



CITICORP FINANCE (INDIA) LIMITED

TWENTY FIRST ANNUAL REPORT

FINANCIAL YEAR – 2017-18

Corporate Information

BOARD OF DIRECTORS

Ms. Nina Nagpal	Managing Director
Mr. Rohit Ranjan	Director
Ms. Priti Goel	Director
Mr. Srinivas Sishtla	Director
Mr. Saurabh Shah	Independent Director
Mr. Deepak Ghaisas	Independent Director

CHIEF FINANCIAL OFFICER-

- Ms. Manisha Inamdar

COMPANY SECRETARY-

- Mr. Sameer Upadhyay

REGISTERED OFFICE-

- 8th Floor, First International Financial Centre,
C-54 & 55, G-Block,
Bandra Kurla Complex, Bandra (East)
Mumbai 400 098

AUDITORS-

- **MS. MSKA & ASSOCIATES**

SECRETARIAL AUDITOR-

- **ZAINAB H. POONAWALA & ASSOCIATES**

DEBENTURE TRUSTEE-

- **IDBI TRUSTESHIP SERVICES LIMITED**

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Citicorp Finance (India) Limited



ANNUAL GENERAL MEETING OF CITICORP FINANCE (INDIA) LIMITED

Notice is hereby given that the 21st Annual General Meeting of the Citicorp Finance (India) Limited will be held on Friday, 28th day of September, 2018 at 4.30 pm at the Registered Office of the company situated at **8TH FLOOR, FIRST INTERNATIONAL FINANCIAL CENTRE, PLOT NOS. C-54 & C-55, G-BLOCK, BANDRA-KURLA COMPLEX, BANDRA (EAST), MUMBAI - 400 098, MAHARASHTRA** to transact the following business:

Ordinary Business:

1. To consider and adopt the Financial Statement for the year ended March 31, 2018 consisting of:
 - Audited Balance Sheet (Standalone and Consolidated);
 - Audited Statement of Profit and Loss Account (Standalone and Consolidated);
 - Audited Cash Flow Statement (Standalone and Consolidated);
 - Audited Notes to Financial Statement (Standalone and Consolidated) and
 - Board of Directors' Report (Standalone)
2. **To appoint a Director in place of a Director liable to retire by rotation:**
To consider and if thought fit to pass with or without modification(s) the following resolution as an ordinary resolution:

"RESOLVED THAT Mr. Srinivas Sishtla (DIN: 07649961), Director, who retires by rotation and, being eligible, offers himself for re-appointment, be and is hereby re-appointed as director of the company."

Special Business:

3. **Appointment of Ms. Nina Nagpal (DIN – 00138918) as Managing Director**
To consider and if thought fit to pass with or without modification(s) the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Section 190,196, 197 and 203 read with Schedule V and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 made thereunder (including any statutory modification an re-enactment (s) thereof, for the time being in force) and relevant clause under the Articles of Association of the Company the members be and hereby accords its consent for appointment of Ms. Nina Nagpal (DIN- 00138918) as Managing Director for a period of one year effective from 1st June 2018 with the fixed remuneration of Rs. 1.25/- crores plus variables, as per the terms of appointment.

RESOLVED FURTHER THAT in the event of absence or inadequacy of net profits in any financial year, the remuneration payable to the Managing Director shall be governed by Section II of Part II of Schedule V to the Companies Act, 2013 or any statutory modification thereof.

Citicorp Finance (India) Limited



RESOLVED FURTHER THAT during such time as Ms. Nina (DIN-00138918) holds and continues to hold the office of the Managing Director, she shall not be liable to retirement by rotation.

RESOLVED FURTHER THAT the appointment may be terminated at any time by either party thereto by giving to the other party notice of such termination as referred in her terms of appointment.

RESOLVED FURTHER THAT the appointment and remuneration of Ms. Nina Nagpal would be in accordance with the terms of section 196, 197 and other applicable provisions of Companies Act 2013.

RESOLVED FURTHER THAT any Directors or Company Secretary be and is hereby authorized to file necessary forms to give effect the appointment of Ms. Nina Nagpal as Managing Director of the company and comply with the necessary regulations as laid down by Reserve Bank of India and the Registrar of Companies, Ministry of Corporate Affairs or any other regulatory authority."

4. **Change in Designation of Mr. Rohit Ranjan (Din-00003480) from Jt. Managing Director to Director**

To consider and if thought fit to pass with or without modification(s) the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to provision of Section 149 and 152 of the Companies Act, 2013, rules made thereunder and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and rules and regulation made thereunder, approval of the members be and is hereby accorded to change the designation of Mr. Rohit Ranjan (DIN-00003480) from Joint Managing Director to Director of the company w.e.f. 1st June 2018.

RESOLVED FURTHER THAT on change in designation from Managing Director to Director, Mr. Rohit Ranjan would be liable to retire by rotation.

RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and is hereby authorised to file the necessary intimations/documents/forms with Reserve Bank of India, Registrar of Companies or any other regulatory authority and to do all such acts and deeds as may be required to give effect to the above resolution."

5. **Change in Designation of Ms. Priti Goel (Din- 07649929) from Jt. Managing Director to Director** To consider and if thought fit to pass with or without modification(s) the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to provision of Section 149 and 152 of the Companies Act, 2013, rules made thereunder and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and rules and regulation made thereunder, approval of the members be and is hereby accorded to change the designation of Ms. Priti Goel (DIN- 07649929) from Joint Managing Director to Director of the company w.e.f 1st June 2018.

Citicorp Finance (India) Limited



RESOLVED FURTHER THAT on change in designation from Managing Director to Director, Ms. Priti Goel; would be liable to retire by rotation.

RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and is hereby authorised to file the necessary intimations/documents/forms with Reserve Bank of India, Registrar of Companies or any other regulatory authority and to do all such acts and deeds as may be required to give effect to the above resolution.”

6. Approval of Private Placement Offer Letter (PPOL) and Shelf Information Memorandum (S-IM)

To consider and if thought fit to pass with or without modification(s) the following resolution as a Special Resolution:

“RESOLVED THAT in supersession of earlier resolution and in accordance with the provision of Section 42 of the Companies Act, 2013 and rules as made thereunder, the approval of the members be and is hereby accorded to the Private Placement Offer Letter (PPOL) / Shelf Information Memorandum (S-IM) placed before the members;

RESOLVED FURTHER THAT the company is hereby authorized to:

i. appoint a Debenture Trustees / distributors for the purpose of issuance of Secured / Unsecured Non-convertible Debentures (NCDs);

ii. enter into any documents in connection therewith including but not limited to PPOL, S-IM, Debenture Trustee Amendment Agreement (DTAA), Debenture Trust Deed (DTD), Deed of Hypothecation, Deed of Mortgage, distribution agreement etc.; and

iii. entering into such other documents, deeds, notices, letters, agreements, power of attorneys, declarations, memorandums, indentures, indemnities (including without limitation in respect of stamp duty), undertakings, instruments and forms as may be required in relation to or in connection with the issuance of NCDs or for creation of any security interest or listing of NCDs or for any other purpose mentioned in these resolutions or to give effect to any transactions contemplated in such documents.

RESOLVED FURTHER THAT pursuant to Section 180(1)(a) and other applicable provisions and rules, if any, of the Companies Act, 2013, consent of the members be and is hereby given to the company to create such security interest (including but not limited to) by way of mortgages, hypothecation and pledge in addition to the existing charges on such movable and immovable properties, both present and future and in such manner as the members may deem fit, in favour of banks/financial institutions, other investing agencies and trustees for the holders of NCDs or other lenders.

RESOLVED FURTHER THAT pursuant to the Companies (Share Capital and Debentures) Rules, 2014, the company be and is hereby authorized to create charge on the assets and properties of its holding company or its associate companies for the aforementioned purpose.

