

Citicorp Finance (India) Limited

Financial statements
together with the
Independent Auditors' Report
for the year ended 31 March 2015

Citicorp Finance (India) Limited

Financial statements together with the Independent Auditors' Report
for the year ended 31 March 2015

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B S R & Co. LLP

Chartered Accountants

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Independent Auditors' Report

To the Members of

Citicorp Finance (India) Limited

(Formerly known as CitiFinancial Consumer Finance India Limited)

Report on the financial statements

1. We have audited the accompanying financial statements of Citicorp Finance (India) Limited ('the Company'), which comprise the Balance sheet as at 31 March 2015, the Statement of profit and loss, the Cash flow statement for the year then ended, and a summary of the Significant accounting policies and other explanatory information.

Responsibility for financial statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
3. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

4. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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Independent Auditors' Report (Continued)

Citicorp Finance (India) Limited

(Formerly known as CitiFinancial Consumer Finance India Limited)

Auditors' responsibility (continued)

5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a. in the case of the Balance sheet, of the state of affairs of the Company as at 31 March 2015.
 - b. in the case of the Statement of profit and loss, of the profit for the year ended on that date; and
 - c. in the case of the Cash flow statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

8. As required by the Companies (Auditor's Report) Order, 2015 ('the Order') issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order.
9. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance sheet, the Statement of profit and loss, and the Cash flow statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

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Independent Auditors' Report (Continued)

Citicorp Finance (India) Limited

(Formerly known as CitiFinancial Consumer Finance India Limited)

Report on Other Legal and Regulatory Requirements (continued)

- e) On the basis of the written representations received from directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act.; and
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Manoj Kumar Vijai

Partner

Membership No: 046768

Mumbai
28 May 2015

Citicorp Finance (India) Limited

(Formerly known as CitiFinancial Consumer Finance India Limited)

Annexure to the Independent Auditors' Report

(Referred to in our report of even date)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) The Company has a regular programme of physical verification of its fixed assets by which all the fixed assets are verified on a yearly basis. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
2. The Company is engaged in providing financial services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3 (ii) of the Order is not applicable.
3. According to the information and explanations given to us, we are of the opinion that there are no companies, firms or other parties covered in the register required under section 185 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable.
4. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, with regard to the purchase of fixed assets and sale of services. The activities of the Company do not involve purchase of inventory and sale of goods. We have not observed any major weakness in the internal control system during the course of the audit.
5. According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the provisions of section 73 to section 76 or other relevant provisions of the Act and rules framed there under apply.
6. The Central Government has not prescribed the maintenance of cost records under sub-section 1 of Section 148 of the Act, for any of the services rendered by the Company.
7. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, value added tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of wealth tax, duty of customs, duty of excise and cess. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, sales tax, service tax, value added tax and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

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Citicorp Finance (India) Limited
(Formerly known as CitiFinancial Consumer Finance India Limited)
Annexure to the Independent Auditors' Report (Continued)

(b) According to the information and explanations given to us, the following dues of income tax and value added tax has not been deposited by the Company on account of disputes. There were no amounts of sales tax and service tax that have not been deposited on account of disputes.

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		

(c) According to the information and explanations given to us, there are no dues of Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder before the end of the year which is required to be transferred.

8. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.

Citicorp Finance (India) Limited
(Formerly known as CitiFinancial Consumer Finance India Limited)
Annexure to the Independent Auditors' Report (Continued)

9. In our opinion, and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to any bank or debenture holder. The Company did not have any dues to any financial institution during the year.
10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Thus, paragraph 3 (x) of the Order is not applicable.
11. In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.
12. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our 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 .

For BSR & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Manoj Kumar Vijai

Partner

Membership No: 046768

Mumbai
28 May 2015

Citicorp Finance (India) Limited

(Formerly known as 'CitiFinancial Consumer Finance India Limited')

Balance sheet

as at 31 March 2015

(Currency: Indian Rupees in Lakhs)

	Note No.	31 March 2015	31 March 2014
I. EQUITY AND LIABILITIES			
1. SHAREHOLDERS' FUNDS			
Share capital	3	289,330	289,330
Reserves and surplus	4	56,348	47,617
		<u>345,678</u>	<u>336,947</u>
2. NON-CURRENT LIABILITIES			
Long term borrowings	5	68,495	34,988
Other long term liabilities	6	7,113	5,704
Long term provisions	7	13,417	13,528
		<u>89,025</u>	<u>54,220</u>
3. CURRENT LIABILITIES			
Short term borrowings	8	82,910	68,703
Trade payables	9	1,990	2,649
Other current liabilities	10	64,703	57,400
Short term provisions	11	19,628	57,511
		<u>169,231</u>	<u>186,263</u>
TOTAL		<u>603,934</u>	<u>577,430</u>
II. ASSETS			
1. NON-CURRENT ASSETS			
Fixed Assets			
Tangible assets	12	401	232
Intangible assets		-	-
		<u>401</u>	<u>232</u>
Non current investments	13	10,480	37,410
Deferred tax assets	25.9	26,662	41,626
Long term loans and advances	14	109,922	145,137
Other non-current assets	15	12,869	13,070
		<u>160,334</u>	<u>237,475</u>
2. CURRENT ASSETS			
Current investments	16	64,819	29,716
Cash and bank balances	17	19,904	43,905
Short term loans and advances	18	351,156	256,370
Other current assets	19	7,721	9,964
		<u>443,600</u>	<u>339,955</u>
TOTAL		<u>603,934</u>	<u>577,430</u>
Significant accounting policies	2		

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached.

For **BSR & Co. LLP**

Chartered Accountants

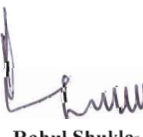
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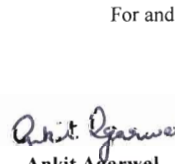

Manoj Kumar Vijai
Partner

Membership No: 046882

Mumbai
28 May 2015


Rohit Kanjan
Managing Director


Rahul Shukla
Director


Ankit Agarwal
Chief Financial Officer

For and on behalf of the Board of Directors
Citicorp Finance (India) Limited


Rajesh Aggarwal
Company Secretary

Mumbai
28 May 2015

Citicorp Finance (India) Limited

(Formerly known as 'CitiFinancial Consumer Finance India Limited')

Statement of profit and loss

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

	Note No.	31 March 2015	31 March 2014
REVENUE			
Revenue from operations	20	52,368	53,262
Other income	21	11,829	17,939
Total Revenue		64,197	71,201
EXPENSES			
Employee benefits	22	4,962	6,913
Finance costs	23	15,571	16,843
Depreciation	12	89	150
Other expenses	24	14,852	31,971
Total Expenses		35,474	55,877
PROFIT BEFORE EXCEPTIONAL ITEM AND TAX		28,723	15,324
EXCEPTIONAL ITEM	25.20	17,004	-
PROFIT BEFORE TAX		45,727	15,324
TAX EXPENSE:			
Current tax		8,838	6,407
MAT credit entitlement		(8,838)	(4,960)
Net current tax		-	1,447
Deferred tax	25.9	14,965	(35,312)
PROFIT FOR THE YEAR		30,762	49,189
EARNINGS PER EQUITY SHARE:			
Basic and diluted earnings per share of Rs. 7.50 face value	25.8	0.80	1.28

Significant accounting policies

2

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

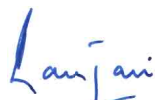

Manoj Kumar Vijai

Partner

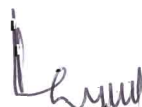
Membership No: 046882

Mumbai

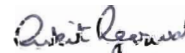
28 May 2015


Rohit Banjan

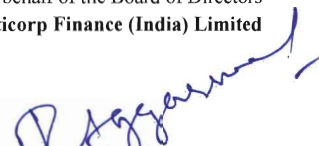
Managing Director


Rahul Shukla

Director


Ankit Aggarwal

Chief Financial Officer


Rajesh Aggarwal

Company Secretary

For and on behalf of the Board of Directors

Citicorp Finance (India) Limited

Mumbai

28 May 2015

Citicorp Finance (India) Limited

(Formerly known as 'CitiFinancial Consumer Finance India Limited')

Cash flow statement

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

	31 March 2015	31 March 2014
Cash flows from operating activities		
Profit before tax	45,727	15,324
<u>Add:-</u>		
Depreciation and amortisation	89	150
Provision for doubtful advances and standard assets	1,576	-
Provision for other liabilities	167	-
Unrealized loss on derivatives	1,936	4,760
Discount amortised on issue or charged-off on buy-back of debentures	3	6
Amortization of debt issuance and loan origination costs	337	443
(Gain) on sale of Long term investments	(258)	-
(Gain) on sale of Short term investments	(286)	(5,219)
(Gain) on sale of fixed assets	(30)	(38)
<u>Less:-</u>		
Reversal of diminution in the value of investments	2,400	180
Provision/liabilities no longer required written back	-	217
Reversal of provision for standard assets and bad and doubtful debts	1,555	1,644
Dividend income	69	1,738
Operating profit before working capital changes	45,237	11,647
Decrease / (Increase) in other current and non current assets	1,062	(7,202)
(Increase) / Decrease in loans and advances	(48,533)	22,466
Decrease / Increase in provisions, liabilities and trade payables*	(3,218)	3,621
	(50,689)	18,885
Net cash from operating activities before taxes	(5,452)	30,532
Less: Taxes paid	10,237	3,534
Cash flows (used in) / generated from operating activities - A	(15,689)	26,998
Cash flows from investing activities		
Dividend income	69	1,738
Recovery from investments	12,658	5,469
Net proceeds from / (investment) in deposits with banks	30,303	(24,012)
(Acquisition) of short term investments	(23,387)	(29,716)
Sale proceeds of fixed assets	33	84
Purchase of fixed assets	(264)	(38)
Cash flows generated from / (used in) investing activities - B	19,412	(46,475)
Cash flows from financing activities		
Increase / (Decrease) in secured loans (net)	48,175	(21,943)
(Decrease) in secured term loans (net)	(2,803)	(37,800)
Increase in unsecured loans (net)	12,010	30,503
Dividend and dividend distribution tax	(61,358)	-
Cash flows (used in) financing activities - C	(3,976)	(29,240)
Net decrease in cash and cash equivalents - (A+B+C)	(253)	(48,717)
Cash and cash equivalents at the beginning of the year	15,212	57,372
Cash and cash equivalents at the end of the year	14,959	8,655

*Current portion of secured borrowings is included as financing activities under secured loans.

Note:

- 1) Cash and cash equivalents comprise of balances with banks in current accounts and fixed deposit accounts (Refer Note 17)
- 2) Adjustments have been carried out to opening cash and cash equivalents on account of merger (Refer Note 25.17)

As per our report of even date attached.

