8,487	39,783
18. Tax on proposed Dividend	1,442	6,761
19. Balance carried forward	2,148	784



STATE OF THE COMPANY'S AFFAIRS AND OPERATIONS REVIEW

The Profit before tax for the year has increased from INR 153.24 crore during previous year to INR 457.27 crore during the current year. The current year profits include exceptional income amounting to INR 170 crores (Previous Year Nil) which pertains to recovery of interest relating to non-performing investments in debentures of a public limited company.

The Company operates in four segments: Equipment Finance (EF), Treasury, Advance against Financial Assets (AAFA) and Corporate loans.

The **Equipment Finance (EF)** segment provides financing in the form of loans for the purchase of commercial vehicles, construction equipment and agricultural assets. The segment earns income in the form of interest on loans, loan assignments, management fees, subventions, income from securitization etc. EF has a strong and stable management team with an average vintage in the firm of >15 years and specialization in Asset based finance across all functions of sales, risk, underwriting and collections. The recent changes in Priority Sector Loans (PSL) guidelines have ensued additional avenues for PSL sourcing by the company and the announcement by the Government of New Infrastructure projects for Roads, irrigation, rural infrastructure will increase the demand for commercial vehicles and construction equipment along with replacement demand. The increased sourcing shall be achieved by adding asset classes, increasing geographies and by deeper wallet penetration at manufacturer and dealers.

The Equipment finance portfolio is trending on expected lines with Non-Performing Assets (NPAs) and delinquencies being under control. The provision against NPAs for the year was Rs 747 lacs (Previous Year- Rs 848 lacs). The collection efficiency for the year was satisfactory at 101.9%. While the net 90 day overdue portfolio depicts an increase from 1.5% in March 2014 to 2.7% in March 2015, the same is largely due to run-down / assignment of portfolio. The gross principal outstanding has dropped from Rs. 84,885 lacs to Rs.39,163 lacs during the year. In absolute terms, the 90day overdue as on March 31, 2015 has improved by Rs 285 lacs (25%) over March 31, 2014.

The stability in the health of the portfolio has been largely supported by improved profitability for the borrowers driven by fall in diesel prices in the last year and improved business sentiments. Total commercial vehicle sales in the country for the year stood at 6,14,961 units as compared to 6,32,851 units during the previous year. The Medium & Heavy Commercial Vehicle segment (M&HCV), financing of which constitutes majority of CFIL's asset book, recorded a Year over Year growth of 24.6% and the decline was driven by the Large Commercial Vehicles & Small Commercial Vehicle segments, which recorded a decline of 2.2% & 13.1% respectively.

The **Treasury segment** undertakes various activities of investments in corporate debt and government securities, loans, funding and gapping and structured products. CFIL has stable funding from capital funds and long term debentures. The company has committed line of credit facilities from Citibank NA, Union Bank and Bank of Baroda. Liquidity is managed in a manner to ensure that stable funds plus committed lines of credit are always sufficient to fully cover for substantial rollover of maturing loans and meet all cash repayment obligations up-to next 12 months. Short term requirements are met through bank borrowings and issuance of commercial paper. Surplus funds are invested in Government securities or fixed deposits with banks which are pre-terminable. Asset Liability Management process is overseen by the ALCO. Day-to-day management of all activities related to the Treasury function is delegated to the Treasurer. Balance sheet and cash flow projections, SLS reports, balance sheet ratios etc are reviewed in



the monthly ALCO meetings. Liquidity stress tests are prepared monthly and reviewed by the Treasurer.

Revenues of the Treasury segment consist of interest income on assets and gains from investment activities. It also provides funds to other segments as per the needs of business and excess capital with other segments is deployed back with Treasury. There is an internal transfer price attached to the funds so provided or deployed, which forms part of inter-segment revenues. The revenue for the year increased from INR. 15,740 lac (Previous Year) to INR. 23,846 lac (Current Year) by 51.5% despite reduction in the total assets from Rs.115,499 lac (Previous year) to Rs.95,526 lac (Current Year) mainly on account of one time recovery interest income of Rs 170 crores from NPAs.

The Advance against Financial Assets (**AAFA**) segment provides loans against securities to high net worth individuals, brokers and corporate. Its revenue consists of interest on loans and service charges. The revenue for the year increased from INR. 14,733 lac (Previous Year) to INR. 22,609 lac (Current Year) by 17.7% and increase in the total assets from Rs.193,006 lac (Previous year) to Rs.220,056 lac (Current Year) mainly on account of increase in asset base. The Corporate loans segment provides secured and unsecured loans to corporates.

CFIL also has well-established business activities in the area of lending against marketable securities, including equity shares, equity mutual funds and debt mutual funds and is termed as **Corporate Loan** segment. The target market for this product is Ultra High Net Worth (UHNW) individuals and their companies.

Its revenue consists of interest on loans and service charges. The revenue for the year increased from INR. 9,906 lac (Previous Year) to INR. 14,224 lac (Current Year) by 43.6% and increase in the total assets from Rs.107,125 lac (Previous year) to Rs.177,203 lac (Current Year) mainly on account of focused new client acquisition, improved wallet share with existing clients and better market sentiment.

The company is focused on managing the market risk underlying the lending business against marketable securities and proactively ensures appropriate steps are taken to minimize risks emanating from volatility from the markets. RBI is also focused on lending against securities as a product, and recently came out with specific guidelines for lending against shares. These changes have been incorporated into our processes and product details. The product has been suitably modified and our monitoring processes have been changed to ensure compliance with the evolving regulatory environment.

FUTURE OUTLOOK

CLIENT FIRST.....Citicorp believes in giving first priority to its clients and helping them find tailor made solutions to meet their financial requirements. The Company thrives on the principle to build relationships with the individuals, Industries and families we serve.



The company is continuously evaluating various options/ opportunities to position itself in wake to current challenges & to turn- around the performance of the company.

In the coming years, the Company would continue its efforts to expand its business activities by providing new mix of products along with the existing products.

DIVIDEND

During the FY 2014-15, the Company had paid an interim dividend of Rs 122.97 Crores (@ Rs. 0.32 per equity shares (Previous Year- Nil). The Board of Directors also recommend a final dividend of Rs 84.87 crores (@ Rs.0.22 per equity share (Previous year Rs 397.83 Crore) for the year 2014-15 on equity shares outstanding as on March 31, 2015 to the members whose names appear in the register of members. The dividend payout is subject to approval of the members in the Annual General Meeting. Applicable taxes such as Dividend Distribution Tax shall be paid by the company.

TRANSFER TO SPECIAL RESERVE/ OTHER RESERVES

During year ended March 31, 2015, Company has appropriated Rs. 61.52 crores to the Special Reserve (Previous Year – Rs. 98.38 Crores) in accordance with requirements under Section 45IC of the Reserve Bank of India Act, 1934.

The Company has transferred Rs. Nil (Previous year Rs. 24.59 crore) to General Reserve during the year.

SHARE CAPITAL

The authorized share capital of the company is Rs. 3,952 crore as on March 31, 2015. The issued, subscribed and paid up share capital of the company as at March 31, 2015 is 2,893.29 crore. There is no change in the share capital during the year.

EXTRACT OF ANNUAL RETURN

As required by Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report is attached as **Annexure I**.

RELATED PARTY TRANSACTIONS

The particulars of every contract or arrangements entered into by the Company with its related parties pursuant to section 188 of the Companies Act, 2013 for the Financial Year 2014 – 2015 has been considered by the Audit Committee to be in the ordinary course of business and at arm's length and the details are enclosed in Form No. AOC -2 as per Annexure II.

AUDITORS OBSERVATIONS

The comments by Statutory Auditors as well as Secretarial Auditors in their Audit Report, which are annexed along-with the Financial Statements including Statement on State of affairs of the company as on March 31, 2015, the Profit & Loss Account for the year ended March 31, 2015, the Cash flow statement for the year ended on March 31, 2015, the Notes and Schedule to financial statements for the year ended March 31, 2015 are self-explanatory. There are no qualifications in Statutory Auditor Report as well as Secretarial Audit Report.

The Statutory Auditors in their report to members have made certain observations, which though are not qualifications in nature, have been explained as under:

- In para 7b), the Auditors have mentioned that following dues have not been paid...

Name of the statute	Nature of dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax including interest	91	A.Y. 2006-2007	Income tax Appellate Tribunal
	Income tax including interest	735	A.Y. 2006-2007	Income tax Appellate Tribunal
West Bengal Value Added Tax Act, 2003	Sales tax	5	F.Y 2005-2006	Senior Joint
		3	F.Y 2006-2007	Commissioner of Sales Tax West Bengal
		4	F.Y. 2007-2008	
The Delhi Sales Tax Act, 1975	Non submission of Form C and Form E 1	57	F.Y. 1998-1999	Sales - tax Officer, Delhi
	Total	895		



As can be seen in the table, the company is in appeal before various appellate authorities against the said orders/ demands & based on facts and/ or sound legal opinions, it considers it appropriate to challenge the orders/ demands.

