

Citicorp Finance (India) Limited
Condensed Financial Statements
together with the
Independent Review Report
for the half year ended
30 September 2015

Citicorp Finance (India) Limited

Condensed Financial Statements together with the Independent Review Report

for the half year ended 30 September 2015

Contents

Independent Review Report

Condensed Balance sheet

Condensed Statement of profit and loss

Condensed Cash flow statement

Notes to the unaudited Condensed financial statements

B S R & Co. LLP

Chartered Accountants

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Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011
India

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Review Report

To the Board of Directors of Citicorp Finance (India) Limited

Introduction

We have reviewed the accompanying condensed balance sheet of Citicorp Finance (India) Limited ("the Company") as at 30 September 2015 and the related condensed statement of profit and loss, condensed cash flow statement for the half year ended 30 September 2015, and a summary of significant accounting policies and other explanatory notes ("hereinafter referred to as Interim Financial Information"). Management is responsible for the preparation and fair presentation of these Interim Financial Information in accordance with Accounting Standard 25 "Interim Financial Reporting" ("AS 25"), and other Accounting Standards to the extent applicable and specified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Interim Financial Information based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the entity" issued by the Institute of Chartered Accountants of India. A review of Interim Financial Information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Information is not prepared, in all material respects, in accordance with AS 25 and other Accounting Standards to the extent applicable under section 133 of the Companies Act 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India.

For **B S R & Co. LLP**
Chartered Accountants

Firm's Registration No: 101248W / W-100024

Manoj Kumar Vijai
Partner

Membership No: 046882

Mumbai
6 November 2015

B S R & Co. (a partnership firm with
Registration No. BA61223) converted into
B S R & Co. LLP (a Limited Liability, Partnership
with LLP Registration No. AAB-8181)
with effect from October 14, 2013

Registered Office:
5th Floor, Lodha Excelus
Apollo Mills Compound
N.M. Joshi Marg, Mahalaxmi
Mumbai - 400 011

Citicorp Finance (India) Limited

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

Condensed Balance sheet

as at 30 September 2015

(Currency: Indian Rupees in Lakhs)

	30 September 2015 Unaudited	31 March 2015 Audited
I. EQUITY AND LIABILITIES		
1. SHAREHOLDERS' FUNDS		
Share capital	289,330	289,330
Reserves and surplus	65,461	56,348
	<u>354,791</u>	<u>345,678</u>
2. NON-CURRENT LIABILITIES		
Long term borrowings	54,244	68,495
Other long term liabilities	5,619	7,113
Long term provisions	455	583
	<u>60,318</u>	<u>76,191</u>
3. CURRENT LIABILITIES		
Short term borrowings	119,745	82,910
Trade payables	2,423	1,990
Other current liabilities	106,034	64,703
Short term provisions	9,503	19,628
	<u>237,705</u>	<u>169,231</u>
TOTAL	<u><u>652,814</u></u>	<u><u>591,100</u></u>
II. ASSETS		
1. NON-CURRENT ASSETS		
Fixed Assets		
Tangible assets	475	401
Intangible assets	-	-
	<u>475</u>	<u>401</u>
Non current investments	10,456	10,480
Deferred tax assets (Net)	23,962	26,662
Long term loans and advances	107,144	109,922
Other non-current assets	287	35
	<u>142,324</u>	<u>147,500</u>
2. CURRENT ASSETS		
Current investments	4,191	64,819
Cash and bank balances	34,228	19,904
Short term loans and advances	461,602	351,156
Other current assets	10,469	7,721
	<u>510,490</u>	<u>443,600</u>
TOTAL	<u><u>652,814</u></u>	<u><u>591,100</u></u>

Significant accounting policies

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

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

Manoj Kumar Vijai
Partner

Membership No: 046882

Mumbai

06 November 2015

For and on behalf of the Board of Directors
Citicorp Finance (India) LimitedRohit Ranjan
Managing DirectorNiraj Parekh
DirectorRajesh Aggarwal
Company Secretary

Mumbai

06 November 2015

Citicorp Finance (India) Limited
 (Formerly known as 'CitiFinancial Consumer Finance India Limited')
Condensed Statement of profit and loss
 for the half year ended 30 September 2015

(Currency: Indian Rupees in Lakhs)