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022



Manoj Kumar Vijai

Partner

Membership No: 046882

Mumbai

28 May 2015



Rohit Ranjan

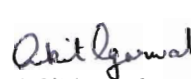
Managing Director



Rahul Shukla

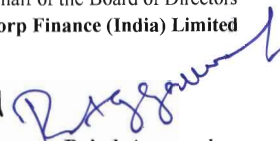
Director

For and on behalf of the Board of Directors
Citicorp Finance (India) Limited



Ankit Agarwal

Chief Financial Officer



Rajesh Aggarwal

Company Secretary

Mumbai

28 May 2015

Citicorp Finance (India) Limited

(Formerly known as 'CitiFinancial Consumer Finance India Limited')

Notes to the financial statements (continued)

as at 31 March 2015

(Currency: Indian Rupees in Lakhs)

	As at 31 March 2015	As at 31 March 2014
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Note 3:**SHARE CAPITAL****AUTHORISED CAPITAL:**

5,269,333,333 (Previous year : 5,269,333,333) Equity shares of Rs.7.50 each	395,200	395,200
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ISSUED, SUBSCRIBED AND FULLY PAID UP:

3,857,727,031 (Previous year : 3,857,727,031) Equity shares of Rs.7.50 each	289,330	289,330
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Reconciliation of the number of shares

At the beginning of the year	3,857,727,031	2,042,338,070
New shares issued on account of merger (Refer note 25.16)	-	1,815,388,961
At the end of the year	3,857,727,031	3,857,727,031

Terms/rights attached to Equity shares

The Company has only one class of equity shares having a par value of Rs 7.50 per share.

All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting.

The dividend proposed by the Board of Directors is subject to the approval of the share holders in the ensuing annual general meeting.

In the event of liquidation of the Company the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Equity Shares held by Holding Company

Associates Financial Services (Mauritius) LLC	20,423	20,423
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Details of shareholding more than 5% shares in the Company

Associates Financial Services (Mauritius) LLC	20,423	20,423
Citibank Overseas Investment Corporation	18,154	18,154

Note 4:**RESERVES AND SURPLUS****Statutory reserve:**

(Created pursuant to Section 45 I C of Reserve Bank of India Act, 1934 as amended by RBI (Amendment) Act, 1997)

Opening balance	44,374	13,766
Add:		
Balance of the transferor company on account of merger	-	20,770
Additions during the year	6,152	9,838
Closing balance	50,526	44,374

General reserve:

Opening balance	2,459	-
Add: Balance of the transferor company on account of merger (refer note 25.17)	1,215	14,900
Add: Transfer out of profit and loss on account of declaration of current years' dividend	-	2,459
Less: Transfer to profit and loss account as per scheme of amalgamation		(14,900)
Closing balance	3,674	2,459



Citicorp Finance (India) Limited

(Formerly known as 'CitiFinancial Consumer Finance India Limited')

Notes to the financial statements (continued)

as at 31 March 2015

(Currency: Indian Rupees in Lakhs)

	As at 31 March 2015	As at 31 March 2014
Note 4:		
RESERVES AND SURPLUS (continued)		
Amalgamation Reserve		
Opening balance	-	21,262
Less: Transfer to profit and loss account as per scheme of amalgamation	-	(21,262)
Closing balance	-	-
Securities premium account:		
Opening balance	-	-
Add: Additions during the year*	-	1,607
Less: Utilised during the year*	-	1,607
Closing balance	-	-
(*Represents premium received on non convertible redeemable debentures utilised against debt issue expenses)		
Balance in the statement of profit and loss:		
Opening balance	784	(68,114)
Add:		
Balance of the transferor company on account of merger (refer note 25.17)	1,498	16,970
On account of capital reduction	-	96,443
Transfer from general reserve as per scheme of amalgamation	-	14,900
Transfer from amalgamation reserve as per scheme of amalgamation	-	21,262
Provision for dividend proposed last year no longer required	-	9,894
Provision for dividend distribution tax provided last year no longer required	-	1,681
Amount carried forward from statement of profit and loss	30,762	49,189
Less:		
Goodwill on account of merger	-	29,960
Transfer to general reserve as per scheme of amalgamation	-	14,900
Transfer to statutory reserve as per scheme of amalgamation	-	20,770
Addition to opening profit and loss balance as per scheme of amalgamation	-	16,970
Proposed final dividend (Rs. 0.22 per equity share (Previous year: Rs. 1.03 per equity share))	8,487	39,783
Tax on proposed final dividend	1,442	6,761
Interim dividend (Rs. 0.32 per equity share (Previous year: Rs Nil))	12,297	-
Tax on interim dividend	2,518	-
Transfer to general reserve	-	2,459
Transfer to statutory reserve	6,152	9,838
	2,148	784
Total	56,348	47,617

Note 5:

LONG TERM BORROWINGS

SECURED

Long term maturities of non convertible redeemable debentures (The Company has issued secured non-convertible debentures under various series on different terms and conditions, which have been secured by a pari passu charge on the Company's immovable property and movable financial assets) (Refer Note 25.4)	68,474	34,967
Long term maturities of finance lease obligation	21	21
Total	68,495	34,988



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Citicorp Finance (India) Limited
 (Formerly known as 'CitiFinancial Consumer Finance India Limited')
Notes to the financial statements (continued)
 as at 31 March 2015

(Currency: Indian Rupees in Lakhs)

	As at 31 March 2015	As at 31 March 2014
Note 6:		
OTHER LONG TERM LIABILITIES		
Franchisee and other liabilities	848	1,172
Cash profit on loan transfer transactions pending recognition	539	1,196
Interest accrued but not due on borrowings	5,726	3,336
Total	<u>7,113</u>	<u>5,704</u>

Note 7:

LONG TERM PROVISIONS

Provision for employee benefits - Gratuity	71	4
Provision for standard assets	274	313
Provision for Cenvat credit	12,834	12,830
Provision for loan losses	238	381
Total	<u>13,417</u>	<u>13,528</u>

Note 8:

SHORT TERM BORROWINGS

SECURED

Loans repayable on demand from banks	40,000	35,000
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UNSECURED

Loans repayable on demand from banks	997	600
(Loans from related parties- Rs. 997 (Previous Year : Rs.600))		
Term loans from related party - Citibank N.A.	-	3,200

UNSECURED

Commercial Paper	41,913	29,903
Total	<u>82,910</u>	<u>68,703</u>



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Citicorp Finance (India) Limited

(Formerly known as 'CitiFinancial Consumer Finance India Limited')

Notes to the financial statements (continued)

as at 31 March 2015

(Currency: Indian Rupees in Lakhs)

	As at 31 March 2015	As at 31 March 2014
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Note 9:**TRADE PAYABLES**

Expense payables	1,974	2,642
Dues to Micro, Small and Medium enterprises	16	7
Total	1,990	2,649

Note 10:**OTHER CURRENT LIABILITIES**

Current maturities of non convertible redeemable debentures (refer note 25.4)	48,191	38,512
Current maturities of finance lease obligations	14	22
Interest accrued but not due on borrowings	4,152	4,942
Dealer held disbursal and other liabilities	3,563	3,380
Mark to market on derivatives (net)	-	28
Collection payables on servicing portfolio	8,458	9,876
Cash profit on loan transfer transactions pending recognition	325	640
Total	64,703	57,400

Note 11:**SHORT TERM PROVISIONS**

Proposed dividend	8,487	39,783
Dividend distribution tax	1,442	6,761
Provision for loan assignment	3,037	5,326
Provision for non-performing assets	-	69
Provision for standard restructured advances	1,513	-
Provision for bonus	27	47
Provision for value added tax	3,727	4,400
Provision for litigation	619	453
Provision for standard assets	776	672
Total	19,628	57,511



Citicorp Finance (India) Limited

(Formerly known as 'CitiFinancial Consumer Finance India Limited')

Notes to the financial statements (Continued)

as at 31 March 2015

(Currency: Indian Rupees in Lakhs)

Note 12:

Fixed assets

	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK	
	As at 1-Apr-14	Additions	Deletions/ Adjustments	As at 1-Apr-14	For the year	Deductions/ Adjustments	As at 31-Mar-15	As at 31-Mar-14
Tangible assets								
Building	61	-	-	19	1	-	20	41
Freehold land	5	-	-	-	-	-	-	5
Leasehold improvements	650	-	202	650	-	202	448	-
Furniture and fixtures*	455	-	216	438	3	215	226	13
Office equipments	334	1	87	322	6	87	241	7
Electrical installations	156	214	28	73	26	28	71	271
Vehicles	213	-	4	195	16	2	209	-
Computer equipments	1,053	24	66	1,046	11	66	991	20
Total	2,927	239	603	2,743	63	600	2,206	357
Assets taken on lease - Vehicles	154	25	66	106	26	63	69	44
Assets taken on lease - Intangible assets								
4th Floor, Lodha Excelus, Apollo Mills Compound, N. M. Jeebhoy Mumbai (Kasturba) Mumbai (Kasturba) India.	2,987	-	14	2,987	-	14	2,973	-
Software	158	-	-	158	-	-	158	-
Business rights	1,157	-	-	1,157	-	-	1,157	-
Total	4,302	-	14	4,288	-	14	4,288	-
GRAND TOTAL	7,383	264	683	7,151	89	677	6,563	401
Previous year	8,598	38	1,253	8,208	150	1,207	7,151	232

* Includes assets given to the employees.



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Citicorp Finance (India) Limited

(Formerly known as 'CitiFinancial Consumer Finance India Limited')

Notes to the financial statements (continued)

as at 31 March 2015

(Currency: Indian Rupees in Lakhs)

	31 March 2015	31 March 2014
Note 13:		
NON-CURRENT INVESTMENTS		
(Valued at cost unless stated otherwise)		
IN SUBSIDIARY COMPANIES		
UNQUOTED		
IN EQUITY SHARES		
NIL (Previous year : 114,250,000) Equity shares of Rs. 10/- each of Citicorp Capital Markets Limited, fully paid up (Refer note 25.17)	-	11,430
NIL (Previous year : 55,000,000) Equity shares of Rs 10/- each of Citicorp Clearing Services India Limited, fully paid up (Refer note 25.17)	-	5,500
SUB TOTAL	<u>-</u>	<u>16,930</u>
IN ASSOCIATE COMPANIES		
UNQUOTED		
IN EQUITY SHARES		
87,000,000 (Previous year : 87,000,000) Equity shares of Rs. 10/- each of India Infradebt Limited, fully paid up	8,700	8,700
SUB TOTAL	<u>8,700</u>	<u>8,700</u>
IN OTHER COMPANIES		
192,720 (Previous year : 192,720) Equity shares of Rs. 10/- each of Rediff.com India Limited, fully paid up	868	868
784,570 (Previous year : 784,570) Equity shares of Rs. 10/- each of Prime Telesystems Limited, fully paid up	480	480
117,176 (Previous year: 117,176) Equity shares of Rs. 10/- each of Secova Eservices Limited, fully paid up	13	13
255,450 (Previous year : 255,450) Equity shares of Rs. 10/- each of Tejas Networks Limited, fully paid up	770	770
875,000 (Previous year: 875,000) Equity shares of Rs. 10/- each of Grameen Capital India Limited, fully paid up	88	88
NIL (Previous year: 3,265,306) Equity shares of Rs. 10/- each of High Mark Credit Information Services Limited, fully paid up	-	400
12,50,000 (Previous year : 12,50,000) Equity shares of Rs. 10/- each of NSDL e-Governance Infrastructure Limited, fully paid up	1,644	1,644
NIL (Previous year : 2,786,639) Equity shares of Rs. 10/- each of Swojas Energy Foods Limited, fully paid up	-	651
Less: Provision for diminution in value	(2,083)	(2,734)
SUB TOTAL	<u>1,780</u>	<u>2,180</u>



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Citicorp Finance (India) Limited

Notes to the financial statements (continued)

as at 31 March 2015

(Currency: Indian Rupees in Lakhs)