- In para 12, Auditors have mentioned that no material fraud on or by the Company has been noticed or reported during the course of Audit other than certain instances of misrepresentation of collaterals/fabrication of security documents by customers/resulting in loss of Rs. 4 Lakhs, which has been written off in the books of accounts. It may be noted that such instances of fraud against the company have significantly reduced from Rs. 49 lac during the previous year to Rs 4lac only during the current year. The entire amount has been charged off to Profit & Loss Account & there is no additional exposure to the company on this account. Appropriate reportings have been made to the Reserve Bank of India from time to time.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

RESERVE BANK OF INDIA GUIDELINES ON PUBLIC DEPOSITS

As per the Reserve Bank of India guidelines for Non-Banking Finance Companies, the Company has not accepted any deposits from the public and continues to be classified as a loan and investment company. Further, RBI issued a circular "Financial Regulation of Systemically Important NBFCs and Banks' Relationship with them" dated 12 December 2006 according to which the Company is categorized as a systemically important non-deposit taking NBFC and in terms of said guidelines the Company is required to maintain a minimum Capital to Risk-weighted Assets Ratio (CRAR) of 15% and also comply with the single and group entity exposure norms. We are pleased to state that the CRAR ratio of the Company as at March 31 2015 was 62.05% % as compared to the prescribed ratio of 15%. As regards, compliance with the group entity exposure norms, which are applicable effective April 1, 2007, CFIL (i.e. the Company) is in compliance with all the norms as on 31st March 2015.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

None

CAPITAL EXPENDITURES:

Rs. 264 Lakhs in Fixed assets for the year (Previous year Rs. 38 lakhs)



SALE OF NON PERFORMING ASSETS (NPAS)

During the year ended March 31, 2015 the Company has sold Non-performing Assets (NPAs) having a Principal Outstanding (POS) of Rs 74.31 lacs (Previous year Rs.8,635 Lacs) at Rs 7.38 lacs (Previous Year Rs 2,590 Lacs).

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Conservation Of Energy, Technology Absorption

Considering the nature of business activity of your Company, not being a manufacturing unit, there is no material consumption of energy / technology absorption.

Foreign Exchange Earnings and Outgo

NIL

EXPENDITURE IN FOREIGN CURRENCY

Rs. In lacs

	For the year ended 31 March 2015	For the year ended 31 March 2014
Link & connectivity charges	1,132	1,359
Professional charges	220	240
Total	1,352	1,599

SUBSIDIARIES

As at March 31st 2015, the Company does not have any subsidiaries.

The erstwhile wholly owned subsidiaries of the company i.e. Citicorp Clearing Services India Limited (CCSIL) and Citicorp Capital Markets Limited (CCML) were amalgamated with the company by order of the Hon'ble High Court of Bombay dated 31st October 2014, under scheme of amalgamation (effective dated 29th November, 2014). The other details and the accounting treatment have been appropriately disclosed in Note 16 and 17 annexed to the Financial Statements.



STATUTORY AUDITORS

At the Annual General Meeting held on July 30, 2014, B S R & Co. LLP Chartered Accountants, Mumbai, were appointed as Statutory Auditors of the Company to hold the office till the conclusion of next Annual General Meeting. In term of first proviso of Section 139 of the Companies Act, 2013, the appointment of auditor shall be placed for ratification at every Annual general Meeting. In this regard, the Company has received a certificate from the auditors to the effect that if they are reappointed, it would be in accordance with provision of Section 141 of the Companies Act, 2013.

SECRETARIAL AUDIT

Ms. Zainab Hussain Poonawala Practicing Company Secretary, was appointed to conduct the secretarial audit of the Company for the Financial Year 2014-15, as required under section 204 of the Companies Act, 2013 and Rules thereunder. The secretarial audit report for the FY 2014-15 form part of Annual Report as per **Annexure III** to the Board's Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

INTERNAL AUDITORS

Pursuant to Section 138 of the Companies Act, 2013 read with Rule 13 of The Companies (Accounts) Rules, 2014, Mr. Sampath Kumar has been appointed as Internal Auditor of the company.

The role of Internal Audit is to provide independent, objective, reliable, valued and timely assurance to the Boards of Directors, the Audit Committee and senior management over the effectiveness of governance, risk management, and controls that mitigate current and evolving risks and enhance the control culture within the company.

VOLUNTARY REVISION OF FINANCIAL STATEMENTS OR BOARD'S REPORT

The company has not opted for revision of its Financial Statements or it Board report.

RISK MANAGEMENT

A. Governance Structure:

The Company has robust Corporate Governance process in place emanating from Board of Directors which comprises of highly qualified & experienced members. The Board has formed various Committees (Please refer suitable portion for more details) to review &



supervise various critical operations & processes. The Company has also adopted a Corporate Governance Code. The Company has also framed various Policies for suitable dissemination & conduct of the employees in general. The company has constituted Business Risk Management Committee consisting of senior officers of the company including but not limited to the Managing Director, In-house Directors, CFO, Company Secretary, Compliance officer, respective business heads etc. The committee has been reconstituted in the Board meeting dated 20th March 2015, whereby the Committee has been entrusted with the responsibility to identify, evaluate and discuss any business risk faced by the Company. The Company has also formed Audit Committee consisting of both Independent Director & one non-Executive Director to look after the matters related to internal controls & compliance, in addition to Asset Liability Management Committee (ALCO) which manages liquidity & other treasury related risks. There are various other Committees (please see details under relevant portions) to look after various activities & mitigate associated risks.

B. Business and Management Continuity Risk:

The company has a well-structured network of branches with the centralized operation from Mumbai. Additionally, the affairs and operations of CFIL are run and managed by its management personnel as a collective group for its efficient functioning and any event such as a large scale resignation of its management personnel could hamper the ability of CFIL to conduct its business normally.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant and material order passed by the regulators or court or tribunals impacting the going concern status and Company's operation in future. Below is the update on few critical pending cases:

- (i) Notice was received from the relevant authority in the State of Kerala under the provisions of the state money lending statutes. On dismissal of the writ petitions & writ appeals made to the High Court of Kerala, the NBFCs have filed SLP before the Supreme Court of India against the order dated May 30, 2011 ("Judgement"). By the Judgment it was held that NBFCs including the company fall within the purview of the term 'Money Lender' as envisaged under Section 2(7) of the Kerala Money Lenders Act, 1958 ("KML Act") and are liable to be registered and licensed under Section 3 of the KML Act for carrying on its business in Kerala. The company preferred Special Leave Petition (SLP) before the Hon'ble Supreme Court of India. The reliefs sought in the SLP include, inter alia, stay of the operation of the



Judgment. On July 15, 2011, the Supreme Court granted our prayer seeking status quo in the matter. The matters were listed before the Supreme Court on March 11, 2015 when the Counsel for State of Kerala sought an adjournment for three weeks. The interim stay granted by the Court still continues till the pendency of the matters. Similar cases are pending before High Court of Bombay and High Court of Karnataka where the issue in question is whether state money lending laws are applicable to the company. Matter is not yet listed for further hearing. Interim stay granted by the Hon'ble Courts still continues.

(ii) Company appeal – Chief Controlling Revenue Authority (CCRA) decision

The company had received an order from SDM, Delhi alleging for evasion of stamp duty upon issuance of shares to its shareholders. The company, based upon leading external subject matter opinions has preferred an appeal besides depositing the demand amount of INR 157.11 lac under protest and an application has also been filed with CCRA to refer the case to High Court to seek guidance on the substantial questions of law. The matter has been heard by Competent Authority & the order is awaited.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Mr. Rahul Shukla, Director retires by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment.

During the Financial Year 2014-2015, Mr. Deepak Keshav Ghaisas and Mr. Saurabh Surendra Shah have been appointed as an Independent Directors of the Company for a term of 5 years and Ms. Anuranjita Kumar and Mr. Niraj Parekh (appointed to fill the causal vacancy of Mr. Abhijit Sen) has been appointed as Directors w.e.f. January 28, January 23, 2015 and March 20, 2015 respectively.

Ms. Anuranjita Kumar was appointed as Additional Director of the Company and regularized as Director of the Company at Extra Ordinary General Meeting (EGM) of shareholders dated April 29, 2015.

During the year Mr. Rohit Ranjan has been re-appointed as Managing Director of the company w.e.f January 25, 2015 for term of 5 years as his term has expired on January 24, 2015.

The appointment of the Independent Directors as well as reappointment of the Managing Director along-with their remuneration were also approved by the shareholders in their meeting dated April 29, 2015.

Further, Mr. Abhijit Sen Mr. Sameer Kaul and Mr. Anand Selvakesari have resigned as Director of the Company w.e.f. Feb 28, 2015; January 23, 2015 and July 30, 2014 respectively.

Mr. Rakesh Bajaj resigned from the position of CFO & Company Secretary w.e.f. February 1, 2015.



Also, Mr. Rohit Ranjan, Mr. Rajesh Kumar Aggarwal and Mr. Ankit Agarwal have been designated as Managing Director, Company Secretary and Chief Financial Officer respectively and as Key Managerial Personnel (KMP) collectively.