Citicorp Finance (India) Limited



RESOLVED FURTHER THAT in accordance with the provisions of the Companies Act, 2013, any one Director or Treasurer or Operation Head or Mr. Manish Joginder Ratti, Treasury Operations (each an "**Authorized Signatory**") be and is hereby severally authorized to:

- i. Decide the pricing and terms of the NCDs, and all other matters related to issuance of NCDs including listing of NCDs;
- ii. Approve the PPOL and the relevant term sheets or the S-IM along with the relevant pricing supplements (including amending, varying or modifying the same, as may be considered desirable or expedient) in accordance with all applicable laws, rules, regulations and guidelines;
- iii. Seek, if required, any approval, consent or waiver from the company's existing lenders, and/or parties with whom the company has entered into various commercial and other agreements, and/or any/all concerned government and regulatory authorities in India and abroad, and/or any other approvals, consent or waivers that may be required in connection with the issue, offer and allotment of the NCDs;
- iv. Negotiate, finalise, sign, execute and deliver all the relevant transaction documents in connection with the issuance of NCDs on behalf of the company, including but not limited to PPOL, S-IM, Debenture Trust Deed (DTD), Deed of Mortgage DTAA, Deed of Hypothecation. Distribution agreement etc. and to appear before appropriate authority for adjudication, stamping or registration of such documents;
- v. Authorizing of the maintenance of a register of holders of the NCDs; and
- vi. Make any filings with the RoC in connection with any security interest created or extinguished by the company or register any document with the relevant Registrar or Sub-registrar of Assurances;

RESOLVED FURTHER THAT the each Authorized Signatory be and is hereby authorized to open one or more bank accounts in the name of the company with such bank or banks as may be required in connection with the issue and that any one of the Authorized Signatories, be and are hereby further authorized to sign and execute the application form and other documents required for opening the said account/s, to operate the said account/s, and to give such instructions including closure thereof as may be required and deemed appropriate by them, and that the said bank/s be and is/are hereby authorized to honor all cheques and other negotiable instruments drawn, accepted or endorsed and instructions given by any of the Authorized Signatories on behalf of the company.

RESOLVED FURTHER THAT each of the Authorized Signatories be and are hereby authorized to delegate to any lawyers, consultants or advisors as may be deemed necessary or prudent by such Authorized Signatory, their power to execute and deliver or cause to be executed or delivered any documents in connection therewith as provided under these resolutions.

Registered Office

8th Floor, FIFC, C-54 & C-55, G-Block,

Bandra-Kurla Complex, Bandra (East), Mumbai - 400 098

CIN No: U65910MH1997PLC253897

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RESOLVED FURTHER THAT each of the Authorized Signatories be and are hereby authorized to do and perform all such acts, deeds and things, as may be deemed necessary or incidental to the aforementioned purpose including affixing common seal of the company in the presence of any one of the authorized signatory and issuing certified true copy of the resolution from time to time.”

**By Order of the Board
For Citicorp Finance (India) Limited**

A handwritten signature in black ink, appearing to read "Sameer Upadhyay", written over a horizontal line.

**Sameer Upadhyay
Company Secretary**

Date: August 23, 2018

Place: Mumbai

Registered Office
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Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE PROXIES MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. In case of joint shareholders, the member whose name appears in the register of member first will be entitled to receive the notice of meeting.
3. The copies of the relevant documents can be inspected at the registered office of the company on any working day during the business hours.
4. The register of members of the company will remain closed from Tuesday, September 18, 2018 to September 28, 2018 both days inclusive.
5. The resolutions will be taken as passed effectively on the date of Annual General Meeting.
6. **In terms of the requirements of the Secretarial Standards – 2 on “General Meetings” the Route – Map for the location of the aforesaid meeting is enclosed herewith as Annexure I.**

Citicorp Finance (India) Limited



EXPLANATORY STATEMENT

Explanatory statement pursuant to Section 102 of the Companies Act, 2013

ITEM NO. 2

The Board at its meeting held on Nov 11, 2016 had appointed Mr. Srinivas Sishtla as Additional Director of the company in accordance with the provisions of Section 161 of the Act, on the recommendation of Nomination and Remuneration Committee which was subject to approval of Reserve Bank of India, who was further appointed as Director of the Company w.e.f. Feb 15, 2017. Mr. Srinivas Sishtla is liable to retire by rotation at this 21st Annual General Meeting as well as per provision of Section 152 of the Companies Act, 2013, being eligible, offers himself for re-appointment, it is proposed to re-appoint Mr. Srinivas Sishtla as Director of the company.

The approval of Reserve Bank of India was received by the Company on December 21, 2016.

Srinivas has over 20+ years of work experience in the Indian Financial Services Industry of which the last 15 years have been with Citi (since 2005) and HDFC Bank. Srinivas joined Citi in 2005 in Mumbai as Senior Relationship Manger in the Financial Institutions Group (FIG). In 2008, Srinivas moved to Hyderabad as Market Manager - Corporate Bank to manage the large corporate relationships in the region. Since 2011, he has been with FIG as Unit Head, Co Head and currently as Head of Financial Institutions & Public Sector Client relationships.

Prior to joining Citi, he was with HDFC Bank in Mumbai, between 2000 and 2005, and was responsible for the Bank's significant growth in the Capital and Commodity Markets business.

His appointment as Director will be beneficial and in the interest of the Company.

Mr. Srinivas Sishtla (DIN: 07649961), Director, being a director retiring by rotation, being eligible for reappointment. Further, additional disclosure as per Secretarial Standard - 2 issued by ICSI are as below:

Date of Birth	48 (DOB-April 14,1970)
Qualification	Graduate in Mathematics, Economics & Statistics and a Post Graduate in Management (MBA)
Experience	20+ years
Term and Condition of re-appointment and remuneration	Non-Executive Director liable to retire by rotation.
Remuneration last drawn	NA
Date of first appointment on the board	December 21, 2016
Shareholding in the Company	Nil
Relationship with other Director	NA

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or Manager to KMPs	
Number of Board Meeting attended during the Financial Year 2017-18	3 (Three)
Other Directorship	NA
Membership / Chairmanship of Committees of other Boards	NA

None of the Directors or Key Managerial Personnel except Mr. Srinivas Sishtla is in any way concerned or interested in this resolution.

Your Directors recommend passing of this resolution by way of an ordinary resolution.

ITEM NO. 3

The Board at its meeting held on May 29, 2018 had appointed Ms. Nina Nagpal (DIN- 0000138918) as an Additional Director of the company in accordance with the provisions of Section 161 of the Companies Act, on the recommendation of Nomination and Remuneration Committee, who was further appointed as Managing Director of the company in the same board meeting pursuant to Section 190, 196, 197 and 203 read with Schedule V and any other applicable provisions, if any, of the Companies Act, 2013 and as rules made thereunder (including any statutory modification and re-enactment (s) thereof, for the time being in force) and relevant clause under the Articles of Association of the company.

Nina has been the MD & CEO of the Morgan Stanley NBFC during 2010-2013. In her current role at Citi, Nina is the Chief Governance Officer for CSIPL, an entity that has grown impressively in the last few years and now has ~11,000 employees providing a range of services to Citi affiliates globally. These services cover the Consumer and Corporate Bank, Operations and Technology. She joined Citi in January, 2014.

Prior to joining Citi, Nina has held a number of leadership positions within the financial services sector including at Morgan Stanley. During the course of her work, she has had the opportunity to engage with Indian regulators including the RBI.

Further, additional disclosure as per Secretarial Standard -2 issued by ICSI are as below:

Ms. Nina Nagpal (DIN- 0000138918), Managing Director

Date of Birth	54 Years (DOB- December 6, 1963)
Nationality	Indian
Qualification	Postgraduate Diploma
Experience	30 years
Term and Condition of re-appointment and remuneration	Managing Director

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Remuneration last drawn	Rs. 1.25 crore p.a plus variable
Date of first appointment on the board	June 01, 2018
Shareholding in the Company	Nil
Relationship with other Director or Manager to KMPs	NA
Number of Board Meeting attended during the Financial Year 2017-18	Appointed as Managing Director of the Company w.e.f June 01, 2018
Other Directorship	Citicorp Services India Private Limited
Membership / Chairmanship of Committees of other Boards	NA

None of the Directors or Key Managerial Personnel except Ms. Nina Nagpal is in any way concerned or interested in this resolution.