Note 13:	31 March 2015	31 March 2014
NON-CURRENT INVESTMENTS (continued)		
(Valued at cost unless stated otherwise)		
<u>IN DEBENTURES</u>		
UNQUOTED		
300,000 (Previous year : 300,000) 18% optionally convertible debentures of Rs. 1000/- each of Primus Retail Private Limited	3,000	3,000
NIL (Previous year : 6,000,000) 16.50% Non convertible debentures of Rs. 100/- each of Vikas Telecom Limited	-	6,000
NIL (Previous year : 6,000,000) 18.00% Non convertible debentures of Rs. 100/- each of Vikas Telecom Limited	-	6,000
Less: Provision for diminution in value	(3,000)	(5,400)
SUB TOTAL	-	9,600
GRAND TOTAL	10,480	37,410
AGGREGATE COST OF UNQUOTED INVESTMENTS	15,563	45,545
AGGREGATE PROVISION FOR DIMINUTION IN THE VALUE OF INVESTMENTS	5,083	8,135



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Citicorp Finance (India) Limited

(Formerly known as 'CitiFinancial Consumer Finance India Limited')

Notes to the financial statements (continued)

as at 31 March 2015

(Currency: Indian Rupees in Lakhs)

	As at	As at
	31 March 2015	31 March 2014

Note 14:**LONG TERM LOANS AND ADVANCES****Secured and considered good**

Loans for commercial vehicles and construction equipment	18,018	50,540
Advance against financial assets and other loans	38,635	54,803
Finance lease receivables	2,285	1,947
(Finance lease to related parties- Rs. 2,285 (Previous Year : Rs.1,947))		
Gross amount receivable from customers under hire purchase agreements	34	34
Less : Unearned hire purchase premium	(33)	(33)
Less : Instalments received in advance	(1)	(1)
	-	-

Unsecured and considered good

Unsecured loans	20,308	18,013
Deposits	286	330
Prepaid expenses	55	22
Advance tax (net of provision Rs. 98,941 and MAT credit of Rs. 13,798)	30,335	19,482
(Previous year: net of provision Rs. 77,670 and MAT credit of Rs. 4,960)		
	109,922	145,137

Note 15:**OTHER NON-CURRENT ASSETS**

Unamortized costs (net)	28	163
Deposits with banks (maturity over 12 months)	4	-
Cenvat input tax credit	12,834	12,898
Debt issue costs	3	9
Total	12,869	13,070

Note 16:**CURRENT INVESTMENTS**

Investment in commercial paper	-	27,221
Investment in corporate bonds	-	2,495
Investment in certificate of deposits	64,819	-
Total	64,819	29,716

Note 17:**CASH AND BANK BALANCES**

A) Cash and cash equivalents*		
Cash and cheques in hand	21	82
Balance with banks		
- In current accounts	1,447	7,121
- In fixed deposits (with original maturity of less than 3 months)	13,492	1,451
B) Other bank balances		
- In fixed deposits	4,944	35,251
Total	19,904	43,905

(* Cash and cash equivalents meets the definition as per 'AS 3-Cash Flow Statements')



Citicorp Finance (India) Limited

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Notes to the financial statements (continued)

as at 31 March 2015

(Currency: Indian Rupees in Lakhs)

As at	As at
31 March 2015	31 March 2014

Note 18:**SHORT TERM LOANS AND ADVANCES****Secured and considered good**

Loans for commercial vehicles and construction equipment	13,646	28,176
Advances against financial assets and other mortgage loans	223,712	195,341
Finance lease receivables	1,421	1,670
(Finance lease to related parties- Rs.1,421 (Previous Year : 1,608))		
Gross amount receivable from customers under hire purchase agreements	2	2
Less : Unearned hire purchase premium	(1)	(1)
Less : Instalments received in advance	(1)	(1)
	-	-

Unsecured and considered good

Trade advances	170	94
Unsecured loans	111,925	30,764
Other advances	276	210
Security deposits	-	41
Prepaid expenses	4	15
Receivable from staff	2	7

Unsecured and considered doubtful

Unsecured loans	-	52
Total	351,156	256,370

Note 19:**OTHER CURRENT ASSETS**

Mark to market on derivatives (net)	135	-
Interest accrued on loans and advances	2,989	6,460
Interest accrued on investments	-	127
Interest accrued on fixed deposits	64	178
Unamortized costs (net)	22	233
Debt issue costs	8	24
Margin money with exchanges	152	1,672
Other receivables	4,351	1,270
Total	7,721	9,964



Citicorp Finance (India) Limited

(Formerly known as 'CitiFinancial Consumer Finance India Limited')

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

31 March 2015

31 March 2014

Note 20:**REVENUE FROM OPERATIONS****INTEREST INCOME**

Interest on loans	5,986	19,679
Interest on advances against financial and other assets	36,797	24,769
Interest on fixed deposits	3,952	6,110
Interest on investments	1,804	39
Interest on trade advances	18	36
Finance lease income	550	591
	<u>49,107</u>	<u>51,224</u>

FEE INCOME

Collection & Sourcing fees	3,225	2,018
Other fees	36	20
	<u>3,261</u>	<u>2,038</u>

Total52,36853,262**Note 21:****OTHER INCOME**

Dividend Income		
- From Subsidiaries	-	1,581
- From Others	69	156
Net gain on investments	543	5,209
Gain on derivatives (net)	792	2,464
Gain on loan assignment	4,192	-
Commission from insurance agency	1,617	1,745
Bad debts recovered (net)	-	4,474
Reversal of provisions for litigation	-	217
Reversal of provisions for standard assets	-	65
Reversal of provision for diminution in investments (net)	2,400	180
Reversal of provisions for bad and doubtful debts and other liabilities	1,555	1,579
Miscellaneous income	631	231
Profit on sale of fixed assets	30	38
Total	<u>11,829</u>	<u>17,939</u>

Note 22:**EMPLOYEE BENEFIT EXPENSES**

Salaries and wages	4,422	6,372
Contribution to provident fund and other funds	209	249
Gratuity	115	9
Staff welfare expenses	216	283
Total	<u>4,962</u>	<u>6,913</u>



Citicorp Finance (India) Limited

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Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

31 March 2015

31 March 2014

Note 23:**FINANCE COSTS**

Interest on non convertible debentures	9,119	9,909
Interest on overdraft	-	36
Interest on commercial paper	209	44
Interest on borrowings from banks	6,227	6,844
Interest on finance lease	8	10
Other interest	8	-
Total	15,571	16,843

Note 24:**OTHER EXPENSES**

Rent	1,111	1,111
Premises maintenance costs	326	445
Rates and taxes	729	1,630
Bad debts written off (net)	339	-
Provision for standard assets	64	-
Provision for standard restructured advances	1,513	-
Loss on assignment of asset portfolio (net)	-	16,461
Provision for litigations	167	12
Advisory fees	723	728
Bank charges	126	225
Brokerage	57	62
Distribution and placement fees	455	355
Credit rating and surveillance fees	158	92
Service bureau expenses	5,159	5,485
Technology and software expenses	1,780	2,367
Stamping / franking charges	124	435
Travelling and conveyance expenses	381	435
Telephone expenses	140	259
Professional and legal expenses	997	1,599
Payments to the auditors		
(a) statutory audit	48	45
(b) tax audit	8	6
(c) limited review	6	4
CSR expenses	78	-
Miscellaneous expenses	363	215
Total	14,852	31,971



Citicorp Finance (India) Limited

(Formerly known as 'CitiFinancial Consumer Finance India Ltd')

Notes to the financial statements

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

1 Background

Citicorp Finance (India) Limited ("the Company") (formerly known as 'CitiFinancial Consumer Finance India Limited) incorporated in India on 1 May 1997, is registered with the Reserve Bank of India ('RBI') as a Non-Banking Financial Company ('NBFC') vide Certificate No. N.14.00002 dated 21 April 2004. It is a non-deposit taking systemically important Non-Banking Financial Company ('NBFC-ND-SI'). The Company is a loan and investment NBFC as defined under section 45IA of the Reserve Bank of India Act, 1934.

Associates Financial Services (Mauritius) LLC, a Company incorporated in Mauritius holds 53% in the Company and remaining 47% is held by Citibank Overseas Investment Corporation, a company incorporated in Delaware U.S.A.

The company is engaged in a range of Financial Services including:

- a. Loans for purchase of commercial vehicles, construction equipment and agricultural assets and leasing and hire purchase of the aforesaid assets
- b. Loans against securities
- c. Investment in shares and securities
- d. Corporate loans

2 Significant accounting policies

The accounting policies set out below have been applied consistently to the period presented in the financial statements.

2.1 Basis of preparation of financial statements

These financial statements have been prepared and presented on the accrual basis of accounting and comply with the Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the guidelines as issued by the RBI in respect of NBFCs and other accounting principles generally accepted in India to the extent applicable. The financial statements are prepared in Indian rupees rounded off to the nearest lakh.

2.2 Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amount of assets, liabilities, income and expenses and disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are received on an on-going basis. Any revision to accounting estimates is recognized prospectively in current and future periods.



Citicorp Finance (India) Limited
(Formerly known as 'CitiFinancial Consumer Finance India Ltd')

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

2.3 Current – non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) It is expected to be realised in the Company's normal operating cycle;
- b) It is expected to be realised within 12 months after the reporting date; or
- c) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a) It is expected to be settled in the Company's normal operating cycle;
- b) It is due to be settled within 12 months after the reporting date; or
- c) The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

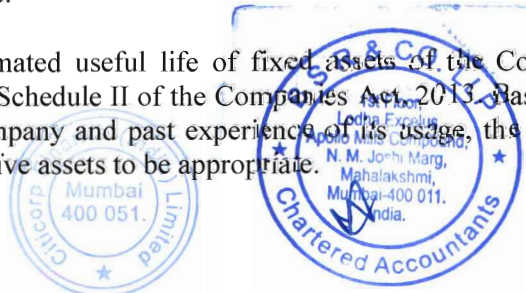
Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

2.4 Fixed assets and depreciation

Fixed assets are stated in the books at historical cost inclusive of all incidental expenses incurred for acquisition of such assets, less depreciation. In respect of additions / deletions, depreciation is provided for the period for which the asset is used. Depreciation on fixed assets is provided on a straight-line basis over the useful lives of assets which are lower than or equal to the corresponding useful lives prescribed under Part C of Schedule II of the Companies Act, 2013. Acquired Intangible assets are recorded at the consideration paid for acquisition of such assets. Intangible assets other than business rights are amortized over their respective individual estimated useful life on a straight –line basis, commencing from the date the asset is available to the Company for its use.

Further, lease hold improvements are depreciated over the lease period (including renewal, if any) or useful life whichever is shorter. All assets costing individually less than Rs 5,000 are fully depreciated in the year of purchase.

As disclosed in table below, the estimated useful life of fixed assets of the Company is different from useful life prescribed in Schedule II of the Companies Act, 2013. Based on the nature of fixed assets used by the Company and past experience of its usage, the Company considers that the useful life for respective assets to be appropriate.



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Citicorp Finance (India) Limited

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Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

Fixed assets and depreciation (continued)

Class of fixed assets	Estimated useful life
Office buildings	50 years
Computer equipment	3 years
Furniture and fixtures – in leased premises	6 years
Electrical equipment– in leased premises	6 years
Vehicles- Lease	4 years

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

2.5 Investments

Cost includes purchase cost, brokerage, stamp duty, etc. Discount received or premium paid on purchase of investments, as the case may be, is accreted or amortized, over the residual tenure of the security to give a constant yield to maturity.

Investments are recorded on trade date basis and broken period interest is recognised in the Balance sheet as Interest accrued but not due.