RECEIPT OF ANY COMMISSION BY MD / WTD FROM A COMPANY OR FOR RECEIPT OF COMMISSION / REMUNERATION FROM IT HOLDING OR SUBSIDIARY

Nil

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6). (Refer Annexure IV)

RE-APPOINTMENT OF INDEPENDENT DIRECTOR

During the Financial Year 2014-15, none of the Independent Director has been Re- appointed.

FORMAL ANNUAL EVALUATION:

The performance evaluation of the Board as a whole, its Committees and individual Directors are done on an annual basis with specific focus on devotion of enough time and attention to long term strategic issues, openness and transparency in the discussion amongst Board Members, quality, quantity and timeliness of flow of information, discharge of fiduciary duties etc.

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees.

The Board has evaluated the performances based on mainly four parameters, which are as follows:

- a. Attendance and participation by members
- b. Financial metrics such as Net profit, CRAR, Asset Coverage ratio
- c. Investor Relations such as investor grievances, shareholder concerns, any default in payment/ repayment of interest/ principal, Debenture Trustee interactions
- d. Governance & Compliance which include any adverse audit findings (Statutory/ Internal/ Secretarial/ Insurance audit); RBI inspection, any long pending customer complaints or employee issues and tax assessments



After evaluation it has been concluded that the Board of Directors/ Committees are constituted with knowledgeable and committed professionals of utmost integrity. The Board/ Committees are independent in making its decision and also capable and committed to address the conflict of interest and impress upon the functionaries of the Company to focus on transparency, accountability, probity, integrity, equity and responsibility.

NOMINATION & REMUNERATION COMMITTEE POLICY

Please see Committees portion for composition of Nomination & Remuneration Committee.

The Company has well defined policy on Directors' and KMP appointment and remuneration which also lays down criteria for determining qualifications and other matters. Each such proposed appointment is considered by the Nomination & Remuneration Committee, consisting of Managing Director, two Independent Director and Woman Director. Appropriate steps are taken to carry out background checks before any such proposal is made. The parameters such as educational qualification, professional competence, relevant experience as well as attributes such as integrity, independence, accountability, prudence, work ethics etc. play an important role during such discussions. Suitable declarations are also obtained from the incumbent to that extent in compliance with applicable laws & regulations. The Company has also adopted a well-defined remuneration policy whereby compensation is aligned to shareholders' interests, prudent decision making as well as implementation of evolving regulatory guidance besides attracting & retaining best talent to lead the company to success. Group HR Head has also been inducted on the Board of Directors as Woman Director.

VIGIL MECHANISM

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Whistle blower Policy is shared with employees periodically at group level. The Vigil Mechanism Policy has been uploaded on the website of the Company. The Chairman of Audit Committee, Mr. Deepak Kesav Ghaisas, Independent Director can also be reached by the employees in addition to other available platforms/ channels of escalation.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178;

Please refer NOMINATION & REMUNERATION COMMITTEE POLICY Section of the Report.

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENT

The company, being NBFC, the provisions of the Section 186 of the Companies Act, 2013 relating to the loans, guarantee or investment are not applicable.

DISQUALIFICATIONS OF DIRECTORS

During the Financial Year 2014-15, none of the directors has been disqualified on account of any non-compliance of the Act.

BOARD MEETINGS

The Board of Directors met seven times during this Financial Year 2014-15 dated April 11, 2014; May 30, 2014; September 9, 2014; November 13, 2014; January 19, 2015; January 28, 2015; March 20, 2015.

Attendance of each Director is as below:

Members	No. of Meeting	
	Held	Attended
Mr. Rohit Ranjan (MD)	7	7** #
Mr. Rahul Shukla	7	6
Ms. Anuranjita Kumar	7	1** \$
Mr. Deepak Ghaisas (ID)	7	1**
Mr. Saurabh Shah (ID)	7	1**
Mr. Niraj Parekh	7	1** @
Mr. Abhijit Sen	7	6*
Mr. Sameer Kaul	7	5*
Mr. Anand Selvakesari	7	1*

* Mr. Abhijit Sen, Sameer Kaul and Anand Selvakesari resigned from the directorship of the company with effect from Feb 28, 2015, Jan 23, 2015 and July 30, 2014 respectively.

** Ms. Anuranjita Kumar, Deepak Ghaisas, Saurabh Shah, Niraj Parekh and Rohit Ranjan inducted as director/Independent Director/Managing Director of the Company with effect from Jan 23, 2015, Jan 28, 2015, Jan 28, 2015, March 20, 2015 and Jan 25, 2015 respectively.

\$ Ms. Anuranjita participated over phone but her presence over phone was not counted as part of Quorum.

Mr. Rohit Ranjan was re-appointed as Managing Director of the Company with effect from Jan 25, 2015.

@ Mr. Niraj Parekh attended as Invitee.

COMMITTEES OF BOARD

The Board has also constituted committees of its Directors to facilitate specific activities. Following are the committees viz., Audit Committee, Asset Liability Management Committee; Nomination and Remuneration Committee; Borrowing Committee; Share Allotment and Transfer Committee; Debenture allotment and Transfer Committee; Stakeholder Relationship Committee; Corporate Social Responsibility Committee; Loan and Investment Committee and Business Risk Management Committee; Disciplinary Committee.

(i) Audit Committee

The role of the Audit Committee is primarily relate to oversight of the Company's financial reporting process, disclosure of financial information and appointment / re-appointment of the statutory auditors approve or any subsequent modification of transactions of the company with related parties

It includes ensuring compliance to the internal control systems and review the financial statements which are presented to the Board for their consideration.

During the financial year ended 31st March 2015, the Audit Committee of the Board met four times. Meetings of Audit committee were held on May 30, 2014; June 27, 2014 and November 13, 2014 and March 20, 2015. The adequate quorums were present at every Audit Committee Meeting.

The composition and attendance of each members of the Audit Committee as on March 31, 2015 is as under:

- a) Mr. Niraj Parekh, Director
- b) Mr. Deepak Ghaisas, Independent Director
- c) Mr. Saurabh Shah, Independent Director

Details of the Members participation at the Meetings of the Committee as of March 31, 2015 are as under:

Members	No. of Meeting	
	Held	Attended
Mr. Niraj Parekh	4	1**
Mr. Deepak Ghaisas	4	1**
Mr. Saurabh Shah	4	1**
Mr. Rohit Ranjan	4	3*
Mr. Abhijit Sen	4	3*
Mr. Rakesh Bajaj	4	3*
Mr. Rahul Shukla	4	0*
Mr. Sameer Kaul	4	0*
Mr. Rajesh Aggarwal	4	0*

- ****Inducted as member of the committee with effect from March 20, 2015**
- *** Ceased to be member of the committee with effect from March 20, 2015.**

There has not been any instance whereby the Board has not accepted recommendations of Audit Committee during the year.

(ii) Nomination and Remuneration Committee:

The primary role of the committee is to ensure that the persons to be appointed as directors or on senior management position of the Company possess requisite qualifications, expertise, track record and integrity. The committee ascertains the "fit and proper" status of the existing as well as the proposed directors.

The Committee will also recommend a policy relating to the remuneration of the directors, key managerial personnel and other employees.

Additionally, it ensures that self-declaration is obtained from every director (existing or proposed) in the prescribed format.

The Composition of Nomination and Remuneration Committee as on March 31, 2015 are as under:

- Mr. Rohit Ranjan, Managing Director
- Ms. Anuranjita Kumar, Director
- Mr. Deepak Ghaisas, Independent Director
- Mr. Saurabh Shah, Independent Director

During the twelve months ended 31st March 2015 the members of committee met three times. The meetings were held on January 15, 2015, January 22, 2015 and March 20, 2015

Details of the Members participation at the Meetings of the Committee as of March 31, 2015 are as under:

Members	No. of Meeting	
	Held	Attended
Mr. Rohit Ranjan	3	3
Ms. Anuranjita Kumar	3	0**
Mr. Deepak Ghaisas	3	1**
Mr. Saurabh Shah	3	1**
Mr. Abhijit Sen	3	2*
Mr. Rahul Shukla	3	1*
Mr. Sameer Kaul	3	2*
Mr. Rakesh Bajaj	3	1*

- ***Ceased to be member of the committee with effect from March 20, 2015.**
- **** Inducted as member of the committee with effect from March 20, 2015**

Note: Ms. Anuranjita Kumar presented over phone. Her presence over phone was not counted for the purpose of quorum.

(iii) Share Allotment and Transfer Committee:

The committee approve, monitor transfers, transmission, splitting and consolidation of the shares issued by the Company.

It monitor the redressal mechanism of complaints received from the shareholders relating to transfer of shares, non receipt of balance sheet and other matters pertaining to investor's servicing

The Composition of Share Allotment and Transfer Committee as on March 31, 2015 are as under:

- a) Mr. Rohit Ranjan, Managing Director
- b) Mr. Niraj Parekh, Director
- c) Mr. Rajesh Kumar Aggarwal, SVP- Finance & Company Secretary
- d) Mr. Rakesh Bajaj, SVP- Finance
- e) Mr. Amarjeet Singh Kalsi, Ops head
- f) Mr. Vivek Jain, Treasurer
- g) Mr. Ankit Agarwal, Chief Financial Officer

During the twelve months ended 31st March 2015, the members of committee met one time March 16, 2015.