	30 September 2015 Unaudited	30 September 2014 Unaudited
REVENUE		
Revenue from operations	27,807	26,428
Other income	1,745	5,442
Total Revenue	29,552	31,870
EXPENSES		
Employee benefits	2,165	2,427
Finance costs	8,602	7,760
Depreciation	53	35
Other expenses	6,585	8,152
Total Expenses	17,405	18,374
PROFIT BEFORE EXCEPTIONAL ITEM AND TAX	12,147	13,496
EXCEPTIONAL ITEM	-	17,004
PROFIT BEFORE TAX	12,147	30,500
TAX EXPENSE:		
Current tax	2,517	9,086
MAT credit entitlement	(2,517)	(9,086)
Net current tax	-	-
Deferred tax	2,700	11,721
PROFIT FOR THE YEAR	9,447	18,779
EARNINGS PER EQUITY SHARE:		
Basic and diluted earnings per share of Rs. 7.50 face value	0.24	0.49

Significant accounting policies

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


As per our report of even date attached.

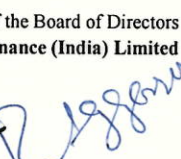
For BSR & Co. LLP
 Chartered Accountants
 Firm's Registration No: 101248W/W-100022


Manoj Kumar Vijai
 Partner
 Membership No: 046882

Mumbai
 06 November 2015


Rohit Ranjan
 Managing Director

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

Niraj Parekh
 Director


Rajesh Aggarwal
 Company Secretary

Mumbai
 06 November 2015

Citicorp Finance (India) Limited
(Formerly known as 'CitiFinancial Consumer Finance India Limited')
Condensed Cash flow statement
for the half year ended 30 September 2015

(Currency: Indian Rupees in Lakhs)

	30 September 2015 Unaudited (85,186)	30 September 2014 Unaudited (56,860)
Cash flows used in operating activities - A		
Cash flows generated from investing activities - B	58,359	30,305
Cash flows generated from financing activities - C	38,747	21,613
Net increase in cash and cash equivalents - (A+B+C)	11,920	(4,942)
Cash and cash equivalents at the beginning of the period	14,959	8,655
Cash and cash equivalents at the end of the period	26,879	3,713

Note:

1) Cash and cash equivalents comprise of balances with banks in current accounts and fixed deposit accounts

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
06 November 2015

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



Rohit Ranjan
Managing Director

Viraj Parekh
Director

Rajesh Aggarwal
Company Secretary

Mumbai
06 November 2015

Citicorp Finance (India) Limited

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

Notes to the unaudited condensed financial statements (*Continued*)

for the half year ended 30 September 2015

(Currency: Indian Rupees in Lakhs)

1 Background

Citicorp Finance (India) Limited ("the Company") (formerly known as 'CitiFinancial Consumer Finance India Limited') was incorporated in India on 1 May 1997 and is registered with 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 NBFC. The Company is a loan and investment NBFC, as defined under section 45IA of Reserve Bank of India Act, 1934.

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 financial assets
- c. Investment in shares and securities
- d. Corporate loans

2 Basis of preparation

The unaudited condensed financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with Accounting Standard 25 – 'Interim Financial Reporting' 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 condensed financial statements are presented in Indian rupees and rounded off to the nearest lakhs.

3 Significant accounting policies

The accounting policies and practices followed in the preparation of the condensed financial statements for half year ended 30 September 2015 are the same as those followed in the preparation of financial statements for the year ended 31 March 2015, except for the following:

3.1 Employee benefits

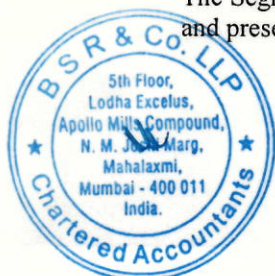
The Company's liability towards gratuity has been accounted for on the basis of an independent actuarial valuation done at each year end. For the half year ended 30 September 2015, the liability has been computed as per reasonable estimate based on the assumptions used in actuarial valuation done for the year ended 31 March 2015

4 Segment reporting

Disclosures relating to segment information have been made in accordance with Accounting Standard 17 – Segment Reporting (AS-17).

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.