Investments are classified as long-term and current at the time of making of each investment. Generally, investment which is to be liquidated in a period of 1 year from the date of purchase of an investment is classified as current investment.

Long Term investments are carried at cost less any diminution in value other than temporary in accordance with the prudential norms for valuation of investments prescribed by the RBI and Accounting Standard 13 "Accounting for investments".

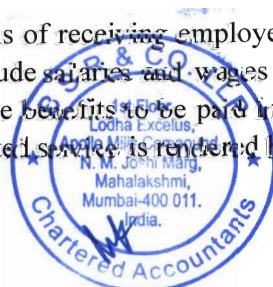
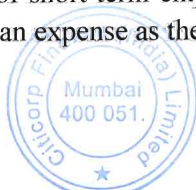
Quoted current investments are stated at lower of cost and market value determined based on published sources such as quotes from news wire agencies, recognised stock exchange, Fixed Income Money Market and Derivatives Association ('FIMMDA') etc.

Unquoted current investment is stated at lower of cost and market value determined based on broker polling through rates sourced from empanelled brokers.

2.6 Employee benefits

Short term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short term employee benefits. Benefits include salaries and wages bonus and gratia. The undiscounted amount of short term employee benefits to be paid in exchange for employee service is recognized as an expense as the related service is rendered by employee.



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Citicorp Finance (India) Limited

(Formerly known as 'CitiFinancial Consumer Finance India Ltd')

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

Employee benefits (continued)

Post-employment benefits

Gratuity

The Company pays gratuity to employees who retire or resign after a minimum period of five years of continuous service. The Company's contributions to gratuity fund (defined benefit scheme) in respect of its employees are managed by a trust, which invests the fund with Life Insurance Corporation of India ('LIC'), a Government of India Undertaking.

Actuarial valuation of the gratuity liability for the above fund is determined by an independent actuary appointed by the Company. In accordance with the gratuity fund's rules, actuarial valuation of gratuity liability is calculated based on certain assumptions regarding rate of interest, salary growth, mortality and staff attrition as per the projected unit credit method.

Superannuation fund

The Company contributes to superannuation fund (defined contribution scheme) in respect of the employee opting for superannuation scheme from certain level and above through a trust duly approved by the Income Tax authorities. The trust has a master policy for management of the members' fund with LIC. These contributions are charged to the statement of profit and loss account of the financial statements.

Provident fund

The Company makes specified monthly contributions towards employee provident fund to government administered provident fund scheme which is a defined contribution plan. The company's contribution is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related services.

Compensated absences

No provision for compensated absences is made since the Company does not have a policy for encashment of leave nor does it allow carry forward of unavailed leave.

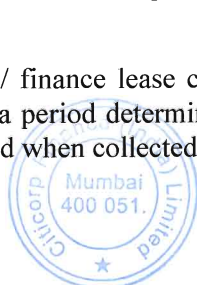
2.7 *Revenue recognition*

Interest and commission income are accounted on accrual basis except in respect of penal interest charged on overdue instalments, which is recognised as and when collected.

Fee income is recognised on an accrual basis based on contractual terms with the customer.

Hire purchase income and income on finance leases, as defined in AS 19 - Accounting for Leases ('AS 19'), are recognized by applying the internal rate of return implicit in the underlying contracts, on the diminishing balance of the financed amount over the period of the agreement so as to provide a constant periodic rate of return on the net investment outstanding on these contracts.

Income on loan / hire purchase / finance lease contracts is suspended on accounts that are contractually delinquent beyond a period determined by management. Suspended income on such accounts is recognized as and when collected.



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Citicorp Finance (India) Limited

(Formerly known as 'CitiFinancial Consumer Finance India Ltd')

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

Revenue recognition (continued)

Incentives from Dealers' / Manufacturers' is recognised as income over the period of the underlying transaction by applying the internal rate of return implicit in the agreement, on the diminishing balance of the financed amount, so as to provide a constant periodic rate of return on the net investment outstanding on the contracts. However, if a contract is foreclosed / written-off, such dealer / manufacturer incentive is recognized as income at the time of foreclosure.

Rentals receivable under operating leases, as defined in AS 19, is recognised on an accrual basis.

Interest income on investments is recorded on an accrual basis from the date of last coupon. Interest paid for broken period on purchase of investment is not charged to statement of profit and loss. Premium paid or discount received at the time of purchase of securities is amortised or accreted, as the case may be, over the remaining period of the investment to maturity to give constant yield to maturity. The amortised or accreted amount is charged against or credited, as the case may be, to interest income on securities.

The un-amortised / un-accreted portion of premium or discount as the case may be is adjusted in the carrying amount of securities.

The cost of securities is computed based on First in first out (FIFO) method.

Dividend is recognised as income as and when the right to receive the same is established.

The Company's policies are in compliance with the prudential norms for income recognition as prescribed by the RBI for NBFCs.

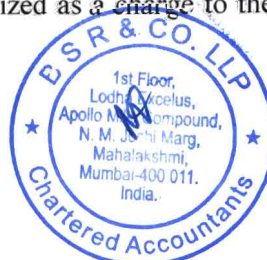
2.8 Cost of borrowings

Interest expenses on fixed / floating rate borrowings are recorded on accrual basis. Expenses incurred on issue of debt with maturity beyond one year are amortised over the tenure of the debt except to the extent adjusted in securities premium account.

Premium / discount on issue of commercial paper and other instruments is accreted / amortised over the tenor of the instrument.

2.9 Loan origination / acquisition costs

Loan origination / acquisition costs such as dealer commission, documentation costs etc., net of fees, are recognized as an expense over the tenure of the underlying contracts by applying the internal rate of return implicit in the agreement on the diminishing balance of the financed amount so as to provide a constant periodic rate of return on the net investment outstanding on the contracts. However, if the contract is foreclosed / written-off, the unamortised portion of the loan origination / acquisition cost is recognized as a charge to the statement of profit and loss at the time of the foreclosure.



Citicorp Finance (India) Limited

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Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

2.10 *Bad debts & provision for doubtful debts*

Assets including loans and advances, hire purchase receivables and lease receivables are identified as bad / doubtful based on the duration of delinquency. The duration is set at appropriate levels for each product. The policy for provision / write off and non-accrual of interest on delinquent assets varies depending on terms, security and loan loss experience in respect of each product. The Company's policy on provisioning / write off meets the prudential norms for asset classification prescribed by the RBI for NBFCs.

A general provision has been made on standard assets as prescribed by the RBI for NBFCs.

2.11 *Loan assignment*

The Company undertakes sale by way of assignment of its commercial loans. In most cases, post assignment, the Company continues to service the loans transferred to the assignee in the capacity of a servicing agent on negotiated commercial terms. The Company does not provide credit enhancement in the form of cash collaterals for such deals.

In accordance with RBI circular no DNBS. PD. No. 301/3.10.01/2012-13 dated 21 August 2012 'Revisions to the Guidelines on Securitisation Transactions', the Company follows the requirement of minimum holding period, minimum retention requirement and amortization of gain arising on assignment transactions as per the provisions of the circular and loss arising on assignment transaction is recognized immediately in the statement of profit and loss.

2.12 *Accounting for leases*

Lease transactions are accounted for in accordance with AS 19 – Leases.

Operating leases:

- a. Lease payments are recognized as expense in the statement of profit and loss on a straight line basis over the entire lease term.
- b. Lease rentals received on assets given out on operating leases are recognized as revenue in the statement of profit and loss.
- c. All initial direct costs for assets given out are capitalised.

Finance leases:

- a. Assets taken on finance lease are recognised as a fixed asset at the fair market value of the asset or present value of the minimum lease payments, whichever is lower, as prescribed under AS 19. An equivalent liability is created at the inception of the lease. Rentals paid are apportioned between finance charge and principal based on the implicit rate of return in the contract. The finance charge is shown as an interest expense and the principal amount is reduced from secured loans.
- b. Depreciation on such assets is provided at rates consistent with a technical evaluation of the useful life, which is lower or equal to the corresponding useful life prescribed in Part C of Schedule II of the Companies Act, 2013.



Citicorp Finance (India) Limited

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Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

Accounting for leases (continued)

- c. Assets given out on financial leases are shown as amounts recoverable from the lessee. The rentals received on such leases are apportioned between the financial charge using the implicit rate of return, which is recognized as income and against principal outstanding, which is reduced from the amounts receivable.

2.13 Foreign currency transactions

Transactions in foreign currency are recorded at the exchange rate prevailing on the dates of transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the balance sheet date are restated at the closing exchange rates. Gain / loss arising on actual payments / realisations and year-end restatements are recognised in the statement of profit and loss.

2.14 Derivatives

The Company enters into interest rate swaps ('IRS') and currency swaps with the objective of effectively managing its interest rate risk on its assets and liabilities. These swaps are accounted at fair value. Certain structured debt instruments issued by the Company have returns linked to non-interest related benchmarks. The non-interest related return component in the instrument is separated and accounted for at fair value with changes in the fair value recognised in the statement of profit and loss. The host debt instrument is accounted like any other regular fixed rate debenture and interest is accrued at the prevalent market rate of interest at the time of issue.

Open positions in derivatives are marked to market with gains and losses recognised in the statement of profit and loss.

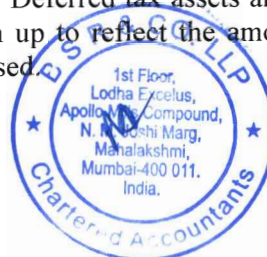
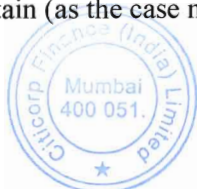
2.15 Taxation

Current and deferred tax

Income tax expense comprises current tax and deferred tax charge or credit. The current charge for income tax is based on the estimated tax liability as computed after taking credit for allowances and exemptions in accordance with the income tax law applicable for the year.

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences that result between the profit offered for income taxes and the profit as per the Company's financial statements.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised subject to management's judgement that their future realisation is reasonably certain, except where there is unabsorbed depreciation and carry forward losses under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realization of such asset. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonable / virtually certain (as the case may be) to be realised.



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Citicorp Finance (India) Limited
(Formerly known as 'CitiFinancial Consumer Finance India Ltd')

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

Taxation (continued)

Minimum alternate tax (MAT)

The Company recognises MAT credit available as an asset only to the extent that the Company, based on reasonable evidence, will be able to recoup / set off MAT credit against income tax liability during the specified period i.e. the period for which MAT credit set off is allowed.

The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have reasonable evidence that it will be able to recoup set off of MAT credit against the income tax liability during the specified period.

2.16 Provisions and contingent liabilities

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

2.17 Earnings per share ('EPS')

The basic EPS is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting year.

Number of equity shares used in computing diluted EPS comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares, which would have been issued on the conversion of all dilutive potential shares. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year except where the results would be anti-dilutive.



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Citicorp Finance (India) Limited
(Formerly known as 'CitiFinancial Consumer Finance India Ltd')

Notes to the financial statements (Continued)
for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

Note 25

(1) Off balance sheet items, contingent liabilities and capital commitments:

	As at 31 March 2015	As at 31 March 2014
Tax assessments	2,469	2,428
Customer litigations	1,212	216
Estimated amount of contracts remaining to be executed on capital account	2	17

A description of the nature of contingent liabilities is set out below:

The Company has been assessed under Income tax Act, 1961, as a result of which the total demand, primarily on account of certain disallowances in the course of assessment for various years, outstanding against the Company is Rs.1,199 lakhs (Previous year Rs.1,061 lakhs).