Details of the Members participation at the Meetings of the Committee as of March 31, 2015 are as under:

Members	No. of Meeting	
	Held	Attended
Mr. Rohit Ranjan	1	1
Mr. Niraj Parekh	1	0**
Mr. Rajesh Aggarwal	1	0**
Mr. Rakesh Bajaj	1	1
Mr. Ankit Agarwal	1	0**
Mr. Abhijit Sen	1	0*

* Ceased to be member of the committee with effect from March 20, 2015.

** Inducted as member of the committee with effect from March 20, 2015

(iv) Debenture Allotment and Transfer Committee

The role of the committee is to allot the debentures and ensure that at the time of issuance of debentures, all requisite resolutions are passed and necessary documentation is maintained.



The Composition of Debenture Allotment and Transfer Committee as on March 31, 2015 are as under:

- a) Mr. Rohit Ranjan, Managing Director
- b) Mr. Niraj Parekh, Director
- c) Mr. Rahul Shukla, Director
- d) Ms. Anuranjita Kumar, Director
- e) Mr. Rajesh Kumar Aggarwal, SVP- Finance & Company Secretary
- f) Mr. Ankit Agarwal, Chief Financial Officer
- g) Mr. Rakesh Bajaj, SVP- Finance
- h) Mr. Vivek Jain- Treasurer
- i) Mr. Amarjeet Singh Kalsi, Ops head

During the twelve months ended 31st March 2015, the members of committee met Twenty Seven times. The meeting were held on April 30, 2014; May 12, 2014; May 27, 2014; May 30, 2014; June 13, 2014; July 24, 2014; July 31, 2014; August 21, 2014; August 28, 2014; September 4, 2014; September 22, 2014; September 29, 2014; September 30, 2014; October 22, 2014; October 31, 2014; November 3, 2014; November 19, 2014; November 27, 2014; December 10, 2014; December 19, 2014; December 31, 2014; January 23, 2015; January 30, 2015; February 11, 2015; February 27, 2015; March 17, 2015 and March 31, 2015.

Details of the Members participation at the Meetings of the Committee as of March 31, 2015 are as under:

Members	No. of Meeting	
	Held	Attended
Mr. Rohit Ranjan	27	2
Mr. Niraj Parekh	27	0**
Mr. Rahul Shukla	27	0
Ms. Anuranjita Kumar	27	0**
Mr. Rajesh Aggarwal	27	0**
Mr. Ankit Agarwal	27	0**
Mr. Rakesh Bajaj	27	24
Mr. Abhijit Sen	27	20*
Mr. Sameer Kaul	27	0*

• Ceased to be member of the committee with effect from March 20, 2015.

** Inducted as member of the committee with effect from March 20, 2015

(v) Asset Liability Management Committee:

The Committees reviews and monitors the risk associated with lending and borrowing, resultant gaps in the funding positions of the Company manage interest rate risk and determine the pricing criteria of various assets and liabilities of the Company.



The Composition of Asset Liability Management Committee as on March 31, 2015 is as under:

- a) Mr. Rohit Ranjan, Managing Director
- b) Mr. Rahul Shukla, Director
- c) Mr. Niraj Parekh, Director
- d) Mr. Rajesh Kumar Aggarwal, SVP- Finance & Company Secretary
- e) Mr. Ankit Agarwal, Chief Financial Officer
- f) Mr. Rakesh Bajaj, SVP- Finance
- g) Mr. Vivek Jain, Treasurer
- h) Mr. Amarjeet Singh Kalsi, Ops head
Respective Business Heads

During the twelve months ended 31st March 2015 the members of committee met Twelve times. The meetings were held on. April 10, 2014; May 9, 2014; June 10, 2014; July 10, 2014; August 8, 2014; September 10, 2014; October 10, 2014; November 10, 2014; December 10, 2014; January 9, 2015; February 9, 2015; March 10, 2015.

Details of the Members participation at the Meetings of the Committee as of March 31, 2015 are as under:

Members	No. of Meeting	
	Held	Attended
Mr. Rohit Ranjan	12	0
Mr. Rahul Shukla	12	0
Mr. Niraj Parekh	12	0**
Mr. Rajesh Kumar Aggarwal	12	1**
Mr. Ankit Agarwal	12	12**
Mr. Rakesh Bajaj	12	12
Mr. Abhijit Sen	12	9*
Mr. Sameer Kaul	12	0*
Ms. Anuranjita Kumar	12	0**

- * Ceased to be member of the committee with effect from March 20, 2015.
- ** Inducted as member of the committee with effect from March 20, 2015.

Note: Mr. Ankit Agarwal attended all the meeting ever he was not the member of the committee at that time. He become member of the committee through board resolution dated March 20, 2015.

(vi) **Borrowing Committee**

The role of the committee is to evaluate the borrowing programs of the company.

The Composition of Borrowing Committee as on March 31, 2015 are as under:

- a) Mr. Rohit Ranjan, Managing Director
- b) Mr. Rahul Shukla, Director
- c) Mr. Niraj Parekh, Director

- d) Ms. Anuranjita Kumar, Director
- e) Mr. Rajesh Kumar Aggarwal, SVP- Finance & Company Secretary
- f) Mr. Ankit Agarwal, Chief Financial Officer
- g) Mr. Vivek Jain, Treasurer
- h) Mr. Rakesh Bajaj, SVP- Finance

During the twelve months ended 31st March 2015 the members of committee met one time dated January 29, 2015.

Details of the Members participation at the Meetings of the Committee as of March 31, 2015 are as under:

Members	No. of Meeting	
	Held	Attended
Mr. Rohit Ranjan	1	1
Mr. Rahul Shukla	1	0
Mr. Niraj Parekh	1	0**
Ms. Anuranjita Kumar	1	0**
Mr. Rajesh Aggarwal	1	0**
Mr. Ankit Agarwal	1	0**
Mr. Rakesh Bajaj	1	0
Mr. Abhijit Sen	1	1*
Mr. Sameer Kaul	1	0*

- * Ceased to be member of the committee with effect from March 20, 2015.
- ** Inducted as member of the committee with effect from March 20, 2015.

(vii) Stake Holder Relationship Committee

The committee is to consider and resolve the grievances of security/debenture holders of the Company.

The Composition of Stake Holder Relationship Committee as on March 31, 2015 are as under:

- a) Mr. Rohit Ranjan, Managing Director
- b) Mr. Niraj Parekh, Director
- c) Ms. Anuranjita Kumar, Director
- d) Mr. Rajesh Kumar Aggarwal, SVP- Finance & Company Secretary
- e) Mr. Rakesh Bajaj, SVP- Finance
- f) Mr. Amarjeet Singh Kalsi, Ops head
- g) Mr. Vivek Jain, Treasurer
- h) Mr. Ankit Agarwal, Chief Financial Officer



During the twelve months ended 31st March 2015 the committee has not received any complaints /grievance, hence no meeting held during the year.

(viii) **Corporate Social Responsibility Committee (CSR)**

- The role of the committee are as follow:
- The committee to decide and approve on modifications/changes to the Policy, as necessary
- to decide and approve the CSR projects/programs to be undertaken by the Company
- to decide and approve the expenditure to be incurred for each CSR project/program
- to implement and monitor CSR activities and provide timely updates”

The Composition of Corporate Social Responsibility Committee (CSR) as on March 31, 2015 is as under:

- a) Mr. Rohit Ranjan, Managing Director
- b) Mr. Niraj Parekh, Director
- c) Mr. Rahul Shukla, Director
- d) Mr. Deepak Ghaisas, Independent Director
- e) Mr. Saurabh Shah, Independent Director
- f) Mr. Rajesh Kumar Aggarwal, SVP- Finance & Company Secretary

During the Financial year ended on 31st March 2015, the members of committee met Five times The meetings were held on. June 16, 2014; October 16, 2014; November 10, 2014; December 10, 2014; March 20, 2015.

Details of the Members participation at the Meetings of the Committee as of March 31, 2015 are as under:

Members	No. of Meeting	
	Held	Attended
Mr. Rohit Ranjan	5	5
Mr. Niraj Parekh	5	1**
Mr. Rahul Shukla	5	5
Mr. Deepak Ghaisas	5	1**
Mr. Saurabh Shah	5	1**
Mr. Rajesh Aggarwal	5	1**
Mr. Sameer Kaul	5	3*
Mr. Rakesh Bajaj	5	0*

• * Ceased to be member of the committee with effect from March 20, 2015.

• ** Inducted as member of the committee with effect from March 20, 2015.

• Note: Committee constituted by Board Resolution dated May 30, 2014.

(ix) **Loans and Investment Committee**

The role of the committee is to evaluate the loans and investments undertaken by the Company in its normal course of business.