Citicorp Finance (India) Limited

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

Notes to the unaudited condensed financial statements (*Continued*)

for the half year ended 30 September 2015

(Currency: Indian Rupees in Lakhs)

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 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 Treasury segment consist of interest income on assets and gains from investment activities. Treasury provides funds to other segments as per the needs of business and excess capital with segments is deployed back with Treasury. There is a 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.

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

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 classified under 'Unallocated'.

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



Citicorp Finance (India) Limited

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

Notes to the unaudited condensed financial statements (Continued)

for the half year ended 30 September 2015

(Currency: Indian Rupees in Lakhs)

Summary of the segments for the half year ended 30 September 2015

	EF		Treasury		AAFA		Corporate Loans		Unallocated		Total	
	30 Sep 15	30 Sep 14	30 Sep 15	30 Sep 14	30 Sep 15	30 Sep 14	30 Sep 15	30 Sep 14	30 Sep 15	30 Sep 14	30 Sep 15	30 Sep 14
Revenue												
Segment revenue	4,474	6,169	1,610	5,629	13,485	10,961	8,954	6,807	1,029	2,304	29,552	31,870
Inter-segment revenues	(537)	(1,099)	7,827	6,484	(4,288)	(3,351)	(3,002)	(2,034)	-	-	-	-
TOTAL REVENUE	3,937	5,070	9,437	12,113	9,197	7,610	5,952	4,773	1,029	2,304	29,552	31,870
Result												
Segment result	66	1,437	213	20,638	8,202	7,083	5,730	4,747	(2,064)	(3,405)	12,147	30,500
Income tax	-	-	-	-	-	-	-	-	-	-	-	-
Deferred tax	-	-	-	-	-	-	-	-	(2,700)	(11,721)	(2,700)	(11,721)
Net segment result	66	1,437	213	20,638	8,202	7,083	5,730	4,747	(4,764)	(15,126)	9,447	18,779
Other information (relating to the current period)												
Capital expenditure	12	15	3	-	-	-	-	-	111	27	126	43
Depreciation	15	14	1	1	-	-	-	-	37	20	53	35
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	(8)	315	23	(2,400)	-	-	-	-	(39)	(1,158)	(24)	(3,243)
Capital employed as at	30 Sep 15	31 Mar 15	30 Sep 15	31 Mar 15	30 Sep 15	31 Mar 15	30 Sep 15	31 Mar 15	30 Sep 15	31 Mar 15	30 Sep 15	31 Mar 15
Segment assets	31,321	39,162	52,675	95,494	306,086	219,074	202,306	178,218	60,426	59,152	652,814	591,100
Segment liabilities	(15,449)	(20,015)	(274,604)	(231,929)	(10,402)	(15,499)	(6,336)	(10,221)	(346,023)	(313,436)	(652,814)	(591,100)
Net segment assets/(liabilities)	15,872	19,147	(221,929)	(136,435)	295,684	203,575	195,970	167,997	(285,597)	(254,284)		



Citicorp Finance (India) Limited

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Notes to the unaudited condensed financial statements (*Continued*)

for the half year ended 30 September 2015

(Currency: Indian Rupees in Lakhs)

5 Contingent liability

There is Rs 3,746 lakhs of contingent liabilities outstanding as at 30 September 2015 (31 March 2015: Rs 3,681 lakhs).

6 Taxation

Current taxes

The Company has provided for current tax liability amounting to Rs 2,517 lakhs for the half year ended 30 September 2015 (30 September 2014: Rs 9,086 lakhs).

Deferred taxes

During the current period the Company has utilised deferred tax asset of Rs 2,700 lakhs (30 September 2014: Rs 11,721 lakhs). The deferred tax asset (net) stands at Rs 23,962 lakhs (31 March 2015: Rs 26,662 lakhs).

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 claimed MAT credit amounting to Rs 2,517 lakhs for the half year ended 30 September 2015 (30 September 2014: Rs 9,086 lakhs).

As per our report of even date attached.

For **BSR & Co. LLP**

Chartered Accountants

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



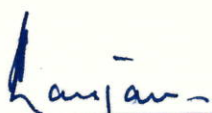
Manoj Kumar Vijai

Partner

Membership No: 046882

Mumbai
06 November 2015

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



Rohit Ranjan

Managing Director



Niraj Parekh

Director



Rajesh Aggarwal

Company Secretary

Mumbai
06 November 2015