There are outstanding demands against the Company under Service tax / Tamil Nadu General Sales Tax Act, 1959, primarily on account of subvention income, second sale and transit sale and on account of excess Cenvat credit amounting to Rs.1,270 lakhs (previous year Rs.1,270 lakhs).

In the above cases, the Company has partly paid the aforesaid demand under protest and is in the process of appeal against the same with the appropriate tax authorities. The Company has sought legal opinion in the aforesaid demands and is of the opinion that the disallowances / demands are not tenable and highly unlikely to be retained by higher authorities. Accordingly, the Company is not carrying any provision in its books as a result of the above mentioned additions.

Further, there are few customers who have initiated legal proceedings against the Company for a total compensation demanded of Rs.1,212 lakhs (previous year Rs.216 lakhs). The Company believes that such disallowances / demands are not tenable and are highly unlikely to be confirmed by higher authorities.

The Company has paid under protest the demand raised by the Department of Revenue against liability towards stamp duty on share certificates (previous year Rs.97 lakhs). The Company has filed an application with Chief Controlling Revenue Authority to refer the case to High Court to seek guidance on the substantial questions of law, under section 57(1) of the Indian Stamp Act, 1899, in consultation with in-house legal team, external counsel and external senior counsel.



Citicorp Finance (India) Limited
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Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

(2) Movement in provision is set out below:

Particulars	As at 1 April 2014	Created during the year	Utilized / Released during the year	As at 31 March 2015
Loans and advances against commercial vehicles and construction equipment (including NPA)	397	359	518	238
Investments	8,135	-	3,052	5,083
Provision on assignment of asset portfolio	5,326	-	2,289	3,037
Provision for Cenvat credit	12,830	4	-	12,834
Provision for Value Added Tax (VAT)#	4,400	211	884	3,727
Provision for litigation	453	282	115	620
Total	31,541	856	6,858	25,539

The Company makes provision on account of potential liability on VAT on sale of repossessed assets.

(3) Expenditure in foreign currency on accrual basis comprises:

	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

(4) The Company has issued secured non convertible debentures under various series on different terms and conditions.

a) Details of long term non convertible redeemable debentures are as follows:

Series No	Maturity / Call Date	31 March 15	31 March 14
395	6-Apr-15	-	160
510	26-Apr-15	-	1,010
454	28-May-15	-	320
401	30-May-15	-	549
408	30-Jun-15	-	600
468	30-Jun-15	-	1,152
411	28-Aug-15	-	407
415 I	26-Sep-15	-	860
415 II	26-Sep-15	-	265



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Citicorp Finance (India) Limited
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Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

Series No	Maturity / Call Date	31 March 15	31 March 14
421	28-Oct-15	-	310
425	3-Nov-15	-	500
427	3-Nov-15	-	1,080
429	28-Nov-15	-	667
432 I	28-Nov-15	-	300
432 II	28-Nov-15	-	200
434	29-Dec-15	-	977
507	5-Jan-16	-	1,005
476 I	28-Jan-16	-	250
476 II	28-Jan-16	-	445
500	28-Jan-16	-	590
440	2-Feb-16	-	350
405	26-Feb-16	-	350
441 I	27-Feb-16	-	502
441 II	27-Feb-16	-	590
407	25-Mar-16	-	150
457	6-May-16	600	600
446 I	28-May-16	1,000	1,000
446 II	28-May-16	365	385
471	29-May-16	465	465
472	12-Jun-16	35	335
452	28-Jun-16	2,054	2,156
453	28-Jun-16	1,336	1,563
473 I	30-Jun-16	1,341	1,593
473 II	30-Jun-16	674	744
481	28-Jul-16	1,005	1,005
475	28-Jul-16	685	735
455	30-Jul-16	660	820
456	30-Jul-16	1,058	1,068
463 I	27-Aug-16	853	973
463 II	27-Aug-16	195	195
466	27-Aug-16	710	720
474	25-Oct-16	500	500
479	25-Nov-16	-	1,010
487	16-Dec-16	-	505
514	28-Feb-17	200	200
506	25-Mar-17	640	640
503	30-Mar-17	965	965
505	29-Apr-17	285	285
509	30-May-17	785	785
512	28-Jun-17	945	945
516	29-Jul-17	570	570
518	29-Jul-17	620	620
519 I	29-Dec-17	505	-
520 I	10-Aug-16	5,010	-
521 I	28-Sep-17	335	-
521 III	29-Aug-16	435	-
522 I	28-Sep-17	955	-



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Citicorp Finance (India) Limited
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Notes to the financial statements (Continued)
for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

Series No	Maturity / Call Date	31 March 15	31 March 14
523 I	11-Sep-16	2,505	-
523 II	13-Jul-17	2,505	-
524 II	24-Nov-17	1,005	-
524 III	28-Nov-17	510	-
525 II	30-Oct-16	480	-
525 III	28-Nov-17	630	-
525 IV	30-Nov-17	310	-
526 III	29-Dec-17	260	-
526 IV	29-Dec-17	745	-
527 II	29-Dec-17	660	-
529 II	31-Jan-18	680	-
529 IV	13-Jan-18	10,010	-
530 I	30-Jul-18	2,515	-
530 II	31-Jan-18	585	-
530 III	1-Jan-17	1,505	-
531II	31-Jan-18	370	-
531III	30-Oct-16	505	-
532 II	27-Feb-18	375	-
533 II	27-Feb-18	175	-
535 II	31-Mar-18	250	-
536 I	27-Mar-18	5,025	-
536 II	27-Mar-18	5,000	-
536 III	31-Mar-18	175	-
536 IV	31-Mar-18	305	-
537 I	10-Apr-18	653	-
539 II	1-May-18	155	-
540 I	30-May-18	195	-
541 I	30-May-18	480	-
541 II	30-May-18	225	-
542 I	14-May-17	510	-
544 I	28-Jun-18	100	-
545 I	16-Apr-16	3,000	-
546 I	16-Apr-16	300	-
Total		68,489	34,971

b) Details of current non-convertible redeemable debentures are as follows:

Series No	Maturity / Call Date	31 March 15	31 March 14
459	27-Apr-14	-	400
348 I	29-Apr-14	-	499
348 II	29-Apr-14	-	3,043
461	7-May-14	-	500
462	7-May-14	-	500
398	8-May-14	-	127
399	8-May-14	-	503
460	27-May-14	-	380
355 I	30-May-14	-	1,464
355 II	30-May-14	-	1,538
422	26-Jun-14	-	562



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Citicorp Finance (India) Limited
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Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

Series No	Maturity / Call Date	31 March 15	31 March 14
467	28-Jun-14	-	530
469	29-Jun-14	-	455
448	24-Jul-14	-	1,070
464	24-Jul-14	-	1,500
470	26-Aug-14	-	1,500
478	31-Aug-14	-	555
420	28-Sep-14	-	1,252
495	26-Oct-14	-	305
497	26-Oct-14	-	1,105
392	28-Oct-14	-	1,008
431	28-Oct-14	-	520
430	28-Oct-14	-	359
493 I	28-Oct-14	-	360
493 II	28-Oct-14	-	305
494	28-Oct-14	-	1,950
374	24-Nov-14	-	500
436	27-Nov-14	-	770
501	30-Nov-14	-	505
499	30-Nov-14	-	710
504	30-Nov-14	-	200
439	28-Dec-14	-	843
502	28-Dec-14	-	520
383	31-Dec-14	-	805
384	31-Dec-14	-	420
445	7-Jan-15	-	500
496	25-Jan-15	-	405
391	30-Jan-15	-	503
447	30-Jan-15	-	1,611
443	26-Feb-15	-	440
484	26-Feb-15	-	200
485	26-Feb-15	-	330
508	1-Mar-15	-	635
511	5-Mar-15	-	1,505
515	13-Mar-15	-	2,505
444	26-Mar-15	-	350
498 I	26-Mar-15	-	1,095
498 II	26-Mar-15	-	470
513	29-Mar-15	-	400
395	06-Apr-15	160	-
401	30-May-15	529	-
405	26-Feb-16	350	-
407	25-Mar-16	150	-
408	30-Jun-15	600	-
411	28-Aug-15	337	-
415 I	26-Sep-15	730	-
415 II	26-Sep-15	195	-
421	28-Oct-15	310	-
425	03-Nov-15	500	-



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Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

Series No	Maturity / Call Date	31 March 15	31 March 14
427	03-Nov-15	1,080	-
429	28-Nov-15	488	-
432 I	28-Nov-15	300	-
432 II	28-Nov-15	200	-
434	29-Dec-15	896	-
440	02-Feb-16	350	-
441 I	27-Feb-16	412	-
441 II	27-Feb-16	485	-
454	28-May-15	20	-
476 I	28-Jan-16	225	-
476 II	28-Jan-16	335	-
500	28-Jan-16	520	-
507	5-Jan-16	1,005	-
510	26-Apr-15	1,010	-
519 II	28-Jul-15	505	-
520 IV	11-Jun-15	995	-
520 V	20-Dec-15	1,455	-
522 II	28-Jun-15	595	-
525 I	2-Sep-15	215	-
526 I	30-Sep-15	130	-
527 I	30-Sep-15	425	-
527 III	15-Sep-15	595	-
528 I	4-Oct-15	2,005	-
528 II	3-Jan-16	205	-
530 IV	28-Oct-15	235	-
530 V	1-Dec-15	404	-
531 I	30-Oct-15	855	-
532 III	2-Dec-15	1,215	-
533 I	2-Dec-15	295	-
533 III	2-Dec-15	495	-
534 I	18-Nov-15	22,505	-
538 I	20-Jan-16	2,995	-
541 III	2-Mar-16	485	-
544 II	15-Mar-16	400	-
Total		48,196	38,512



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Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

(5) Loan assignment deals

The Company sells loans through direct assignment. The information related to loan assignment made by the Company during the year, as an originator is given below:

Particulars	31 March 2015	31 March 2014
Total number of loan assets assigned during the year (Nos)	5,386	7,254
Total amount of exposures retained by the Company to comply with MRR	4,978	6,745
Total book value of loan assets assigned	57,279	74,316
Sale consideration received for the assigned assets	57,849	74,939
Net gain/(loss) on account of assigned assets	291	537
Gains amortized during the year as per the RBI guidelines (includes gains amortized of previous years assignment)	1,262	1,439

As the Company has taken a decision to sell the existing portfolio of mortgages business, the entire profit / (loss) arising on sale by way of assignment has been taken in the current year. The details are as follows.

Particulars	31 March 2015	31 March 2014
Total number of loan assets assigned during the year (Nos)	779,989	9,278
Total book value of loan assets assigned	419	92,989
Sale consideration received for the assigned assets	3,425	76,554
Net gain / (loss) on account of assigned assets	2,682	(17,354)
Gains amortized during the year as per the RBI guidelines	-	-

(6) Segmental information is in accordance with AS – 17 Segment Reporting

Basis of preparation

The Segment reporting policy complies with the accounting policies adopted for preparation and presentation of financial statements of the Company and is in conformity with AS 17. The segmentation is based on the nature of products offered by the Company, and its internal reporting systems. Secondary segmentation based on geography has not been presented as the Company operates only in India and the Company perceives that there is no significant difference in its risks and returns in operating from different geographic areas within India. The Company operates in four segments: Equipment Finance (EF), Treasury, Advance Against Financial Assets (AAFA) and Corporate loans.