The Composition of Loan and Investment Committee as on March 31, 2015 is as under:

- a) Mr. Rohit Ranjan, Managing Director
- b) Mr. Niraj Parekh, Additional Director
- c) Ms. Anuranjita Kumar, Additional Director
- d) Mr. Rahul Shukla, Director
- e) Mr. Rajesh Kumar Aggarwal, SVP- Finance & Company Secretary
- f) Mr. Ankit Agarwal, CFO
- g) Mr. Vivek Jain, Treasurer
- h) Mr. Rakesh Bajaj, SVP- Finance

During the twelve months ended 31st March 2015 the members of committee met Twenty one times The meetings were held on April 2, 2014; April 9, 2014; April 16, 2014; April 17, 2014; April 29, 2014; may 21, 2014; June 4, 2014; June 9, 2014; June 18, 2014; June 23, 2014; June 30, 2014; July 4, 2014; July 9, 2014; July 15, 2014; August 4, 2014; August 6, 2014; August 19, 2014; September 4, 2014; September 25, 2014; January 28, 2015 February 4, 2015.

Details of the Members participation at the Meetings of the Committee as of March 31, 2015 are as under:

Members	No. of Meeting	
	Held	Attended
Mr. Rohit Ranjan	22	0
Mr. Niraj Parekh	22	0**
Ms. Anuranjita Kumar	22	0**
Mr. Rahul Shukla	22	1
Mr. Rajesh Aggarwal	22	0**
Mr. Ankit Agarwal	22	0**
Mr. Rakesh Bajaj	22	21
Mr. Abhijit Sen	22	22*
Mr. Sameer Kaul	22	0*

- * Ceased to be member of the committee with effect from March 20, 2015.
- ** Inducted as member of the committee with effect from March 20, 2015.

(x) **Business Risk Management Committee (BMRC)**



The role of the committee is to identify, evaluate and discuss any business risk faced by the Company.

- a) Mr. Rohit Ranjan, Managing Director
- b) Mr. Niraj Parekh, Director
- c) Mr. Rahul Shukla, Director
- d) Mr. Rajesh Kumar Aggarwal, SVP- Finance & Company Secretary
- e) Mr. Rakesh Bajaj- SVP Finance
- f) Mr. Ankit Agarwal, Chief Financial Officer
- g) Mr. Vivek Jain- Treasurer
- h) Mr. Amarjeet Singh Kalsi - Ops head
- i) Mr. Asheesh Goel - ABF Sales Head
- j) Respective Business heads

None of the meeting was held during the Financial Year 2014-15.

Directors of the Company have reviewed the Code of Corporate Governance and are pleased to confirm that the Company has made the compliance of the provision of applicable statutes and Citigroup Corporate Guidelines and there is no material departure from the best practices as detailed under the code.

PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company is aligned to & follows Citigroup Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Work Place which is in accordance with local laws. The Policy defines the scope of Sexual Harassment, and articulates the approach to raising issues and the redressal of the same.

During the Financial Year 2014-15, the Company has not reported any such Complaints/ Concerns.

FRAUD

During the Financial Year 2014-15, no instances of frauds committed by the company or its employees have been reported. 28 frauds involving INR 4.48 lacs were detected in the Financial Year 2014-15 compared to 62 frauds amounting to INR 27.44 lacs in the Financial Year 2013-14. which have been appropriately reported to Reserve Bank of India in accordance with the applicable Guidelines on calendar year basis. These instances mainly relate to 16 (Previous Year 39) cases of Misappropriation and criminal breach of trust amounting to INR 0.98 lacs (Previous Year INR 3.43 Lacs) and 12 (Previous Year 23) cases of cheating and forgery amounting to INR 3.5 lacs (Previous Year INR 24.01 lacs).



CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

Pursuant to the provisions of section 135 and schedule VII of the Companies Act, 2013, the Company has constituted a CSR Committee of the Board of Directors who is responsible oversee the CSR projects/programs to be undertaken by the Company, the expenditure to be incurred for each CSR project/program and to implement and monitor CSR activities and provide timely updates. The CSR Policy has been uploaded on the website of the Company at www.citicorpfinance.co.in.

The company is committed to enabling socio-economic progress in the communities where we live and work and has developed its Corporate Social Responsibility program to comply with the requirements of Section 135 of the Act and the Companies Rules, 2014, and has aligned its projects and programs across some of the areas indicated in Schedule VII of the Act and the Rules for the year, April 2014-March 2015. The priority areas are as follows:

1. Eradicating hunger and poverty and malnutrition, preventive healthcare and Sanitation
2. Promotion of Education
3. Gender equality and women empowerment
4. Ensuring environmental sustainability including renewable energy projects
5. Contribution to the Prime Minister's Relief Fund and other similar welfare schemes
6. Protection of national heritage, armed forces benefit, rural sports, rural development and contributions to technology incubators and academic institutions
7. Livelihood enhancement projects
8. Educating the masses and promoting road safety awareness in all facets of road usage
9. Research and studies in areas specified under CSR
10. Supplementing government schemes like mid-day meals through additional nutrition
11. Provisions of aid and appliances to differently abled

For the Financial Year 2014 – 15, the Company has spent total amount of INR 77.80 Lakh as against required spend of Rs. 93.09 Lakh, being average net profit as defined under Section 135 & Rules thereunder. The details of amount spend on CSR are as follows:

Sr.No	Projects	(INR in lakhs)
1	Program promoting Financial Inclusion	3.8
2	Education program supporting girl students	20.0
3	Contribution towards Health and Safety initiatives	30.0
4	Contribution towards Wildlife Conservation	24.0
	Total	77.8



Please refer Committee section for composition of CSR Committee.

The mandatory disclosures on CSR are enclosed as per **Annexure V**.

LISTING

The Long Term Debentures of the Company are listed on The National Stock Exchange of India Limited (NSE). During the year 2014-15 there is no default in repayment of debenture holders

However two debenture holders had remained unpaid as the debenture holders were not traceable since 2009 and 2010 despite the best efforts of the company. The details of these unpaid investors are given below:

Name of Investor	ISIN No.	Maturity Date	Total Amount Payable (Rs.) at the beginning of the year	Maximum during the year;	At the end of the year
Xaviour Josephbabu Vallonthaiel	INE915D07JF2	6-Nov-09	500,000	-	500,000
Anurag Kanchanbaras Rajendra Prakash Kanchanbaras	INE915D07JL0	3-Mar-10	1,071,500	-	1,071,500

The Company has paid the Annual Listing Fees for the year 2015-2016 to NSE where the Company's debentures are listed.

CREDIT RATING

During the year, the Company has obtained/ revalidated external ratings from reputed agencies (ICRA) for its debt.

The Company's financial discipline, highest safety and prudence are reflected in the strong credit ratings ascribed by rating agencies as given below:

By ICRA:

- PP-MLD [ICRA] AAA (pronounced Principal Protected Market Linked Debentures ICRA triple A plus) Rating
- [ICRA] AAA (pronounced as "ICRA triple A)



REDEMPTION OF DEBENTURES

During the Year, Debentures with face value amounting to Rs, 43,750lac (Previous Year Rs. 94,350 lac) have been redeemed/ paid in accordance with contractual terms and conditions.

INVESTOR EDUCATION AND PROTECTION FUND

During the Financial Year 2014-15, no amount was required to be transferred to Investor Education and Protection Fund and hence, nil amount has been so transferred/ deposited.

DISCLOSURES RELATED TO EMPLOYEES

The details of employees as required by the provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as per Annexure VI and forms part of this report. In terms of Section 136(1) of the Companies Act, 2013, the report and accounts are being sent to the Members excluding the aforesaid annexure. Any Member interested in obtaining a copy of the annexure may write to the Company Secretary at the Registered Office.

DISCLOSURES PERTAINING TO CONSOLIDATED FINANCIAL STATEMENTS

Please refer **Annexure-VII**

APPOINTMENT OF RELATIVES OF DIRECTORS TO AN OFFICE OR PLACE OF PROFIT

None of the relatives of any directors has been appointed to an office or place of profit of the company as per available records.

RATIO OF REMUNERATION TO EACH DIRECTOR

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) 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 per **Annexure – VIII**.

SECRETARIAL STANDARDS

The Institute of Company Secretaries of India (ICSI), has issued Secretarial Standards on important aspects like Board meetings, General meetings, Payment of Dividend, Maintenance of Registers and Records, Minutes of Meetings, Transmission of Shares and Debentures, Passing of Resolutions by Circulation, Affixing of Common Seal and Board's Report. Effective date of these standards is July 1, 2015, the Company adheres to these standards and shall endeavor to fully comply with in future also.

TRAINING AND DEVELOPMENT

The company provides various training & skill development related opportunities to its employees to continuously upgrade their knowledge, skills & professional competence, besides ensuring compliance of various local laws and regulations.

During the year, functional training was imparted for 1140 (Previous year 93) man-days. 2194 (Previous Year 1582) man days were part of mandatory trainings whereas 16 (Previous Year 9) employees were given leadership training & 32 (previous Year 17) employees were given professional development training.