ITEM NO. 4

The Board at its meeting held on May 29, 2018 had approved the change in designation of Mr. Rohit Ranjan (DIN-00003480) from Managing Director to Director of the Company pursuant to the provisions of Section 149 and 15, rules made thereunder and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and rules and regulation made thereunder.

Mr. Rohit Ranjan joined Citi in April 1998, and in May 2005 took charge of the ABF business. He was the Managing Director of erstwhile Citicorp Finance (India) Limited from 26 May 2005 to 24 July 2009. Under his leadership CFIL became a key player in commercial vehicle and equipment financing.

In January 2010, he became the Managing Director of CitiFinancial Consumer Finance India Limited (name changed to Citicorp Finance (India) Limited). Under his leadership Citi Financial witnessed a seamless and systematic wind down of the portfolio in line with the overall franchise wide Citi Holdings strategy. His in depth understanding of the commercial vehicle and equipment industry has enabled the successful conversion of the ABF business into a PSL conduit and has been a key driver for achievement of the PSL targets for the franchise in India.

Further, additional disclosure as per Secretarial Standard -2 issued by ICSI are as below:

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Mr. Rohit Ranjan (DIN-00003480), Director

Date of Birth	57 (DOB-February 17,1961)
Qualification	MBA (Finance) –Anderson School of Management, University of New Mexico, Albuquerque, USA B. A. in Economics (Hons) – Delhi University
Experience	17+ years
Term and Condition of re-appointment and remuneration	Director
Remuneration last drawn	NA
Date of first appointment on the board	January 25, 2010
Shareholding in the Company	1 (One) share (Citibank Overseas Investment Corporation jointly with Mr. Rohit Ranjan)
Relationship with other Director or Manager to KMPs	NA
Number of Board Meeting attended during the Financial Year 2017-18	4 (Four)
Other Directorship	Orbitech Private Limited
Membership / Chairmanship of Committees of other Boards	NA

None of the Directors or Key Managerial Personnel except Mr. Rohit Ranjan is in any way concerned or interested in this resolution.

ITEM NO. 5

The Board at its meeting held on Nov 11, 2016 had appointed Ms. Priti Goel (DIN- 07649929) as an Additional Director of the company in accordance with the provisions of Section 161 of the Companies Act, on the recommendation of Nomination and Remuneration Committee, who was further appointed as Managing Director to be named as Joint Managing Director of the company in the same board meeting pursuant to Section 190, 196, 197 and 203 read with Schedule V and any other applicable provisions, if

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any, of the Companies Act, 2013 and as rules made thereunder (including any statutory modification an re-enactment (s) thereof, for the time being in force) and relevant clause under the Articles of Association of the company and subject to the approval of Reserve Bank of India.

The approval of Reserve Bank of India was received by the Company on December 21, 2016.

Further, board at its meeting held on May 29, 2018 had re-designated her as Director of the company w.e.f June 01, 2018 which was subject to approval of shareholders.

Ms. Priti Goel has done Post Graduate Diploma in Business Administration (MBA) and has 16+ years of experience in the banking industry. She had joined Citibank N.A in 2003 and has worked in diverse roles across O&T in Retail and Corporate Banking. Her experience spans Relationship Management, Service, Controls and Operations in Retail Banking; leading governance of outsourced operations for Liabilities Business; as Head of Risk, Information Security, Business Continuity and Controls for Global Investor Services & Custody Operations in Global Processing Centre (GPC), Gurgaon; as Head of Independent Controls (GPC) in ICG APAC Securities Services Operations Controls group and as Investment Centre Head (Chief Operating Officer) for Citi Private Bank India since Feb 2016.

Further, additional disclosure as per Secretarial Standard -2 issued by ICSI are as below:

Ms. Priti Goel (DIN- 07649929), Director

Date of Birth	41 Years (DOB- January 1, 1977)
Qualification	Post Graduate Diploma in Business Administration (MBA)
Experience	18+ years
Term and Condition of re-appointment and remuneration	Director
Remuneration last drawn	NA
Date of first appointment on the board	December 21, 2016
Shareholding in the Company	Nil
Relationship with other Director or Manager to KMPs	NA
Number of Board Meeting attended during the Financial Year 2017-18	3 (Three)
Other Directorship	NA
Membership / Chairmanship of Committees of other Boards	NA

None of the Directors or Key Managerial Personnel except Ms. Priti Goel is in any way concerned or interested in this resolution.

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ITEM NO. 6

As per Sections 42 and all other applicable provisions of the Companies Act, 2013 and rule made thereunder and any other applicable laws and as amended from time to time, a company offering or making an invitation to subscribe to Non-Convertible Debentures (NCDs) on a private placement basis, is required to obtain the approval of the members by way of a special resolution. Such an approval can be obtained once a year for all the offers and invitations made for such NCDs during the year.

Further, the borrowings of the company, as approved by the board and shareholders, may if necessary be secured by way of charge / mortgage / hypothecation on the Company's assets in favour of the lenders/holders of securities / trustees for the holders of the said securities. As the documents to be executed between the lenders / security holders / trustees for the holders of the said securities and the Company may contain provisions to take over substantial assets of the Company in certain events, it is necessary to pass a special resolution under Section 180(1)(a) of the Act for creation of charges / mortgages / hypothecations.

Your Directors recommend passing of this resolution by way of Special resolution.

None of the Directors or Key Managerial Personnel is in any way concerned or interested in this resolution.

By Order of the Board
For Citicorp Finance (India) Limited

A handwritten signature in black ink, appearing to read "Sameer Upadhyay".

Sameer Upadhyay
Company Secretary

Date: August 23, 2018
Place: Mumbai

Registered Office
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Annexure I

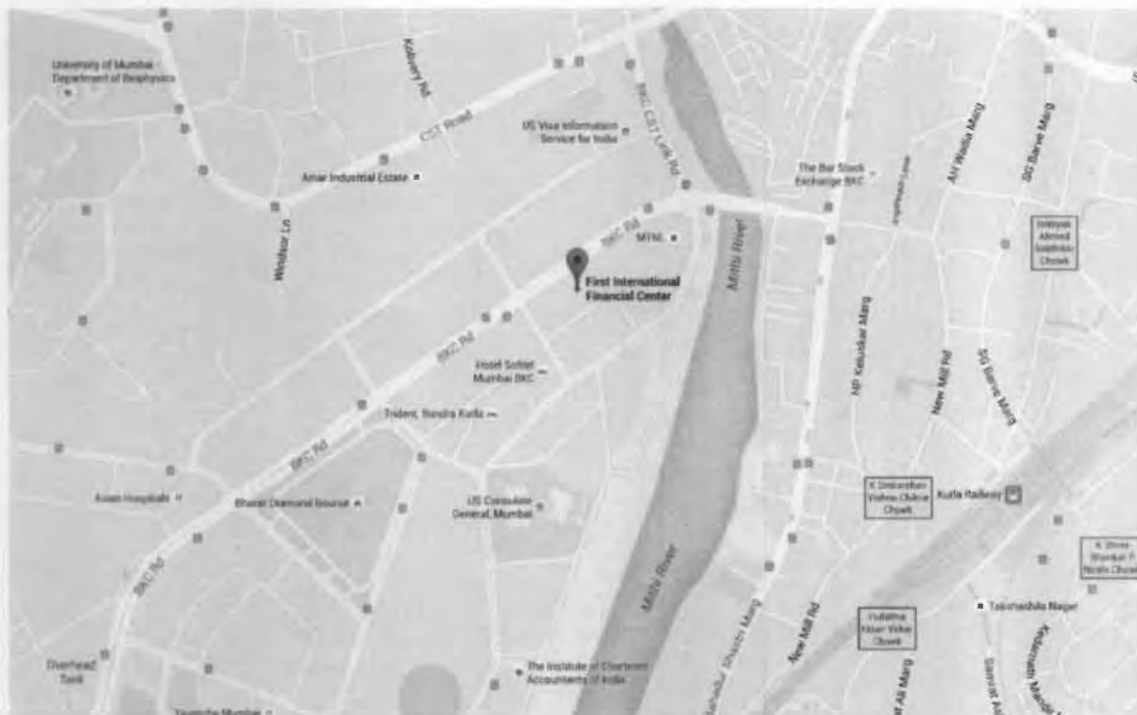
Route Map for Venue of the Meeting

Citicorp Finance (India) Limited

Registered Office:

8th Floor, First International Financial Center, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400098.