The Equipment Finance segment provides services in the form of loans for the purchase of commercial vehicles, construction equipments and agricultural assets. It also provides leasing and hire purchase products. The segment earns income in the form of interest on loans, loan assignments, lease rentals, hire premium, management fees, subventions, income from securitisation etc.

The Treasury segment undertakes various activities of investments in corporate debt and government securities, loans, funding and gapping and structured products. Revenues of the Treasury segment consist of interest income on assets and gains from investment activities.



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Citicorp Finance (India) Limited

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Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

Segmental information is in accordance with AS – 17 Segment Reporting (continued)

Treasury 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 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 Corporate loans segment provides secured and unsecured loans to corporates. Its revenue consists of interest on loans and service charges.

Segment wise income and expenses include certain allocations. Interest cost is charged by Treasury segment to other segments based on average portfolio balance of each segment.

Segment assets represent the net assets put up by that segment. Segment liabilities represent capital infused in the Company for each segment and liabilities undertaken by respective segments.

Items which are not directly attributable to any particular segment and which cannot be reasonably allocated to various segments are consolidated under 'Unallocated' column.

Further, capital and reserves and surplus are shown as unallocated since the same cannot be directly identified with any particular segment.



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Citicorp Finance (India) Limited
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Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

Summary of the segments for the year ended 31 March 2015

	EF		Treasury		AAFA		Corporate Loans		Unallocated		Total	
	31 Mar 15	31 Mar 14	31 Mar 15	31 Mar 14	31 Mar 15	31 Mar 14	31 Mar 15	31 Mar 14	31 Mar 15	31 Mar 14	31 Mar 15	31 Mar 14
Revenue												
Segment revenue	11,346	12,952	23,846	15,740	22,609	14,733	14,224	9,906	5,221	17,870	77,246	71,201
Inter-segment revenues	(1,857)	(4,707)	13,224	14,733	(6,993)	(6,343)	(4,374)	(3,683)	-	-	-	-
TOTAL REVENUE	9,489	8,245	37,070	30,473	15,616	8,390	9,850	6,223	5,221	17,870	77,246	71,201
Result												
Segment result	2,200	3,178	22,636	12,346	13,371	7,638	9,778	6,171	(2,258)	(14,009)	45,727	15,324
Income tax	-	-	-	-	-	-	-	-	-	(1,447)	-	(1,447)
Deferred tax	-	-	-	-	-	-	-	-	(14,965)	35,312	(14,965)	35,312
Net segment result	2,200	3,178	22,636	12,346	13,371	7,638	9,778	6,171	(17,223)	19,856	30,762	49,189
Other information (relating to the current period)												
Capital expenditure	41	11	-	-	-	-	-	-	223	27	265	38
Depreciation	33	45	2	1	-	-	-	-	54	104	89	151
Significant non-cash expenses included in segment expense												
Bad debts written off and provision for bad debts (net), Includes permanent diminution in the value of long term investment	659	294	(2,400)	(180)	1,587	300	-	-	(1,886)	(6,712)	(2,040)	(6,298)
Capital employed as at												
Segment assets	39,163	84,885	95,526	115,499	220,056	193,006	177,203	107,125	71,986	76,915	603,934	577,430
Segment liabilities	(29,258)	(24,178)	(231,932)	(157,356)	(15,324)	(8,224)	(10,158)	(6,363)	(326,222)	(381,309)	(603,934)	(577,430)
Net segment assets/(liabilities)	10,865	60,707	(136,406)	(41,857)	204,732	184,782	167,045	100,762	(254,236)	(304,394)	-	-



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Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

(7) Leases

Disclosure for leases in accordance with Accounting Standard 19 - Leases

A. The Company has taken cars on finance lease on such terms and conditions as documented in respective lease agreements.

	As at 31 March 2015	As at 31 March 2014
Net carrying value of the assets as at the date of balance sheet	43	47
Total of minimum lease payments as at the balance sheet date		
♦ Not later than one year	19	26
♦ Later than one year and not later than five years	24	25
Total	43	51
Present value of minimum lease payments as at the balance sheet date		
♦ Not later than one year	14	22
♦ Later than one year and not later than five years	21	21
Total	35	43

B Assets given on financial lease comprise of vehicles and equipments which are based on documented agreements and are entered into in the normal course of business of the Company.

	As at 31 March 2015	As at 31 March 2014
Gross Investment as at the date of balance sheet		
♦ Not later than one year	1,804	1,986
♦ Later than one year and not later than five years	2,616	2,124
Total	4,420	4,110
Present value of minimum lease payments as at the balance sheet date		
♦ Not later than one year	1,421	1,670
♦ Later than one year and not later than five years	2,285	1,947
Total	3,706	3,617
Unearned finance charges	739	651
Unguaranteed residual value		
Accumulated provision for minimum lease payment receivable		

There are no provisions relating to contingent rent.



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Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

(8) Earnings per share ('EPS')

EPS is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding for the year.

	2014-15	2013-14
Profit available to equity shareholders (A)		
Profit after tax (Rs .in Lakhs)	30,762	49,189
Weighted average number of equity shares		
Number of shares at the beginning of the year	3,857,727,031	2,042,338,070
Shares issued during the year (Refer note 25.16)	-	1,815,388,961
Total number of equity shares outstanding at the end of the year	3,857,727,031	3,857,727,031
Weighted average number of equity shares (B)	3,857,727,031	3,857,727,031
Nominal value of equity shares	7.5	7.5
Basic earnings per share [(A)/(B)]	0.80	1.28
Diluted earnings per share [(A)/(B)]	0.80	1.28

(9) Deferred tax

The breakup of deferred tax assets is as under:

	As at 31 March 2015	As at 31 March 2014
Deferred tax assets:		
a. Provision for doubtful assets / valuation loss / assignment	6,923	7,457
b. Depreciation and lease rentals	4,993	5,262
c. Disallowance of Expenses.	1,019	1,414
d Unabsorbed business loss and depreciation	10,767	25,338
e. Unrealized losses on derivatives	2,960	2,155
Total	26,662	41,626

The Company is of view that there is virtual certainty of earning taxable profits in the near future and hence deferred tax assets of Rs. 26,662 lakhs (Previous year Rs. 41,626 lakhs) is being recognised in the books of accounts.



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Citicorp Finance (India) Limited
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Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

(10) Derivatives

In accordance with the requirements of the Companies (Accounting Standards) Rules, 2006 press release dated December 2, 2005, the following quantitative disclosures are made regarding derivative instruments:

Particulars	As at 31 March 2015	As at 31 March 2014
Derivatives (Notional principal amount)		
Futures & Options:		
Equity (Net of long and (short))	(5,298)	(3,774)
Commodity	169	4,201

The Company enters into equity, commodity and index futures and options with the objective of effectively managing its equity and commodity linked liabilities.

(11) Employee retirement benefits

Reconciliation of opening and closing balance of the present value of the defined benefit obligation for gratuity benefits is given below:

Particulars	31 March 2015	31 March 2014
Change in obligations		
Present value of defined benefits obligations at the beginning of the year	365	336
Employer service cost	40	59
Plan amendments	-	-
Interest cost	28	34
Acquisitions Cost/(Credit)	2	179
Actuarial (gains) / losses	55	(55)
Settlement Cost	12	-
Actual benefits payments	(123)	(188)
Present value of defined benefits obligations at the end of the year	379	365
Change in plan assets		
Plan assets as at the beginning of the year	361	386
Acquisition adjustment	0	52
Expected return on plan assets	28	28
Actual Company contributions	49	83
Actual benefits payments	(123)	(188)
Actuarial gain / (losses)	(7)	-
Plan assets at the end of the year	308	361



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Citicorp Finance (India) Limited
(Formerly known as 'CitiFinancial Consumer Finance India Ltd')

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

Employee retirement benefits (continued)

Net asset/(liability) recognized		
Present value of defined benefits obligations as at the end of the year	379	365
Fair value of plan assets as at the end of the year	308	361
Funded status surplus/(deficit)	-	-
Net liability recognized in balance sheet	(71)	(4)

Particulars	31 March 2015	31 March 2014
Components of employer expense		
Current services cost	41	59
Interest cost	28	34
Expected return on assets	(28)	(28)
Past Service Cost	-	-
Settlement Cost/ (Credit)	12	-
Actuarial (gains) and losses	62	(55)
Net cost	115	10
Assumptions		
Discount rate	7.80%	9.25%
Expected return on assets	8.50%	8.50%
Salary escalation rate	8.00%	8.00%
Withdrawal rate	15.00%	15.00%
Mortality	LIC (2006-08) ultimate	LIC (2006-08)ultimate

	31 March 2015	31 March 2014	31 March 2013	31 March 2012	31 March 2011
Experience history					
Defined benefit obligation at the end of the period	(379)	(365)	(336)	(356)	(479)
Plan assets at the end of the period	308	361	386	421	518
Funded status	(71)	(4)	50	65	39
Experience gain/ (loss) adjustments on plan liabilities	(22)	24	50	69	156
Experience gain/ (loss) adjustments on plan assets	(7)	-	-	4	24
Actuarial gain / (loss) due to change of assumptions	(32)	31	(16)	21	-

The estimates of future salary increases, considered in actuarial valuation, take into consideration inflation, seniority, promotion and other relevant factors.

The Company's gratuity fund is managed by its insurer, Life Insurance Corporation of India. The plan assets under the fund are invested in approved securities.



Citicorp Finance (India) Limited
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Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

(11) Related party disclosures

The company has a policy of carrying all related party transaction domestic or international at arm's length.

Related parties with whom a controlling relationship exists and/or with whom transactions have taken place:

A. Holding Companies

Associates Financial Services (Mauritius) LLC

Enterprises which exercise control:

Citibank Overseas Investment Corporation ('COIC')

Citibank N.A. and its branches

Citigroup Inc. (the ultimate Holding Company)

B. Fellow Subsidiaries

Citigroup Global Markets India Private Limited

Citigroup Global Markets Inc.

Citigroup Technology Inc.