DIRECTORS'S RESPONSIBILITY STATEMENT

In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

(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.

ACKNOWLEDGEMENT

The Directors express their gratitude to the co-operation and guidance extended by the Reserve Bank of India, National Stock Exchange, Securities Exchange Board of India and other regulatory authorities. The Director also takes this opportunity to thank the shareholders, banks and other financial institutions for reposing their confidence in us. The employees of the Company contributed significantly in achieving the results. The Directors take this opportunity of thanking them and hope that they will maintain their commitment to excellence in the years to come.

For and on behalf of the Board



Rohit Ranjan
Managing Director



Niraj Parekh
Director

Dated: **July 28, 2015**
Place: **Mumbai**



ANNEXURE INDEX

Annexure	Content
i	Annual Return Extracts in MGT
ii	Related Party Transaction AOC-2
iii	Secretarial Audit Report
iv	Declaration From Independent Directors on Annual Basis
v	Annual Report on Corporate Social Responsibility
vi	Disclosure related to employee
vii	AOC - 1
viii	Ratio to Remuneration to each Directors

Annexure I

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U65910MH1997PLC253897
2.	Registration Date	01/05/1997
3.	Name of the Company	Citicorp Finance (India) limited
4.	Category/Sub-category of the Company	Non-Banking Finance Company(NBFC)
5.	Address of the Registered office & contact details	8th Floor, First International Financial Centre, C-54&C-55, G-Block, Bandra Kurla Complex Bandra(E) Mumbai Maharashtra INDIA 400051
6.	Whether listed company	Listed
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NA

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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the
1	Financial Services including loan for purchase of commercial vehicles, construction equipment and agricultural assets and leasing and hire purchase of said assets	6492	13.97%
2	Loan against securities	6492	27.84%
3.	Corporate Loan	6492	17.51%
4.	Treasury activities	6492	29.37%

III. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
 Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2014]			No. of Shares held at the end of the year[As on 31-March-2015]			% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical		Total
A. Promoters								
(1) Indian								
a) Individual / HUF								
b) Central Govt								
c) State Govt(s)								
d) Bodies Corp.								
e) Banks / FI								
f) Any other								
Total shareholding of Promoter (A)								

Nil

B. Public Shareholding								
1. Institutions								
a) Mutual Funds								
b) Banks / FI								
c) Central Govt								
d) State Govt(s)								
e) Venture Capital Funds					Nil			
f) Insurance Companies								
g) FIIs								
h) Foreign Venture Capital Funds								
i) Others (specify)								
Sub-total (B)(1):-								
2. Non-Institutions								

a) Bodies Corp.								
i) Indian								
ii) Overseas								
b) Individuals								
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh								
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh								
c) Others (specify)								
Non Resident Indians								
Overseas Corporate Bodies	3,857,727,031	3,857,727,031	100	3,857,727,031	3,857,727,031	100	0	
Foreign Nationals								
Clearing Members								
Trusts								
Foreign Bodies - DR								
Sub-total (B)(2):-								
Total Public Sharehol	3,857,727,031	3,857,727,031	100	3,857,727,031	3,857,727,031	100	0	

ding (B)=(B)(1)+ (B)(2)								
C. Shares held by Custodian for GDRs & ADRs								
Grand Total (A+B+C)	3,857,727,031	3,857,727,031	100	3,857,727,031	3,857,727,031	100	0	

B) Shareholding of Promoter-

S N	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Share s of the comp any	% of Shares Pledged / encumbered to total shares	
1	Associates Financial Services (Mauritius) LLC	2,042,338,070	53		2,042,338,070	53		NIL
2	Citibank Overseas Investment Corporation	1,815,388,961	47		1,815,388,961	47		NIL
3	Citibank Overseas Investment Corporation jointly with Mr. Vivek Gomes	1	0		1	0		

4	Citibank Overseas Investment Corporation jointly with Mr. R. Muralidharan	1	0		1	0		
5	Citibank Overseas Investment Corporation jointly with Mr. Rohit Ranjan	1	0		1	0		
6	Citibank Overseas Investment Corporation jointly with Mr. Viral Damania	1	0		1	0		
7	Citibank Overseas Investment Corporation jointly with Mr. Kushagra Sheth	1	0		1	0		

* During the year, Mr. Abhijit Sen resigned from Directorship & 1 share held by him jointly with Citibank Overseas Investment Corporation was transferred to Mr. Vivek Gomes

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	No Change in the shareholding pattern	NIL	NIL	NIL	NIL

	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):				
	At the end of the year	NIL	NIL	NIL	NIL

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

S N	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year(AFS)	2,042,338,070	53%	2,042,338,070	53%
	At the beginning of the year(COIC)	1,815,388,956	47%	1,815,388,956	47%
	Citibank Overseas Investment Corporation jointly with Mr. Vivek Gomes	1	0%	1	0%
	Citibank Overseas Investment Corporation jointly with Mr. R. Muralidharan	1	0%	1	0%
	Citibank Overseas Investment Corporation jointly with Mr. Rohit Ranjan	1	0%	1	0%
	Citibank Overseas Investment Corporation jointly with Mr. Viral Damania	1	0%	1	0%
	Citibank Overseas Investment Corporation jointly with Mr. Kushagra Sheth	1	0%	1	0%
	Total holding at the end of year	3,857,727,031	100%	3,857,727,031	100%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying				

the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
At the end of the year	3,857,727,031	100	3,857,727,031	100

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1	-	1	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	1	-	1	-

F) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,08,522	33,703	-	1,42,225
ii) Interest due but not paid		-	-	
iii) Interest accrued but not due	8,278	-	-	8,278
Total (i+ii+iii)	1,16,800	33,703	-	1,50,503
Change in Indebtedness during the financial year				
* Addition	49,777	-	-	49,777
* Reduction		-	-	
Net Change	49,777	-	-	49,777
Indebtedness at the end of the financial year				
i) Principal Amount	1,56,700	42,910	-	1,99,610
ii) Interest due but not paid				
iii) Interest accrued but not due	9,877	-	-	9,877

Total (i+ii+iii)	1,66,577	42,910	-	2,09,487
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XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. Rohit Ranjan (Managing Director)	----	----	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,433,851*	-	-	3,433,851*
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	-	-	-
2	Stock Option	Nil	-	-	-
3	Sweat Equity	Nil	-	-	-
4	Commission - as % of profit - others. specifv...	Nil	-	-	-
5	Others, please specify	Nil	-	-	-
	Total (A)	3,433,851*	-	-	3,433,851*
	Ceiling as per the Act				

* The appointment of Managing Director is on secondment basis. During the Financial Year 2014-15, the company has paid Rs. 3,433,851 (Previous Year Nil) to Citibank as secondment charges.

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Deepak Ghaisas	Mr. Saurabh Shah		
1	Independent Directors				
	Fee for attending board committee meetings	1,80,000	1,80,000		3,60,000
	Commission	0	0		0
	Others, please specify	0	0		0
	Total (1)	1,80,000	1,80,000		3,60,000
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	Nil	Nil		Nil
	Commission				
	Others, please specify				

Total (2)	0	0		
Total (B)=(1+2)	1,80,000	1,80,000		3,60,000
Total Managerial Remuneration	1,80,000	1,80,000		3,60,000
Overall Ceiling as per the Act	5,00,000	5,00,000		10,00,000

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO (Ankit Agarwal)*	CS (Rajesh Kumar Aggarwal)*	CS (Rakesh Bajaj)**	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,41,423	8,05,857	63,00,650	77,47,930
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	14,803	4800	18,000	37,603
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	42,392	50,403	3,06,197	3,98,992
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil	Nil
	others, specify...	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	Total	6,98,618	8,61,060	66,24,847	81,84,525

- * Mr. Ankit Agarwal and Mr. Rajesh Kumar Aggarwal were appointed as Chief Financial Officer and Company Secretary effective Feb 1, 2015.
- ** Mr. Rakesh Bajaj was designated as Company Secretary till January 31, 2015.

XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment			None		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board

Rohit Ranjan

Rohit Ranjan
Managing Director

Niraj Parekh

Niraj Parekh
Director

Dated: **July 28, 2015**

Place: **Mumbai**

Annexure - II

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NA
b)	Nature of contracts/arrangements/transaction	NA
c)	Duration of the contracts/arrangements/transaction	NA
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	All Transaction are at Arm's Length basis
e)	Justification for entering into such contracts or arrangements or transactions'	NA
f)	Date of approval by the Board	NA
g)	Amount paid as advances, if any	NA
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

Note: NA means Not Applicable

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details	Nature of Relationship
a)	Name (s) of the related party & nature of relationship	Citibank NA-India branch. Citibank NA -Singapore branch Citicorp Investment Bank Singapore Ltd Citigroup Global Markets India Pvt Ltd Citigroup Technology Inc. Citigroup Global Market Asia Limited Citicorp Services India Pvt Ltd Citibank US	Holding Holding Fellow Subsidiary Fellow Subsidiary Fellow Subsidiary Fellow Subsidiary Fellow Subsidiary Fellow Subsidiary Holding

<p>b Nature of contracts/arrangements/transaction</p>	<p>1.Citibank NA India : <u>Receivable:</u> - Lease rentals received - Sale of Loan portfolio - Servicing fees for loan portfolio <u>Payable:</u> - Sourcing fees received - Fee paid for loans referral in connection with Loans against securities - Support service charges paid/received for seconded personnel - Interest earned on deposits - Interest on Short term loans</p> <p>2. Citibank NA-Singapore branch - Technology / support expenses paid</p> <p>3. Citicorp Investment Bank Singapore Ltd - Purchase and sale of Bonds</p> <p>4. Citigroup Global Markets India Pvt Ltd - Rent paid/recovered, Finance Lease Transactions, Merchant banking fees</p> <p>5. Citigroup Technology Inc. - Fees related to Global Technology Infrastructure.</p> <p>6. Citigroup Global Market Asia Limited - Fees payable w.r.t risk management, hedging strategy, equity market advisory services and other related support services</p> <p>7. Citicorp Services India Pvt Ltd - Fees payable w.r.t. HR related services, Rent paid, Compliance fees,</p>	
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		<p>Technology support services, etc</p> <ul style="list-style-type: none"> - Receivables: Interest earned on finance lease, internal control services to CSIPL etc <p>8. Citibank US</p> <ul style="list-style-type: none"> - Payables w.r.t availing Citi Travel and Expense system for employees to claim their reimbursement <p>-</p>	
c	Duration of the contracts/arrangements/transaction	FY 2014-15	
d	Salient terms of the contracts or arrangements or transaction including the value, if any	All terms and conditions are as per transfer pricing regulations	
e	Date of approval by the Board	28/05/2015	
f	Amount paid as advances, if any	-	

Form shall be signed by the people who have signed the Board's Report.

For and on behalf of the Board

Dated: **July 28, 2015**


Rohit Ranjan


Niraj Parekh

Place: **Mumbai**

Managing Director

Director

Zainab H Poonawala

B.Com., LLB (GEN), FCS

Practising Company Secretary

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015

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

To,
The Members,

Citicorp Finance (India) Limited

8th Floor, First International Financial Centre,
C-54&C-55, G-Block, BandraKurla Complex Bandra(E)
Mumbai - 400051

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Citicorp Finance (India) Limited (formerly known as CitiFinancial Consumer Finance India Limited (hereinafter called the Company))**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **Citicorp Finance (India) Limited's** 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2015 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Citicorp Finance (India) Limited ("the Company")** for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder and the Companies Act 1956 to the extent it is applicable;;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder **(not applicable to the Company during the audit period)**;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder **(not applicable to the company during the audit period)**;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;



Page 1 of 3

- (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 (**not applicable to the company during the audit period**);
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (**not applicable to the company during the audit period**);
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**not applicable to the company during the audit period**);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**not applicable to the company during the audit period**);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (**not applicable to the company during the audit period**);
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**not applicable to the company during the audit period**); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998(**not applicable to the company during the audit period**);
- (vi) IRDA Regulations applicable to Corporate Agents.
- (vii) RBI Act, 1934 read with all notifications and circulars issued by the Reserve Bank of India for Non-Banking Finance Companies.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (**not mandatorily applicable to the company during the audit period**);
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange(s), for listing of Non Convertible Debentures;

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



I further report that

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

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

Majority decision is carried through unanimously.

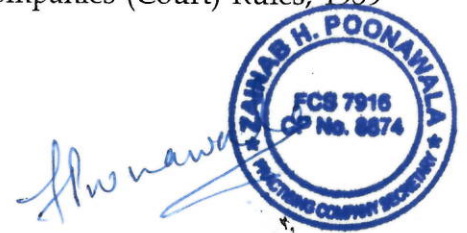
I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines (as mentioned above and listed in **Annexure I**).

I further report that during the audit period the company has:

1. Issued Non Convertible Debentures under Private Placement in Series and complied with the applicable provisions of the Companies Act, 2013, Rule 14 of Chapter III, SEBI (Issue and Listing of Debt Securities) Regulations, 2008.
2. Merged its wholly owned subsidiaries namely, Citicorp Capital Markets Limited and Citicorp Clearing Service India Limited with Citicorp Finance (India) Limited and complied with the applicable provisions of the Companies Act, 1956, Companies (Court) Rules, 1959 and The Companies Act, 2013.

Place: Mumbai

Date: June 10, 2015



Zainab H Poonawala

Practising Company Secretary

FCS No.:7916

C P No.: 8874

Annexure I: Laws And Act applicable to the Company

1. Employees' Provident Fund Act,1952 and Rules
2. Professional Tax Act,1975 and Rules
3. Payment of Gratuity Act, 1972
4. Employment Exchanges (Compulsory Notification of vacancies) Act, 1959
5. Equal Remuneration Act, 1976
6. Minimum Wages Act, 1948
7. Payment of Bonus Act, 1965
8. Shop and Establishment Act, 1948
9. Maternity Benefit Act, 1961
10. Income Tax Act, 1961
11. Finance Act, 1994

Declaration

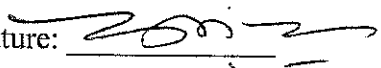
“I Deepak Keshav Ghaisas, holding DIN 00001811 being an Independent Director of Citicorp Finance (India) Limited (“CFIL”), hereby confirm that:-

- a. I meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.
- b. I do not hold designation of managing director or a whole – time director or a nominee director in CFIL or its holding, subsidiary or associate company.
- c. I possess relevant expertise and experience as required for the designation.
- d. I possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, administration, research and corporate governance related to the Company’s business.
- e. I am not the nominee of any financial institution or of the government or any of any other person, to represent their interest on the Board.
- f. I am or was not promoter of the company (CFIL) or its holding, subsidiary or associate and also not related to the promoters or directors in the company, its holding, subsidiary or associate company;
- g. I do not have or have had any pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year.
- h. None of my relative has or had pecuniary relationship or transaction with the company (CFIL), its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year
- i. Neither I nor any of my relative holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the current financial year.
- j. Neither I or any of my relative is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the current financial year:

1. In a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company
 2. In a legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm.
- k. I or any of my relative do not hold together with my relatives 2% or more of the total voting power of the company.
- l. I or any of my relative is not a material supplier, service provider or customer or a lessor or lessee of the company.
- m. Neither I or nor any of my relatives is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives twenty-five per cent . Or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that hold two per cent. Or more of the total voting power of the company
- n. I am not disqualified to act as an Independent Director under any provision of Companies Act, 2013 and rules made there under, or any other law for the time being in force in India

Date: 28th May, 2015

Place: Mumbai

Signature: 

Name: Deepak Ghaisas

Declaration

“I Saurabh Surendra Shah, holding DIN 02094645 being an Independent Director of Citicorp Finance (India) Limited (“CFIL”), hereby confirm that:-

- a. I meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.
- b. I do not hold designation of managing director or a whole – time director or a nominee director in CFIL or its holding, subsidiary or associate company.
- c. I possess relevant expertise and experience as required for the designation.
- d. I possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, administration, research and corporate governance related to the Company’s business.
- e. I am not the nominee of any financial institution or of the government or any of any other person, to represent their interest on the Board.
- f. I am or was not promoter of the company or its holding, subsidiary or associate and also not related to the promoters or directors in the company, its holding, subsidiary or associate company;
- g. I do not have or have had any pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year.
- h. None of my relative has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year
- i. Neither I nor any of my relative holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the current financial year.
- j. Neither I or any of my relative is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the current financial year:

1. In a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company
 2. In a legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm.
- k. I or any of my relative do not hold together with my relatives 2% or more of the total voting power of the company.
- l. I or any of my relative is not a material supplier, service provider or customer or a lessor or lessee of the company.
- m. Neither I or nor any of my relatives is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives twenty-five per cent . Or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that hold two per cent. Or more of the total voting power of the company
- n. I am not disqualified to act as an Independent Director under any provision of Companies Act, 2013 and rules made there under, or any other law for the time being in force in India

Date: May 28, 2015

Signature: Saurabh Shah

Place: Mumbai

Name: Saurabh Shah

Annexure V

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT

- (1) A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or Programmes.

Pursuant to the provisions of section 135 and schedule VII of the Companies Act, 2013, the Company has constituted a CSR Committee of the Board of Directors who is responsible oversee the CSR projects/programs to be undertaken by the Company, the expenditure to be incurred for each CSR project/program and to implement and monitor CSR activities and provide timely updates. The CSR Policy has been uploaded on the website of the Company at www.citicorpfinance.co.in.

The company is committed to enabling socio-economic progress in the communities where we live and work and has developed its Corporate Social Responsibility program to comply with the requirements of Section 135 of the Act and the Companies Rules, 2014, and has aligned its projects and programs across some of the areas indicated in Schedule VII of the Act and the Rules for the year, April 2014-March 2015.