Landmark: Near Hotel Sofitel, Bandra Kurla Complex





**Form no. MGT-11
Proxy Form**

[Pursuant to section 105(6) of companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U65910MH1997PLC253897
 Name of the company: Citicorp Finance (India) Limited
 Registered Office: 8th Floor, First International Financial Centre, Plot Nos. C-54 & C-55, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 098, Maharashtra

Name of the member (s): Registered address: E-mail ID: Folio No/Client Id: DP ID: NA
--

I/We, being the member (s) of Citicorp Finance (India) Limited, holding _____ equity share of the above named company, hereby appoint

1. Name:

Address:

Email Id:

Signature:

2. Name:

Address:

Email Id:

Signature:

As our proxy to attend and vote (on a poll) for us and on our behalf at the Annual General Meeting of the company, to be held on the September 28, 2018 at 4.30 pm at 8th Floor, First International Financial Centre, Plot Nos. C-54 & C-55, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 098, Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	For	Against
<u>Ordinary Business:</u>		
1. To consider and adopt the financial statement for the year ended March 31, 2018 consisting of: <ul style="list-style-type: none"> • Audited Balance Sheet (Standalone and Consolidated); • Audited Statement of Profit and Loss Account (Standalone and Consolidated); • Audited Cash Flow Statement (Standalone and Consolidated); • Audited Notes to Financial Statement (Standalone and Consolidated) and • Board of Directors' Report (Standalone) 		
2. To appoint Mr. Srinivas Sishla, Directors, in place of those retiring by rotation.		
<u>Special Business:</u>		
3. Appointment of Ms. Nina Nagpal (DIN- 00138918) as Managing Director of the Company		
4. Change in Designation of Ms. Priti Goel (Din- 07649929)		



from Jt. Managing Director to Director		
5. Change in Designation of Mr. Rohit Ranjan (Din-00003480) from Jt. Managing Director to Director		
6. Approval of Private Placement Offer Letter (“PPOL”) and Shelf Information Memorandum (“S- IM”)		

Signed this..... day of , 2018.

Signature of Shareholder

Signature of Proxy Holder (s)

Note:

1. This form of Proxy in order to be effective should be duly completed and deposited at the registered office of the company, not less than 24 hours before the commencement of the Meeting.
2. For the Resolution and Explanatory Statement please refer to Notice of 21st Annual General Meeting.
3. It is optional to put a X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.



ATTENDANCE SLIP
(To be presented at the entrance)
Citicorp Finance (India) limited

Registered office: 8th Floor, First International Financial Centre, Plot Nos. C-54 & C-55, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 098, Maharashtra

CIN: U65910MH1997PLC253897

21st Annual General Meeting

Venue of the Meeting: Citicorp Finance (India) Limited, 8th Floor, First International Financial Centre, Plot Nos. C-54 & C-55, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 098, Maharashtra

Date & Time: September 28, 2018 at 4.30 pm

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

Name	
Address	
DP Id*	
Client Id*	
Folio No.	
No. of shares held	

*Applicable for investors holding shares in Electronic form.

I certify that I am the registered shareholders/proxy for the registered shareholder of the Company.

I hereby record my presence at the **21st Annual General Meeting** of the Company held on **September 28, 2018 at 4.30 pm at Citicorp Finance (India) Limited, 8th Floor, First International Financial Centre, Plot Nos. C-54 & C-55, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 098, Maharashtra.**

*Applicable for shareholders holding shares in electronic form

Signature of Member / Proxy

Note: 1. Electronic copy of the Annual Report for 2018 and Notice of the Annual General Meeting along with attendance slip and proxy form is being sent to all the members whose email address is registered with the company/~~Depository Participant~~ unless any member has requested for a hard copy of the same. Shareholders receiving electronic copy and attending the Annual General Meeting can print copy of this attendance slip.

2. Physical copy of the Annual Report for 2018 and notice of the Annual General Meeting along with attendance slip and proxy form is sent in the permitted mode(s) to all members whose email ids are not registered with the company or have requested for a hard copy.



DIRECTORS' REPORT

To,
The Members,
Citicorp Finance (India) Limited

Your Directors are pleased to present herewith their twenty first report of the Company together with the financial statements for the year ended March 31, 2018.

The performance highlights and summarized financial results of the Company are given below:

PERFORMANCE HIGHLIGHTS

Standalone income for the year decreased by 6.10% to Rs. 795.74 Crores as compared to Rs. 847.47 Crores in 2016-17;

Standalone profit after tax for the year was Rs. 139.48 Crores as compared to Rs. 148.07 Crores in 2016-17;

Consolidated income for the year decreased by 5.58% to Rs. 813.38 Crores as compared to Rs. 861.42 Crores in 2016-17;

Consolidated profit after tax for the year was Rs. 157.12 Crores as compared to Rs. 162.02 Crores in 2016-17.

FINANCIAL RESULTS

The summary of the financial result of the company for the period ended March 31, 2018 as compared to the previous financial year is stated below:

Rs. in crore

Particulars	Standalone		Consolidated	
	Year Ended Mar 31, 2018	Year Ended Mar 31, 2017	Year Ended Mar 31, 2018	Year Ended Mar 31, 2017
1. Total Income	795.74	847.47	813.38	861.42
2. Profit before tax	220.90	235.35	238.54	249.30
3. Current Tax	44.75	64.09	44.75	64.09
4. MAT Credit Utilisation/(Entitlements)	38.35	(6.12)	38.35	(6.12)
5. Net Current Tax	83.10	57.97	83.10	57.97
6. Deferred Tax	(1.68)	29.31	(1.68)	29.31
7. Profit after Taxation	139.48	148.07	157.12	162.02
8. Add : Balance carried forward from previous year	275.14	18.13	309.48	41.31
9. Reversal of proposed dividend and provision for dividend distribution tax of previous year	-	138.55	0.00	138.55
10. Amount available for Appropriation	414.62	304.75	466.61	341.88

(7+8+9)				
11. Amount transferred to Statutory Reserves	27.90	29.61	31.42	32.40
12. Interim Dividend	-	-	0.00	0.00
13. Tax on Interim Dividend	-	-	0.00	0.00
14. Proposed Dividend	-	-	0.00	0.00
15. Tax on proposed Dividend	-	-	0.00	0.00
16. Balance carried forward	386.72	275.14	435.18	309.48

STATE OF THE COMPANY'S AFFAIRS AND OPERATIONS REVIEW

The Profit before tax for the year has decreased from Rs. 235.35 crore during previous year to Rs. 220.90 crore during the current year.

The company operates in three segments:

- a) Corporate loans
- b) Advance against Financial Assets (AAFA)
- c) Other Loans.

Detailed description of each segments are given below:

a) Corporate Loans

The Corporate loans segment provides secured and unsecured loans to corporates. The Corporate Loan portfolio includes Corporate Loan Portfolio, Trade and Treasury Services and Consumer Bank.

The revenue generated from Corporate Loan portfolio consists of interest on loans and service charges. The revenue for the year decreased from Rs. 349 crore (Previous Year) to Rs. 243 crore (Current Year) i.e. net decrease by 30.35% and decrease in the weighted average assets from Rs. 3,795 crore (Previous year) to Rs. 2,835 crore (Current Year).

During the year under review, the company has purchased Trade Loan portfolio from Citibank for an amount of Rs. 1,233 crore.

b) Advance against Financial Assets (AAFA)

The Company extends loan to investors including financing investment needs. These loans are secured by pledge of marketable securities or units of mutual funds. The loan against shares is positioned as a unique product to enable medium sized investors to unlock the value in their financial assets. The program targets business enterprises and high networth individuals who want to avail liquidity while remaining invested in the markets for the long term.

The Company has well-established business activities in the area of lending against marketable securities, including equity shares, equity mutual funds and debt mutual funds to Ultra High Net Worth individuals (UHNW) and their companies, as part of the Loan against Shares business. This particular segment helps focus on such UHNW individuals with larger and more tailored lending requirements.