Citigroup Global Markets Asia Limited

Citicorp Services India Private Limited

Citicorp Investment Bank Singapore Limited

C. Associates

India Infradebt Limited

D. Key Management Personnel

Rohit Ranjan (Managing director)



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Citicorp Finance (India) Limited
(Formerly known as 'CitiFinancial Consumer Finance India Ltd')

Notes to the financial statements (Continued)
for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

Details of related party transactions during the year are given below:

Nature of Related party transaction	Holding Companies and companies exercising control				Subsidiaries		Fellow Subsidiaries	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
Asset given on lease	1,941	1,332	-	-	-	-	807	662
Lease rentals received for assets given on lease	1,773	2,004	-	1	-	-	461	287
Fixed deposits placed	415,343	1,137,527	-	-	-	-	-	-
Fixed deposits matured	419,977	1,139,549	-	-	-	-	-	-
Loans taken	1,837,900	919,550	-	-	-	-	-	-
Loans repaid	1,841,100	934,850	-	-	-	-	-	-
Loan portfolio sale	57,849	74,939	-	-	-	-	-	-
Fixed assets sale	2	-	-	-	-	-	-	19
Net movement in bank accounts	2,638	1,462	-	-	-	-	-	-
Securities Purchased	-	-	-	-	-	-	33,212	-
Securities Sold	-	-	-	-	-	-	23,651	-
Advisory fees paid	490	425	-	-	-	-	-	-
Arrangement, Placement, Merchant Banker Fees & Brokerage paid	479	484	-	-	-	-	3	3
Co-location expenses paid	319	237	-	-	-	-	102	97
Co-location expenses recovered	-	-	-	-	-	-	78	19
Fee for HR & ICU Service earned	-	-	-	-	-	5	3	8



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Citicorp Finance (India) Limited
(Formerly known as 'CitiFinancial Consumer Finance India Ltd')

Notes to the financial statements (Continued)
for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

Nature of Related party transaction	Holding Companies and companies exercising control				Subsidiaries		Fellow Subsidiaries	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
HR Related Expenses incurred	-	-	-	-	-	-	47	123
Fraud control & AAFA fee	51	105	-	-	-	-	-	-
Interest & bank charges paid	6,133	6,772	-	-	-	-	-	-
Interest on External Commercial Borrowing	-	-	-	-	-	-	-	-
Interest received on Deposits	691	4,025	-	-	-	-	-	-
Management/Servicing fee & foreclosure Charges	3,209	2,043	-	-	-	-	-	1
Net interest received & Gain/Loss on Derivative	-	71	-	-	-	-	-	-
Risk Management Fee incurred	-	-	-	-	-	-	220	240
Secondment charges incurred (includes managing director's remuneration)	452	412	-	-	-	-	-	-
Secondment charges earned	672	235	-	-	-	-	-	-
Technology & Software expenses incurred	1,159	1,494	-	-	-	-	305	267
Reimbursements (Net Expense)	7	-	-	-	-	-	50	-
Transaction processing fees earned	-	-	-	-	-	1	-	-
Equity Dividend Paid	52,079	-	-	-	-	-	-	-
Equity Dividend Received (Subsidiaries)	-	-	-	-	-	1,581	-	-



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Citicorp Finance (India) Limited
(Formerly known as 'CitiFinancial Consumer Finance India Ltd')

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

Details of related party outstanding balances as at the year-end are given below:

Nature of Related party transaction	Holding Companies and companies exercising control		Subsidiaries		Fellow Subsidiaries	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
Finance lease principal receivable	2,636	2,742	-	-	1,212	893
Accounts receivable	896	466	-	-	15	33
Fixed deposits	14,982	4,649	-	-	-	-
Accounts payable	8,234	9,972	-	-	68	215
Cash credit / overdraft	288	6,018	-	-	-	-
Term loan outstanding	-	3,200	-	-	-	-

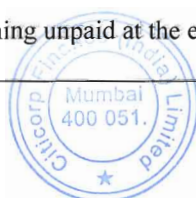
(12) Break-up of mark to market positions on derivatives:

Particulars	31 March 2015	31 March 2014
Equity futures and options	(695)	(1,404)
Commodity futures	(474)	(607)
Total	(1,169)	(2,011)

(13) Micro, Small and Medium Enterprises:

Under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED'), the following disclosure is made based on the information and records available with the Company in respect of the Micro, Small and Medium Enterprises who have registered with the competent authorities:

Particulars	31 March 2015	31 March 2014
Principal amount remaining unpaid to any supplier as at the year end	8	7
Interest due thereon	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	8	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	8	-



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Citicorp Finance (India) Limited
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Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

- (15) The Company has not accepted deposits, within the meaning of 'Public Deposits' as defined in the prudential norms issued by the RBI.
- (16) During the year ended 31st March 2014, pursuant to the Scheme of Amalgamation ("the Scheme") under Sections 391 to 394 and other applicable provisions, if any, of the Companies Act, 1956 as sanctioned by Court order dated 23 December 2013 passed by Hon'ble High Court of Judicature at Bombay and Court order dated 18 November 2013 passed by the High Court of Delhi at New Delhi and intimation to RBI, Citicorp Finance (India) Limited (CFIL) has been merged with CitiFinancial Consumer Finance India Ltd. (CCFIL) with effect from the Appointed Date of 1 April 2013. CFIL was primarily engaged in business of loans for purchase of commercial vehicles, construction equipment, loans against financial assets and investment in shares and securities

The name of the amalgamated Company was changed from "*CitiFinancial Consumer Finance India Limited*" to "*Citicorp Finance (India) Limited*" with effect from 17 February 2014.

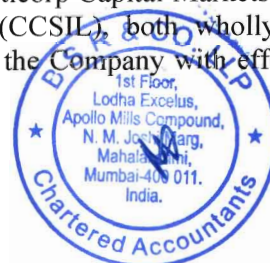
The Amalgamation was accounted for under the "Pooling of Interests Method" as prescribed by Accounting Standard (AS) 14 "Accounting for Amalgamation" prescribed by Companies (Accounting Standards) Rules, 2006.

The assets and liabilities of the amalgamating company had been accounted for in the books of accounts of the Company in accordance with the approved scheme.

For every 545 fully paid-up equity shares of Rs 10 each held in the Transferor Company, the shareholders were issued 1000 fully paid up equity shares of Rs 10 each of the Transferee Company. Accordingly, the Company had issued 1,815,388,961 fresh equity shares of Rs 10 each amounting to Rs 181,538 lakhs as consideration amount for amalgamation to the shareholder of the Transferee Company.

Further in accordance with the scheme and pursuant to Section 100 and other applicable provision of the Companies Act, 1956, the Company reduced the paid up share capital by Rs 96,443 lakhs (i.e. by reducing face value and paid up value of each share to Rs 7.50 from Rs 10 per share). The amount of reduction as mentioned above along with the balances in amalgamation reserve and general reserve of the Company had utilised to adjust the debit balance in profit and loss account pursuant to the scheme.

- (17) During the current financial year, pursuant to the Scheme of Amalgamation ("the Scheme") under Sections 391 to 394 and other applicable provisions, if any, of the Companies Act, 1956 as sanctioned by Minutes of Order dated 28th November, 2014 passed by Hon'ble High Court of Judicature at Mumbai, Citicorp Capital Markets Limited (CCML) and Citicorp Clearing Services India Limited (CCSIL), both wholly owned subsidiaries of the Company have been amalgamated with the Company with effect from April 1, 2014 i.e. the Appointed Date.



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Citicorp Finance (India) Limited
(Formerly known as 'CitiFinancial Consumer Finance India Ltd')

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

The Amalgamation has been accounted for under the "Pooling of Interests Method" as prescribed by Accounting Standard (AS) 14 "Accounting for Amalgamation" prescribed by Companies (Accounting Standards) Rules, 2006.

In accordance with the said Scheme, all the assets, debts, liabilities, duties, and obligations of CCML and CCSIL have been vested in the Company with effect from April 1, 2014 and have been recorded at their respective book values under the pooling of interests method of accounting for Amalgamation. The reserves and surplus of CCML and CCSIL of Rs. 1,366 lakhs and Rs. 1,347 lakhs respectively have been merged with those of the Company in the same form as they appeared in the financial statements of the transferor companies. There were no differences in the accounting policies of CCML and CCSIL with that of the Company

As there is no surplus arising out of difference between the value of the assets over the value of the liabilities including reserves of the transferor companies transferred to the transferee company after adjusting for the book value of investments in the shares of the transferor companies, the amount required to be transferred to capital reserve in terms of para 9 of the High Court orders, is determined at 'Nil'.

- (18) Gross amount required to be spent during the current year on CSR activities during the year amounts to Rs 93 lakhs. Details of the amount actually spent are given below:

S.No	Remark	In cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any asset	Nil	Nil	Nil
(ii)	On purpose other than (i) above	78	Nil	78



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Citicorp Finance (India) Limited
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Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

(19) Details of Loan Assets subjected to Restructuring as at 31 March 2015

SL. No	Type of Restructuring	Others						
		Standard	Sub Standard	Doubtful	Loss	Total		
	Asset Classification Details							
1	Restructured Accounts as on 1st April of the FY (opening figures)*	No. of borrowers 420	323	-	-	743		
		Amount outstanding 102	94	-	-	196		
		Provision thereon 5	24	-	-	29		
2	Fresh restructuring during the year #	No. of borrowers -	-	-	-	-		
		Amount outstanding -	-	-	-	-		
		Provision thereon -	-	-	-	-		
3	Upgradations to restructured standard category during the FY	No. of borrowers 97	(97)	-	-	-		
		Amount outstanding 19	(19)	-	-	-		
		Provision thereon 1	(1)	-	-	-		
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers -	-	-	-	-		
		Amount outstanding -	-	-	-	-		
		Provision thereon -	-	-	-	-		
5	Downgradations of restructured accounts during the FY	No. of borrowers -	-	-	-	-		
		Amount outstanding -	-	-	-	-		
		Provision thereon -	-	-	-	-		
6	Write-offs (includes recovery) of restructured accounts during the FY	No. of borrowers 517	226	-	-	743		
		Amount outstanding 121	75	-	-	196		
		Provision thereon 6	23	-	-	29		
7	Restructured Accounts as on March 31 of the FY (closing figures*)	No. of borrowers -	-	-	-	-		
		Amount outstanding -	-	-	-	-		
		Provision thereon -	-	-	-	-		

*Excluding the figures of Standard Restructured Advances which do not attract higher provisioning or risk weight (if applicable)

#Does not include Rs.30,240 lakhs of advances which have been rolled more than twice as there are no inherent credit weaknesses in the accounts. However, as per the RBI guidelines, provision of Rs 1,513 lakhs has been created on the same.

There are no cases restructured on account of CDR mechanism or SME debt restructuring in the current or previous year.



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Citicorp Finance (India) Limited
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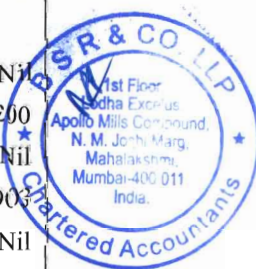
Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

- (20) During the current year the Company has recovered interest amounting to Rs 17,004 lakhs relating to non-performing investments in debentures of Vikas Telecom Limited for prior periods.
- (21) In accordance with RBI notification No. DNBS.PD.CC. No. 256 /03.10.042 / 2011-12 dated March 2, 2012, Rs 4 lakhs of fraud was detected and reported during the financial year ended 31 March 2015 (Previous year Rs 49 lakhs).
- (22) In accordance with RBI notification No. DNBS.CC.PD.No.253/03.10.01/2011-12 dated December 26, 2011, the Company did not enter into any credit default swaps during the year ended 31 March 2015 (Previous year Nil).
- (23) In accordance with RBI notification No. DNBS.CC.PD.No.265/03.10.01/2011-12 dated March 21, 2012, the Company has not lent against gold jewellery during the year ended 31 March 2015 (Previous year Nil).
- (24) The Company has filed all returns required by RBI under various circulars issued by RBI from time to time.
- (25) Additional NBFC disclosures
- a) In accordance with RBI notification No.DNBS.167/CGM(OPA)-2003 dated March 29, 2003, following are the additional disclosure under the format as prescribed vide Paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions 1998 and as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

Particulars		(Rs. in lakhs)	
Liabilities side :			
(1)	Loans and advances availed by the non-banking finance company inclusive of interest accrued thereon but not paid:	Amount out-standing	Amount overdue
	(a) Debentures : Secured	116,664	73,479
	: Unsecured	Nil	Nil
	(other than falling within the meaning of public deposits*)		
	(b) Deferred Credits	Nil	Nil
	(c) Term Loans	Nil	3,200
	(d) Inter-corporate loans and borrowing	Nil	Nil
	(e) Commercial Paper	41,913	29,903
	(f) Other Loans (specify nature) – Banks Loans	Nil	Nil
	(g) Other Loans (specify nature) – Cash Credit	40,997	35,600
	(g) Other Loans (specify nature) – Finance Lease Obligation	35	43
	* Please see Note 1 below		