The priority areas are as follows:

1. Eradicating hunger and poverty and malnutrition, preventive healthcare and Sanitation
2. Promotion of Education
3. Gender equality and women empowerment
4. Ensuring environmental sustainability including renewable energy projects
5. Contribution to the Prime Minister's Relief Fund and other similar welfare schemes
6. Protection of national heritage, armed forces benefit, rural sports, rural development and contributions to technology incubators and academic institutions
7. Livelihood enhancement projects
8. Educating the masses and promoting road safety awareness in all facets of road usage
9. Research and studies in areas specified under CSR
10. Supplementing government schemes like mid-day meals through additional nutrition
11. Provisions of aid and appliances to differently abled

- (2) The Composition of the CSR Committee.

The Composition of Corporate Social Responsibility Committee (CSR) as on March 31, 2015 is as under:

- a) Mr. Rohit Ranjan, Managing Director
- b) Mr. Niraj Parekh, Director
- c) Mr. Rahul Shukla, Director
- d) Mr. Deepak Ghaisas, Independent Director
- e) Mr. Saurabh Shah, Independent Director
- f) Mr. Rajesh Kumar Aggarwal, SVP- Finance & Company Secretary

- (3) Average net profit of the company for last three financial years- **Rs. 4,654.57 Lakhs**
- (4) Prescribed CSR Expenditure (two per cent. Of the amount as in item 3 above)—**Rs. 93.09 Lakhs**
- (5) Details of CSR spent during the financial year.
- (a) Total amount spent during the financial year; **Rs. 77.75 Lakhs**
 - (b) Amount unspent, if any; **Rs. 15.34Lakhs**
 - (c) Manner in which the amount spent during the financial year is detailed below

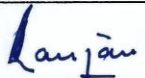


(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S.No	CSR project or activity identified	Sector in which the project is covered	Project or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget project or Programs wise	Amount spent on the projects or Programs Sub Heads; (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount Spent Direct or through implementing agency
1	Program promoting Financial Inclusion	Financial literacy for inclusion , consumer protection.	Jamshedpur	375,000	375,000	375,000	Direct
2	Education program supporting girl students	Promoting gender equality and empowering women	Mumbai Maharashtra -	2,000,000	2,000,000	2,000,000	Direct
3	Contribution towards Wildlife Conservation	Ensuring environmental sustainability Mitigate climate change, safeguard natural ecosystem and wildlife.	Mumbai Maharashtra	2,400,000	2,400,000	2,400,000	Agency
4	Contribution towards Health and Safety	Preventive Healthcare	New-Delhi	1,500,000	1,500,000	1,500,000	Agency

initiatives						
Total			7,775,000	7,775,000	7,775,000	

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof the reasons for not spending the amount in its Board report.

In light of the first year of implementation of the CSR rules, the company was still in the process of building out capacity to support CSR activities and identifying and funding viable projects. The company is fully committed towards CSR and is working on building out capacity and identifying appropriate projects.

We hereby affirm that CSR Policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of CSR projects and activities in compliance with our CSR objectives

 Mr. Rohit Ranjan (Managing Director)	 Mr. Deepak Ghaisas (CSR Committee Chairman)	 Mr. Niraj Parekh (Director)
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Annexure VII

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.....)	Not Applicable
1. Sl. No.	Not Applicable
2. Name of the Subsidiary	Not Applicable
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Not Applicable
5. Share capital	Not Applicable
6. Reserves & surplus	Not Applicable
7. Total assets	Not Applicable
8. Total Liabilities	Not Applicable
9. Investments	Not Applicable
10. Turnover	Not Applicable
11. Profit before taxation	Not Applicable
12. Provision for taxation	Not Applicable
13. Profit after taxation	Not Applicable
14. Proposed Dividend	Not Applicable
15. % of shareholding	Not Applicable

(Note: The following information shall be furnished at the end of the statement :

1. Names of subsidiaries which are yet to commence operations- **Not Applicable**
2. Names of subsidiaries which have been liquidated or sold during the year- As at March 31st 2015, the Company does not have any subsidiaries.

The erstwhile wholly owned subsidiaries of the company i.e. Citicorp Clearing Services India Limited (CCSIL) and Citicorp Capital Markets Limited (CCML) were amalgamated with the company by order of the Hon'ble High Court of Bombay dated 31st October 2014, under scheme of amalgamation (effective dated 29th November, 2014). The other details and the accounting treatment have been appropriately disclosed in Note 16 and 17 annexed to the Financial Statements.

Part "B": Associates and Joint Ventures

**Statement pursuant to Section 129 (3) of the Companies Act,
2013 related to Associate Companies and Joint Ventures**

Name of Associates/ Joint Ventures	India Infradebt Limited
1. Latest audited Balance Sheet Date	31/03/2015
2. Shares of Associate/Joint Ventures held by the company on the year end	
No.	87,000,000
Amount of Investment in Associates/Joint Venture	Rs. 870,000,000.00
Extend of Holding %	29%
3. Description of how there is significant influence	Holding more than 20%
4. Reason why the associate/ joint venture is not consolidated	Not required in the current financial year
5. Networth attributable to Shareholding as per latest audited Balance Sheet	101.70 crores
6. Profit / Loss for the year	
i. Considered in Consolidation	NIL
ii. Not Considered in Consolidation	6.31 crores

1. Names of associates or joint ventures which are yet to commence operations.
2. Names of associates or joint ventures which have been liquidated or sold during the year.

For and on behalf of the Board



Rohit Ranjan
Managing Director

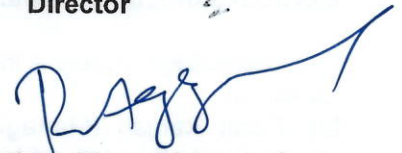


Rahul Shukla
Director

Dated: **July 28, 2015**
Place: **Mumbai**



Ankit Agarwal
Chief Financial Officer



Rajesh Kumar Aggarwal
Company Secretary

Annexure –VIII

DETAILS IN TERMS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. **The ratio of remuneration of each director to the median remuneration of the employees for the financial year:**

18.53

2. **The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive officer, Company Secretary or Manager, if any, in the financial year:**

The percentage increase in remuneration of the MD, Chief Financial Officer and Company Secretary is as follows:

Mr. Rohit Ranjan (Managing Director): The company did not pay any remuneration/ secondment charges upto the date of his original tenure. He was reappointed in January 2015 & the company has decided to pay secondment charges to Citibank effective that date. Therefore, % increase is not applicable in his case.

Mr. Rakesh Bajaj- 5%

Mr. Rajesh Aggarwal- 2%

Mr. Ankit Agarwal- 27%

3. **The percentage increase in the median remuneration of employees in the financial year:**

The percentage increase in the median remuneration of the employees in the financial year is around 12.19%

4. **The number of permanent employees on the rolls of the company:**

294

5. **The explanation on the relationship between average increase in remuneration and the company performance:**

The Company follows prudent remuneration practices under the guidance of the Board and the Nomination and Remuneration Committee. The Company's approach to remuneration is intended to drive meritocracy within the framework of prudent risk management. Remuneration is linked to corporate performance, business performance and individual performance. Employee compensation takes into account the factors including financial performance of the Company, comparison with peers and industry benchmarking.

The Net profit after tax has reduced from Rs. 49,189 lac (Previous Year) to Rs. 30,762 lac (Current Year). Total assets of the company have increased from Rs. 577,430 lac (As at end of Previous Year) to Rs. 603,934 lac (as at end of Current Year) by 4.6%. Considering the performance of the company during the year, the Board of Directors considers that the relationship between average increase in

remuneration of the employees & each of the KMPs is reasonable and fair & is in line with the performance of the company.

6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company:

The Company completed the first full year of operations and laid the foundations for achieving its long term business objectives. Accordingly the remuneration of the KMPs was determined based on the above and is in line with market. Please refer para 5 for further details.

7. Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year 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 in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year:

The Company doesn't have equity shares listed on any Stock Exchange & hence, the para is not applicable.

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:

Please refer para 5.

9. Comparison of the each remuneration of the KMPs against the performance of the company:

Please refer para 5.

10. The key parameters for any variable component availed by the directors:

The Company follows prudent remuneration practices under the guidance of the Board and Nomination and Remuneration Committee (NRC). The Key Performance Indicators (KPIs) are fixed for the Managing Director, which are paid by the company to Citibank as secondment charges. At the end of the financial year the performance of the Company as well the performance of the MD & CEO based on KPIs is presented to the BGC. Based on the performance assessment by the BGC, the variable component of the remuneration for the MD & CEO is recommended to and approved by the Board. The Independent Directors are paid sitting fee @ Rs. 36,000/- per meeting, which are within the maximum permissible amount under the Companies Act, 2013 together with Rules thereunder.

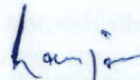
11. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

NIL


12. Affirmation that the remuneration is as per the remuneration policy of the Company:

Affirmed

For and on behalf of the Board



Rohit Ranjan
Managing Director



Niraj Parekh
Director

Dated: July 28, 2015

Place: Mumbai