AAFA includes Citi Pvt Banking (CPB) and AAFA - Global Consumer Group (GCG). Its revenue consists of interest on loans and service charges. The revenue for the year decreased from Rs. 303 crore (Previous Year) to Rs. 297 crore (Current Year) by 1.66% and increase in the weighted average assets from Rs. 3,276 crore (Previous year) to 3,500 Rs. Crore (Current Year).

Our processes continue to stand us in good stead through bouts of market volatility (as witnessed during late 2016) with proactive identification and management wherever required. However, we have seen increasing competitive pressure from domestic and multinational players, given the lack of credit growth in other parts of the economy and we do see pressure on net margins across our loans. We



remain confident that we shall be able to grow revenues through a combination of new clients and judicious deal selection.

c) Other Loans

The Other Loan segment includes Asset Based Finance (ABF) and Personal Loan portfolio. ABF caters to the asset needs of the transportation and construction industry customers. It lends services in the form of loans for the purchase of commercial vehicles and construction equipment along with providing refinance on existing free assets for their working capital needs. The segment earns income in the form of interest on loans, loan assignments, processing fees, subventions and incentives from manufacturers and dealers etc. Further, as the all loans qualify under the guidelines of PSL for banks, they allow for assignment to the Bank. Furthermore, ABF provides servicing and collection services for the Bank ABF portfolio and charges a servicing and collection fee for the same.

As on March 31, 2018 total income from other Loans portfolio stands at Rs. 149 crores as compared to previous year Rs. 94 crore.

The weighted average portfolio on book is Rs. 1,477 crores in the current year as against Rs. 862 crore in previous year. The Company has purchased personal loan portfolio from Citibank of Rs 1,351 crore during the year under review.

OUTLOOK

The role of NBFCs has become increasingly important from both the macroeconomic perspective and the structure of the Indian financial system. Over a period of time, one has to accept; that it is only those which are big enough and serious about being in the finance business will and must grow. To survive and constantly grow, NBFCs have to focus on their core strengths while improving on weaknesses. They have to constantly search for new products and services in order to remain competitive. The coming years will be testing ground for the NBFCs and only those who will face the challenge and prove themselves will survive in the long run. For several years, NBFCs have rapidly emerged as an important segment of the Indian Financial System. The sector is now being recognized as complementary to the banking sector due to the implementation of innovative marketing strategies, introduction of tailor made products, customer oriented services, attractive rates of return on deposits, Government increased initiative and simplified procedures.

The philosophy of the Company believes in giving first priority to its clients and helping them find tailor made solutions to meet their financial requirements. The Company thrives on the principle to build relationships with the individuals, industries and families we serve. The Company is continuously evaluating various options / opportunities to position itself in wake to current challenges and to turn- around the performance of the company.

In the coming years, the Company would continue its efforts to expand its business activities by providing new mix of products along with the existing products. The corporate loan and loan against securities portfolio is expected to remain steady. The Company would continue to sell PSL assets generated. With the diversified activities the Company should be able to spread its sources of income and risks. Barring unforeseen circumstances, the overall performance in all the businesses is expected to be sustained at current level.

DIVIDEND

The management has decided to preserve the profits for the future growth of the company, hence no dividend being distributed considering the aforementioned reason.

TRANSFER TO SPECIAL RESERVE/ OTHER RESERVES

During the year ended March 31, 2018, the company has appropriated Rs. 27.90 Crores towards the Special Reserve (Previous Year – Rs. 29.61 Crores) in accordance with requirements under Section 45IC of the Reserve Bank of India Act, 1934.

SHARE CAPITAL

The authorized share capital of the company stands at Rs. 39,520,000,000 (Rs. Three Thousand Nine Hundred and Fifty Two Crore only) as at March 31, 2018. The issued, subscribed and paid up share capital of the company as at March 31, 2018 is Rs 28,932,952,732 (Rs. Two Thousand Eight Hundred Ninety Three Crore Twenty Nine Lacs Fifty Two Thousand Seven Hundred and Thirty Two only). There is no change in the share capital during the year.

EXTRACT OF ANNUAL RETURN

As required by Section 92(3) and 134 (3)(a) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, please refer website of the company at www.citicorpfinance.co.in for annual return in MGT 9 Report.

RELATED PARTY TRANSACTIONS

The particulars of every contract or arrangement entered into by the company with its related parties pursuant to Section 188 of the Companies Act, 2013 for the financial year 2017- 2018 are in the ordinary course of business and at arm's length. The statement showing related party transaction in Form No. **AOC-2 along with relatives of Directors** are enclosed herewith as **Annexure I**. For further details of related party transactions please refer **clause 12** of **Notes to financial statement**.

The Related Party Transactions Policy has also been uploaded on the website of the company at www.citicorpfinance.co.in

RESERVE BANK OF INDIA GUIDELINES ON PUBLIC DEPOSITS

As per the Reserve Bank of India guidelines for Non-Banking Finance Companies, during the financial year 2017-18 the company has not accepted any deposits from the public and shall not accept any deposits from the public without obtaining prior approval of Reserve Bank of India. Further, RBI issued a circular "Financial Regulation of Systemically Important NBFCs and Banks' Relationship with them" dated December 12, 2006 according to which the company is categorized as a systemically important non-deposit taking NBFC and in terms of said guidelines the company is required to maintain a minimum Capital to Risk-Weighted Assets Ratio (CRAR) of 15% and also comply with the single and group entity exposure norms. We are pleased to state that the CRAR of the company as on March 31, 2018 was 39.01% as compared to the prescribed ratio of 15%. As regards, compliance with the group entity exposure norms, which are applicable effective April 1, 2007, the company is in compliance with all the norms as on March 31, 2018.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

Event subsequent to the date of financial statements has been updated in the respective section.

CAPITAL EXPENDITURES

During the year under review, the company has incurred capital expenditure of Rs. 2.32 Crores towards fixed assets (Previous year Rs. 0.90 crore).

SALE OF NON PERFORMING ASSETS (NPAs)

There was no sale of NPAs during the financial year 2017-18.

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

a) Conservation of Energy, Technology Absorption

The company, being a financial services company, the particulars regarding conservation of energy and technology absorption are not relevant to its activities.

b) Foreign Exchange Earnings

There were no foreign exchange earnings during the financial year 2017-18 (Previous Year – Nil)

c) Foreign Exchange Expenditure

Rs. in crore

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Technology and software expenses	9.77	13.12
Fees & Commission	3.11	18.34
HR Processing fees	0.35	0.36
Service bureau expenses	0.49	0.43
Total	13.72	32.25

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY

The company did not have any subsidiary or entered into joint venture during the financial year 2017-18. As per shareholder agreement, the company has an associated company namely India Infradebt Limited.

AUDITORS AND REPORTS

a) Statutory Auditors

At the Annual General Meeting held on September 29, 2017, MSKA & Associates, Chartered Accountants, **holding firm registration no. 105047W** were appointed as statutory auditors of the company for a period of five years and will hold office from the conclusion of 20th AGM till the conclusion of 25th AGM.

b) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the company in its meeting held on May 29, 2018 had appointed M/s Zainab H. Poonawala & Associates, Practicing Company Secretary, Certificate of Practice No. 8874 as secretarial auditor of the company to undertake the secretarial audit of the company.

The Secretarial Audit Report for the year ended March 31, 2018 is annexed to this report as **Annexure II**.

c) Internal Auditors

Pursuant to Section 138 of the Companies Act, 2013 read with rule 13 of The Companies (Accounts) Rules, 2014, Mr. Sampath Kumar was appointed as Internal Auditor of the company for the Financial Year 2017-18.

The Internal Auditor manages the provision of Internal Audit services and reports functionally to the Audit Committee of the company and both functionally and administratively to the Chief Auditor of



Citigroup or his designee within full compliance and alignment with the letter and spirit of local regulatory requirements. Internal Audit responsibilities are carried out independently under the oversight of the CFIL Audit Committee, and Internal Audit employees accordingly report to the Chief Auditor of Citigroup or his designee and do not have reporting lines to management.

AUDITORS REPORT

(i) Statutory Auditors

The Auditor's Report issued by statutory auditor of the company for the year ended March 31, 2018 does not contain any qualification, reservation or adverse remark.