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Citicorp Finance (India) Limited
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Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

(25) a) Additional NBFC disclosures (continued)

	Particulars	(Rs. in lakhs)
	Assets side :	Amount outstanding
(2)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :	
	(a) Secured	294,011
	(b) Unsecured	132,403
(3)	Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities	
	(i) Lease assets including lease rentals under sundry debtors :	
	(a) Finance lease	3,706
	(b) Operating lease	Nil
	(ii) Stock on hire including hire charges under sundry debtors:	
	(a) Assets +on hire	Nil
	(b) Repossessed Assets	Nil
	(iii) Other loans counting towards AFC activities (refer note 4)	
	(a) Loans where assets have been repossessed	44
	(b) Loans other than (a) above	31,620
(4)	Break-up of Investments :	
	Current Investments :	
	1. Quoted :	
	(i) Shares : (a) Equity	Nil
	(b) Preference	Nil
	(ii) Debentures and Bonds	Nil
	(iii) Units of mutual funds	Nil
	(iv) Government Securities	Nil
	(v) Others (please specify)	Nil
	2. Unquoted :	
	(i) Shares : (a) Equity	Nil
	(b) Preference	Nil
	(ii) Debentures and Bonds	Nil
	(iii) Units of mutual funds	Nil
	(iv) Government Securities	Nil
	(v) Others – Certificates of Deposits	64,819



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Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

(25) a) Additional NBFC disclosures (continued)

	Particulars	(Rs. in lakhs)		
	Assets side :	Amount outstanding		
(4)	Break-up of Investments :			
	<u>Long Term investments :</u>			
	1. <u>Quoted :</u>			
	(i) Share : (a) Equity			Nil
	(b) Preference			Nil
	(ii) Debentures and Bonds			Nil
	(iii) Units of mutual funds			Nil
	(iv) Government Securities			Nil
	(v) Others (Please specify)			Nil
	2. <u>Unquoted :</u>			
	(i) Shares : (a) Equity			10,480
	(b) Preference			Nil
	(ii) Debentures and Bonds			Nil
	(iii) Units of mutual funds			Nil
	(iv) Government Securities			Nil
	(v) Others (Please specify)			Nil
(5)	Borrower group-wise classification of assets financed as in (2) and (3) above : Please see Note 2 and 4 below			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
	1. Related Parties **			
	(a) Subsidiaries	Nil	Nil	Nil
	(b) Companies in the same group	3,706	Nil	3,706
	(c) Other related parties	Nil	Nil	Nil
	2. Other than related parties	76,662	132,403	209,065
	Total	80,368	132,403	212,771



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Citicorp Finance (India) Limited
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Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

(25) a) Additional NBFC disclosures (continued)

Particulars		(Rs. in lakhs)	
Assets side :		Amount outstanding	
(6)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):		
	Please see note 3 below		
	Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
	1. Related Parties **		
	(a) Subsidiaries***	Nil	Nil
	(b) Companies in the same group	Nil	Nil
	(c) Other related parties	10,171	8,700
	2. Other than related parties***	65,866	66,600
	Total	76,037	75,300
	** As per Accounting Standard of ICAI (Please see Note 3)		
	*** Refer note 5		
(7)	Other information		
	Particulars		Amount
	(i) Gross Non-Performing Assets (refer Note 6)		
	(a) Related parties		Nil
	(b) Other than related parties		Nil
	(ii) Net Non-Performing Assets		
	(a) Related parties		Nil
	(b) Other than related parties		Nil
	(iii) Assets acquired in satisfaction of debt		Nil
Notes:			
1 As defined in Paragraph 2(1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.			
2 Provisioning norms shall be applicable as prescribed in the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.			
3 All Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, are applicable including for valuation of investments and other assets and including assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments are disclosed irrespective of whether they are classified as long term or current in column (4) above.			
4 Excludes loan against financial assets.			
5 The break-up value or NAV of investments are arrived based on the audited financial statements for the year ended 31 March 2014 as the latest audited financial statements are not available.			
6 Gross Non-performing assets do not include Rs.30,250 lakhs of advances which have been rolled more than twice as there are no inherent credit weaknesses in the accounts. However, as per the guidelines, provision of Rs.1,513 lakhs has been created on the same.			



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Citicorp Finance (India) Limited
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Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

(25) Additional NBFC disclosures (continued)

- b) In accordance with RBI notification No.DNBS. (PD).CC.No.125/03.05.002 / 2008-2009 dated August 1, 2008, following are the additional disclosure to the financial statements under the format as prescribed in the said notification.

CRAR

Items	Current Year	Previous Year
i) CRAR (%)	62.05	62.24
ii) CRAR - Tier I capital (%)	61.80	61.95
iii) CRAR - Tier II Capital (%)	00.25	00.29
iv) Amount of subordinated debt raised as Tier-II capital	Nil	Nil
v) Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

Exposures

Exposure to Real Estate Sector

		(Rs. in crores)	
	Category	Current year	Previous Year
a)	Direct exposure		
	(i) Residential Mortgages Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to Rs.15 lakh may be shown separately)	Nil	Nil
	(ii) Commercial Real Estate Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	Nil	96
	(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
	a. Residential	Nil	Nil
	b. Commercial Real Estate.	Nil	Nil
b)	Indirect Exposure Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	Nil	Nil



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Citicorp Finance (India) Limited
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Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

(25) b) Additional NBFC disclosures (continued)

Asset Liability Management

Maturity pattern of certain items of assets and liabilities

	(Rs. in crores)								
	1 day to 30/31 days (one month)	Over one month to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from banks	410	-	-	-	-	-	-	-	410
Market Borrowings	37	406	22	31	412	641	43	-	1,592
Assets									
Advances**	1169	143	481	879	846	765	18	-	4,301
Investments	-	-	648	-	-	-	-	105	753

** Excludes Deposits, Prepaid expenses, Receivable from staff, Income Tax



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Citicorp Finance (India) Limited
(Formerly known as 'CitiFinancial Consumer Finance India Ltd')

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

(25) b) Additional NBFC disclosures (continued)

Details of Non-performing Financial Assets sold

	Particulars	Current Year	Previous Year
1	No. of accounts sold	-	585
2	Aggregate outstanding	-	7,701
3	Aggregate consideration received	-	2,590

Investments

	Particulars	Current Year	Previous Year
1	Value of Investments		
(i)	Gross Value of Investments	80,382	75,261
	(a) In India	80,382	75,261
	(b) Outside India,	-	-
(ii)	Provisions for Depreciation	5,083	8,135
	(a) In India	5,083	8,135
	(b) Outside India,	-	-
(iii)	Net Value of Investments	75,299	67,126
	(a) In India	75,299	67,126
	(b) Outside India.	-	-
2	Movement of provisions held towards depreciation on investments.		
	(i) Opening balance*	8,135	8,315
	(ii) Add : Provisions made during the year	-	98
	(iii) Less : Write-off / write-back of excess provisions during the year	3,052	288
	(iv) Closing balance	5,083	8,135

*Previous year includes provision of Rs.8,315 lakhs acquired along with investments pursuant to merger effective 01 April 2013. (Refer note 16)



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Citicorp Finance (India) Limited
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Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

(25) b) Additional NBFC disclosures (continued)

Exposure to Capital Market

	Particulars	Current Year	Previous Year
(i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	10,480	27,810
(ii)	advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	Nil	Nil
(iii)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	217,347	190,144
(iv)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds' does not fully cover the advances;	Nil	Nil
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	Nil	Nil
(vi)	loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	Nil	Nil
(vii)	bridge loans to companies against expected equity flows / issues;	Nil	Nil
(viii)	all exposures to Venture Capital Funds (both registered and unregistered)	Nil	Nil
	Total Exposure to Capital Market	227,827	217,954



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Citicorp Finance (India) Limited
(Formerly known as 'CitiFinancial Consumer Finance India Ltd')

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

(25) b) Additional NBFC disclosures (continued)

Sector-wise NPAs #

Sl. No.	Sector	Percentage of NPAs to Total Advances in that sector
1	Agriculture & allied activities	Nil
2	MSME	Nil
3	Corporate borrowers	Nil
4	Services	Nil
5	Unsecured personal loans	Nil
6	Auto loans	Nil
7	Other personal loans	Nil

#Does not include Rs 30,250 lakhs of advances which have been rolled more than twice as there are no inherent credit weaknesses in the accounts. However, as per the guidelines, provision of Rs 1,513 lakhs has been created on the same.

Movement of NPAs

Particulars	Current Year	Previous Year
(i) Net NPAs to Net Advances (%)	-	7.19
(ii) Movement of NPAs (Gross)		
(a) Opening balance	139	13,469
(b) Additions during the year	1	6,749
(c) Reductions during the year	140	20,079
(d) Closing balance	-	139
(iii) Movement of Net NPAs		
(a) Opening balance	70	12,007
(b) Additions during the year	1	6,066
(c) Reductions during the year	71	18,003
(d) Closing balance	-	70
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	69	1,462
(b) Provisions made during the year	-	683
(c) Write-off / write-back of excess provisions	69	2,076
(d) Closing balance	-	69



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Citicorp Finance (India) Limited
(Formerly known as 'CitiFinancial Consumer Finance India Ltd')

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

(25) b) Additional NBFC disclosures (continued)

Customer Complaints

(a)	No. of complaints pending at the beginning of the year	11
(b)	No. of complaints received during the year	748
(c)	No. of complaints redressed during the year	753
(d)	No. of complaints pending at the end of the year	6

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account

Particulars	Current Year	Previous Year
Provision towards NPA*	(69)	(1,393)
Provision made towards Income tax	-	-
Provision for Assignment of portfolio	(2,289)	2,734
Provision for Cenvat Credit	4	12,830
Provision for VAT	(673)	267
Provision for Litigations	167	(217)
Provision for Standard Assets including restructured Standard advance	1,576	(65)

*Movement to write-off is considered as release of provision.

Credit Ratings

The latest available ratings assigned by ICRA as of 24th March 2015 to the Company is as below:

(i) Rating Assigned	"Stable"
(ii) Name of the Rating Agency	ICRA
(iii) Rating of products	
(a) Commercial Paper	(ICRA) A1+
(b) Debentures	(ICRA) AAA (Stable)
(c) Market Linked Debentures.	PP-MLD(ICRA) AAA(Stable)

Registration obtained from other financial sector regulators

The Company is registered with IRDA as Corporate Agent for soliciting insurance business of both life and general insurance.



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Citicorp Finance (India) Limited
(Formerly known as 'CitiFinancial Consumer Finance India Ltd')

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian Rupees in Lakhs)

(25) b) Additional NBFC disclosures (continued)

Concentration of Advances Exposures[#] and NPAs

Details	Amount
Total Advances to twenty largest borrowers	326,930
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	76.01%
Total Exposure to twenty largest borrowers /Customers	343,920
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	70.81%

[#]includes unutilised limits.

As per our report of even date attached.

For **BSR & Co. LLP**

Chartered Accountants

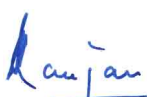
Firm's Registration No:

101248W/W-100022



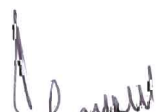
Manoj Kumar Vijai

Partner



Rohit Ranjan

Managing
Director



Rahul Shukla

Director



Ankit Agarwal

Chief Financial
Officer



Rajesh Aggarwal

Company
Secretary

For and on behalf of the Board of Directors

Citicorp Finance (India) Limited

Membership No: 046882

Mumbai
28 May 2015

Mumbai
28 May 2015