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

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

Category	Name of the statute	Nature of the dues	Amount	Period which the amount relates to	Forum where dispute is pending
Direct Tax	Income Tax Act, 1961	Income Tax Demands	835,142	AY 1999-2000	Commissioner of Income Tax (Appeals)
Direct Tax	Income Tax Act, 1961	Income Tax Demands	586,109	AY 2001-02	Assessing Officer
Direct Tax	Income Tax Act, 1961	Income Tax Demands	3,370,867	AY 2002-03	High Court
Direct Tax	Income Tax Act, 1961	Income Tax Demands	134,928	AY 2002-03	Assessing Officer
Direct Tax	Income Tax Act, 1961	Income Tax Demands	35,652,285	AY 2005-06	Assessing Officer
Direct Tax	Income Tax Act, 1961	Income Tax Demands	2,893,051	AY 2006-07	Income Tax Appellate Tribunal
Direct Tax	Income Tax Act, 1961	Income Tax Demands	15,929,810	AY 2012-13	Commissioner of Income Tax (Appeals)
Indirect Tax	Maharashtra VAT Act, 2002	VAT Demands	26,623,075	FY 2010-11	Jt. Commissioner of Sales Tax (Appeals IV)
Indirect Tax	Finance Act, 1994	Service Tax Demands	107,307,927	FY 2006-07 to FY 2008-09	CESTAT(Customs, Excise and Service Tax Appellate Tribunal)

The Company has been assessed under Income tax Act, 1961, as a result of which the total demand, primarily on account of certain routine disallowances in the course of assessment for various years, is pending for disposal at various revenue authorities.



There are outstanding demands against the Company under Maharashtra Value Added Tax Act, 2002, primarily on account of levy of VAT on part purchase consideration received on account of “transfer of KPO Division” on slump sale basis amounting to Rs. 3.16 Crores, out of which we had made a pre-deposit of Rs. 0.50 Crore in the previous years (Previous year: Rs. 2.66 Crore (excluding pre deposit of 0.50 Crore)).

There are outstanding demands against the Company under Finance Act,1994, primarily on account of adjustment of service tax paid in previous years and other miscellaneous issues amounting to Rs. 11.23 Crores (Previous year: Nil). Out of this, we have made a pre-deposit of Rs. 0.49 Crores in the current year.

(ii) Secretarial Auditors Report

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

(iii) Internal Auditors (IA) Report

As per Internal Audit report the company uses the models/scorecards for risk rating of businesses and underwriting of loans. IA has not found any specific issues with the performance of models of the company.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 TO THE CENTRAL GOVERNMENT

During the year under review, the auditors have no reason to believe that an offence involving fraud is being or has been committed against the company by officers or employees of the company.

VOLUNTARY REVISION OF FINANCIAL STATEMENTS OR BOARD’S REPORT

The company has not opted for revision of its Financial Statements or its Board’s Report.

RISK MANAGEMENT

Risk Management is an integral part of the Company’s business strategy. The Risk Management oversight structure includes Committees of the Board as well. The Committee assists the Board in its oversight of various risks.

The Committee also reviews compliance with risk policies, monitors risk tolerance limits, reviews and analyzes risk exposures related to specific issues and provides oversight of risk across the organization.

a) Governance Structure

The company has a Risk Management Committee which is governed by Corporate Governance Code of the company.

The company has robust Risk Management process in place emanating from Board of Directors which comprises of highly qualified and experienced members. Further, the company has framed various policies for suitable dissemination and conduct of the employees in general. The company has constituted Risk Management Committee consisting of various senior officials from the company including directors. The meeting of Risk Management Committee takes place on a quarterly interval.

The committee has been entrusted with the responsibility to identify, evaluate and discuss any business and operational risk faced by the company. The company has also formed Audit Committee to look after the matters related to internal controls and compliance, in addition to Asset Liability Committee (ALCO) which reviews and monitors the rational for and risk associated with lending and borrowing, resultant gaps in the funding positions of the company, manage interest rate risk and determine the pricing criteria of various assets and liabilities of the company. There are various other committees to look after various activities and mitigate associated risks.

b) Business and Management Continuity Risk

The company has a well-structured network of branches with the centralized operation from Mumbai. Additionally, the affairs and operations of the company are run and managed by its management personnel as a collective group for its efficient functioning.

The company has also adopted Operational Risk Management Policy and Treasury Risk Management Policy.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company's internal financial control framework, commensurate with the size and operations of the business and is in line with requirements of the Act. The Company's Internal financial controls over financial reporting with reference to the financial statements were adequate and operating effectively.

Further, the board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

There was no change in the board of directors during the financial year 2017-18.

Further, Ms. Nina Nagpal appointed as Managing Director and Mr. Rohit Ranjan and Ms. Priti Goel has been re-designated as Director w.e.f. June 01, 2018.

Furthermore, Mr. Niraj Parekh resigned from the directorship and Mr. Ganesh Ramanathan has resigned from the position of Chief Financial Officer of the Company w.e.f July 09, 2018 and July 15, 2018 respectively.

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

Nil

ANNUAL DECLARATION FROM INDEPENDENT DIRECTORS

The company has received requisite declarations from Independent Directors of the company under Section 149(7) of the Companies Act, 2013 and rules made thereunder, that they meet the criteria of their independence laid down in Section 149(6). For declaration details, please refer **Annexure III**.

APPOINTMENT/RE-APPOINTMENT OF INDEPENDENT DIRECTOR

There was no change in Independent Directors during the financial year 2017-18.

NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Policy of the company aims at promoting diversity on the Board. The Nomination and Remuneration Committee ensures that the Board at all times represents an optimum combination of Executive and Non-Executive Directors as well as Independent Directors with at least one woman Director and not less than fifty percent of the Board comprising of Independent Directors. The selection of suitable candidate(s) for the directorship of the Company is



based on various criteria viz. educational and professional background, personal achievements, experience, skills etc. as defined in the Nomination and remuneration Policy of the Company.

The company has well defined Nomination and Remuneration Policy on Directors' and KMP appointment and remuneration which also lays down criteria for determining qualifications, positive attributes and other matters.

The key objective of the policy is:

- a) to ensure that the persons to be appointed as director or on senior management position of the company possess requisite qualifications, expertise, track record and integrity. The committee ascertains the "fit and proper" status of the existing as well as the proposed directors;
- b) to recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management;
- c) to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the nomination and remuneration of Directors, key managerial personnel and other employees;
- d) Formulation of criteria for evaluation of Independent Director and the Board;
- e) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board;
- f) To ensure that self-declaration is obtained from every director (existing or proposed) in the prescribed format.

VIGILANCE MECHANISM

The Company promotes ethical behavior in all its business activities and has established a vigil mechanism for its Directors, Employees and any other person to report their genuine concerns.

The policy provides an adequate safeguard against victimization of directors and employees to avail the mechanism and also provide for direct access to Audit Committee in exceptional cases.

The said policy is placed on the website of the company at www.citicorpfinance.co.in.

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

Please refer Nomination and Remuneration Policy Section.

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENT

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

DISQUALIFICATIONS OF DIRECTORS

All the directors of the company have confirmed that they are not disqualified from being appointed as directors in terms of Section 164(2) of the Companies Act, 2013.

The declarations received from the directors have been taken on record by the Board of Director in its board meeting held on May 29, 2018.

CORPORATE GOVERNANCE

Company's Philosophy

The company since its establishment has held a firm belief of carrying on the business with greater transparency and accountability, the mandate, composition and working procedures of committees so as to:

- a) Ensure transparent and fair relationship with the Stakeholders, Investors, Customers, Employees, Creditors, Government in all its dealings;
- b) Institute systems and processes to ensure the compliance with the statutes, laws and regulations as are applicable from time to time;
- c) To ensure the governing body/ Board of Directors (“Board”) of company should be comprised of directors having a requisite qualifications, expertise, track records, match integrity criteria and are competent to discharge their responsibilities (individually and collectively);
- d) To have effective system of internal controls monitoring and vigilance mechanism.

BOARD OF DIRECTOR

(i) Composition

As on March 31, 2018, the Board of Directors the company consisted of six directors, of whom two are executive directors and 4 are non-executive directors including two independent directors.

Details of Directors as on March 31, 2018 are as below:

S. No.	Name	Designation
1	Mr. Rohit Ranjan	Joint Managing Director*
2	Ms. Priti Goel	Joint Managing Director*
3	Mr. Niraj Parekh	Director*
4	Mr. Srinivas Sishtla	Director
5	Mr. Deepak Ghaisas	Independent Director
6	Mr. Saurabh Shah	Independent Director

No Director is inter-se related to any other Director on the Board nor is related to the other Key Managerial Personnel of the company.

*Ms. Nina Nagpal appointed as Managing Director (Executive Director) and Mr. Rohit Ranjan and Ms. Priti Goel has been re-designated as Director (Non- Executive Director) w.e.f. June 01, 2018. Further, Mr. Niraj Parekh has been resigned from the directorship of the Company w.e.f July 09, 2018. Further Mr. Niraj Parekh has been appointed as Permanent invitee w.e.f July 25, 2018.

(ii) Board Meetings

During the year under review, the company had held 4 (Four) Board Meetings and the gap between two meetings did not exceed 120 days (One Hundred and Twenty days). The dates on which the said meetings were held as under:

May 25, 2017; September 22, 2017; November 15, 2017 and March 09, 2018.

Attendance of each Director is as below:

Members	No. of Board Meeting		Whether attended last AGM held on September 29, 2017
	Held	Attended	
Mr. Rohit Ranjan (Jt. MD)*	4	4	Yes
Ms. Priti Goel (Jt. MD)*	4	3	
Mr. Niraj Parekh *	4	3	Yes
Mr. Srinivas Sishtla	4	3	
Mr. Deepak Ghaisas (ID)	4	4	
Mr. Saurabh Shah (ID)	4	3	



*Ms. Nina Nagpal appointed as Managing Director and Mr. Rohit Ranjan and Ms. Priti Goel has been re-designated as Director w.e.f. June 01, 2018. Further, Mr. Niraj Parekh has been resigned from the directorship of the Company w.e.f July 09, 2018

(iii) Details of Equity Shares of the company held by the Directors as on March 31, 2018

S. No.	Name	Category	No of Equity Shares	Remark
1	Mr. Rohit Ranjan	Jt. Managing Director*	1	Citibank Overseas Investment Corporation jointly with Mr. Rohit Ranjan

*Mr. Rohit Ranjan has been re-designated as Director of the Company w.e.f. June 01, 2018.

FAMILIARISATION PROGRAMME OF THE INDEPENDENT DIRECTORS

Independent Directors are familiarized with the Company its operations, business, industry and environment in which it functions and the regulatory environment applicable to it alongwith their roles, rights and responsibilities in the Company at the time of their appointment. The Company updates the Board Members on a continuing basis on any significant changes therein and provides them an insight to their expected roles and responsibilities so as to be in a position to take well-informed and timely decisions and contribute significantly to the Company.

Further, Independent Directors are provided with necessary documents, reports and internal policies to enable them to familiarize with the company's procedures and practices time to time.

Periodic presentations are made at the Board and committee meetings, on the business and performance updates of the company, business strategy and risks involved.

The details of the familiarization program of the Independent Directors are available on the website of the company at www.citicorpfinance.co.in.

COMMITTEE DETAILS

The Board of the Company functions either as a full Board or through various committees constituted to oversee specific operational areas. The Board has constituted various committees, namely, Nomination & Remuneration Committee Audit Committee, Debenture Allotment & Transfer Committee, Asset-Liability Committee (ALCO), Risk Management Committee, Corporate Social Responsibility Committee, Stakeholders relationship Committee, IT Strategy Committee. All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of service for Committee members are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

(i) Audit Committee

The Committee's composition meets with the requirements of section 177 of the Companies Act, 2013. The terms of reference of this Committee are very wide and are in line with the regulatory requirements mandated by the Act. The role of the Audit Committee is primarily related to oversight the company's financial reporting process, disclosure of financial information and appointment / re-appointment of the statutory auditors approve or any subsequent modification of transactions of the company with related parties.

It includes ensuring compliance to the internal control systems and review the financial statements which are presented to the Board for their consideration and to perform all the responsibilities/duties as mentioned in the Audit Committee Charter.

During the year under review, the Audit Committee met two times. Meetings of Audit Committee were held on May 25, 2017 and November 15, 2017.

The composition of the Audit Committee as on March 31, 2018 is as under:

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

The details of members attendance is as under:

Members	No. of Meeting	
	Held	Attended
Mr. Niraj Parekh*	2	1
Mr. Deepak Ghaisas	2	2
Mr. Saurabh Shah	2	2

*Mr. Niraj Parekh has ceased to be member of the committee and Ms. Nina Nagpal appointed as member of the Committee w.e.f. July 25, 2018.

(ii) Nomination and Remuneration Committee

The constitution of the Nomination and Remuneration Committee is in compliance with the provisions of section 178(1) of the Act the primary role of the committee is to ensure that the persons to be appointed as directors or on senior management position of the company possess requisite qualifications, expertise, track record and integrity. The committee ascertains the “fit and proper” status of the existing as well as the proposed directors.

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

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

The composition of Nomination and Remuneration Committee as on March 31, 2018 are as under:

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

The Nomination and Remuneration Committee met once during the year, i.e. on 25th May 2017. The detail of members’ attendance is as under:

Members	No. of Meeting	
	Held	Attended
Mr. Rohit Ranjan	1*	1
Mr. Niraj Parekh	1**	0
Ms. Priti Goel	1*	1
Mr. Srinivas Sishtla	1	1
Mr. Deepak Ghaisas	1	1
Mr. Saurabh Shah	1	1

* Mr. Rohit Ranjan and Ms. Priti Goel ceased to be a member of the committee with effect from May 25, 2017 and again Mr. Rohit Ranjan appointed as member of the committee w.e.f July 25, 2018

** Mr. Niraj Parekh appointed as member of the committee w.e.f. May 25, 2017 and ceased to be member of the committee w.e.f July 25, 2018.

(iii) Debenture Allotment and Transfer Committee

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

The composition of Debenture Allotment and Transfer Committee as on March 31, 2018 are as under:

- a) Mr. Rohit Ranjan, Jt. Managing Director
- b) Ms. Priti Goel, Jt. Managing Director
- c) Mr. Niraj Parekh, Director
- d) Mr. Ganesh Ramanathan, Chief Financial Officer
- e) Mr. Manish Ratti, Ops head
- f) Mr. Vijay Sethi, Treasurer

During the year under review, the members of committee met 51 (Fifty One) times. The meeting were held on April 07, 2017; April 21, 2017; April 25, 2017; April 27, 2017; April 28, 2017; May 12, 2017; May 16, 2017; May 19, 2017; May 23, 2017; May 26, 2017; May 31, 2017; June 15, 2017; June 16, 2017; June 19, 2017; June 20, 2017; June 21, 2017; June 23, 2017; June 28, 2017; June 30, 2017; July 31, 2017; August 31, 2017; September 08, 2017; September 15, 2017; September 22, 2017; September 27, 2017; September 28, 2017; October 25, 2017; October 30, 2017; October 31, 2017; November 09, 2017; December 06, 2017; December 08, 2017; December 11, 2017; December 13, 2017; December 14, 2017; December 15, 2017; December 20, 2017; December 22, 2017; January 22, 2018; January 30, 2018; February 27, 2018; February 28, 2018; March 01, 2018; March 07, 2018; March 08, 2018; March 09, 2018; March 12, 2018; March 14, 2018; March 14, 2018; March 20, 2018 and March 22, 2018.

The details of members attendance is as under:

Members	No. of Meeting	
	Held	Attended
Mr. Rohit Ranjan	51	0
Mr. Niraj Parekh*	51	0
Mr. Sameer Upadhyay*	51	9
Mr. Ganesh Ramanathan*	51	48
Mr. Vijay Sethi	51	46
Mr. Rakesh Bajaj*	51	0
Mr. Amarjeet Singh Kalsi*	51	0
Mr. Manish Ratti**	51	14

Please note that Ms. Priti Goel had attended 3 meetings over call during the period April 01, 2018 to March 31, 2018. Further, she ceased to be a member of the committee w.e.f May 29, 2018;

*Mr. Rakesh Bajaj, Mr. Amarjeet Singh Kalsi, Mr. Sameer Upadhyay, Mr. Ganesh Ramanathan and Mr. Niraj Parekh ceased to be members of the committee w.e.f April 28, 2017; May 15, 2017; May 25, 2017; July 15, 2018 and July 25, 2018 respectively.

** Mr. Manish Ratti appointed as member of the committee w.e.f September 22, 2017.

Please note that Ms. Nina Nagpal appointed as member of the Committee w.e.f June 01, 2018.

(iv) Asset Liability Committee (ALCO)

The committee reviews and monitors the risk associated with lending and borrowing, resultant gaps in the funding positions of the company manage interest rate risk and determine the pricing criteria of various assets and liabilities of the company and carries out functions and obligations prescribed by the Reserve Bank of India from time to time.

The composition of Asset Liability Management Committee as on March 31, 2018 is as under:

- a) Mr. Rohit Ranjan, Jt. Managing Director
- b) Ms. Priti Goel, Jt. Managing Director
- c) Mr. Srinivas Sishtla, Director
- d) Mr. Niraj Parekh, Director
- e) Mr. Ganesh Ramanathan, Chief Financial Officer

- f) Mr. Sameer Upadhyay, Company Secretary
- g) Mr. Vijay Sethi, Treasurer*
- h) Mr. Jeegar Shah, Finance Controller
- i) Mr. Prasen Kale, Credit & Risk
- j) Mr. Manish Ratti, Ops head
- k) Mr. Vinod Raghavan, Compliance Officer

Note:

* Also looks after the investment and resource mobilization and planning function.

During the year under review, the members of committee met 12 (Twelve) times. The meetings were held on. April 19, 2017; May 16, 2017; June 15, 2017; July 14, 2017; August 21, 2017; September 13, 2017; October 13, 2017; November 15, 2017; December 08, 2017; January 12, 2018; February 15, 2018 and March 15, 2018.

The details of members attendance is as under:

Members	No. of Meeting	
	Held	Attended
Mr. Rohit Ranjan	12	8
Ms. Priti Goel	12	3
Mr. Srinivas Sishtla	12	7
Mr. Niraj Parekh*	12	0
Mr. Sameer Upadhyay	12	6
Mr. Jeegar Shah**	12	0*
Mr. Ganesh Ramanathan*	12	9
Mr. Vijay Sethi	12	12
Mr. Manish Ratti**	12	4*
Mr. Vinod Raghavan	12	4
Mr. Prasen Kale*	12	0
Mr. Rakesh Bajaj*	12	0**
Mr. Amarjeet Singh Kalsi*	12	0**

*Mr. Rakesh Bajaj, Amarjeet Singh Kalsi, Prasen Kale, Mr. Ganesh Ramanathan and Niraj Parekh ceased to be member of the company w.e.f. April 28, 2017; May 15, 2017; June 29, 2018; July 15, 2018 and July 25, 2018 respectively.

**Mr. Manish Ratti and Mr. Jeegar Shah appointed as member of the committee w.e.f September 22, 2017 and November 15, 2017 respectively.

Please note that Ms. Nina Nagpal appointed as member of the Committee w.e.f June 01, 2018.

(v) Stakeholder Relationship Committee

The role of the committee is to handle all grievances related Security holders including the grievances related to issue, allotment, transfer of securities, non-receipt of declared dividend / interest, non-receipt of balance sheet / investors communications etc. as required by regulations and other applicable provisions/ regulatory laws, if any.

During the year under review, the committee has not received any complaints /grievance from stakeholders, hence no meeting held during the year.

The composition of Stakeholder Relationship Committee as on March 31, 2018 is as under:

- a) Mr. Rohit Ranjan, Jt. Managing Director
- b) Ms. Priti Goel, Jt. Managing Director*
- c) Mr. Niraj Parekh, Director*



Please note that Mr. Rakesh Bajaj, Mr. Amarjeet Singh Kalsi and Mr. Sameer Upadhyay, Ms. Priti Goel and Mr. Niraj Parekh ceased to be members of the committee w.e.f April 28, 2017, May 15, 2017 and May 25, 2017; May 25, 2017 and July 25, 2018 respectively.

Ms. Nina Nagpal and Mr. Srinivas Sishtla appointed as member of the Committee w.e.f July 25, 2018.

(vi) Corporate Social Responsibility Committee (CSR)

The Company has duly constituted a CSR Committee in accordance with section 135 of the Companies Act, 2013 to assist the Board and the Company in fulfilling the corporate social responsibility objectives of the Company.

The role of the committee is as follow:

- To recommend to the Board, CSR project/programs to be undertaken by the company
- To recommend to the Board, expenditure to be incurred for each CSR project/program
- To recommend to the Board, modifications/changes to the CSR Policy, as necessary
- To implement and monitor CSR activities and provide timely updates

The composition of Corporate Social Responsibility Committee (CSR) as on March 31, 2018 is as under:

- a) Mr. Rohit Ranjan, Jt. Managing Director
- b) Mr. Niraj Parekh, Director
- c) Mr. Deepak Ghaisas, Independent Director

The CSR Committee met twice during the year, i.e. on September 22, 2017 and March 09, 2018.

The details of members attendance is as under:

Members	No. of Meeting	
	Held	Attended
Mr. Rohit Ranjan	2	2
Ms. Priti Goel*	2	1*
Mr. Niraj Parekh**	2	2
Mr. Srinivas Sishtla*	2	1*
Mr. Deepak Ghaisas	2	2
Mr. Saurabh Shah*	2	0*
Mr. Sameer Upadhyay*	2	0*
Mr. Debasis Ghosh*	2	1*
Ms. Shahin Dastur*	2	1*

* Mr. Priti Goel, Mr. Srinivas Sishtla, Mr. Saurabh Shah, Mr. Sameer Upadhyay, Mr. Debasis Ghosh and Ms. Shahin Dastur ceased to be member of the Company w.e.f. November 30, 2017.

** Mr. Niraj Parekh ceased to be member of the committee and Ms. Nina Nagpal and Mr. Srinivas Sishtla appointed as member of the Committee w.e.f July 25, 2018.

(vii) Risk Management Committee (RMC)

Pursuant to the NBFC Regulations, the Company has constituted a Risk Management Committee consisting of composition as specified therein.

The role of the committee is to identify, evaluate and discuss any business and operational risk faced by the company and manages integrated risk. The composition of Risk Management Committee as on March 31, 2018 is as under:

- a) Mr. Rohit Ranjan, Jt. Managing Director
- b) Ms. Priti Goel, Jt. Managing Director

- c) Mr. Niraj Parekh, Director
- d) Mr. Srinivas Sishtla, Director
- e) Ms. Payal Angre, Risk Officer
- f) Mr. Ganesh Ramanathan, Chief Financial Officer
- g) Mr. Jeegar Shah, Finance Controller
- h) Mr. Vijay Sethi, Treasurer
- i) Mr. Vinod Raghavan, Compliance Officer
- j) Mr. Prasen Kale, Credit & Risk
- k) Mr. Manish Ratti, Treasury Operations

During the year under review, the committee met 4 (Four) times. The meetings were held on April 27, 2017; July 25, 2017; October 30, 2017 and January 24, 2018.

Members	No. of Meeting	
	Held	Attended
Mr. Rohit Ranjan	4	2 (on call)
Ms. Priti Goel	4	2 (one over call)
Mr. Srinivas Sishtla	4	3
Mr. Niraj Parekh*	4	0
Mr. Rakesh Bajaj*	4	0
Mr. Jeegar Shah*	4	3
Ms. Payal Angre*	4	1
Mr. Amarjeet Singh Kalsi*	4	1
Mr. Ganesh Ramanathan*	4	4
Mr. Sameer Upadhyay*	4	3
Mr. Vijay Sethi	4	0
Mr. Vinod Raghavan	4	4
Mr. Prasen Kale*	4	1
Mr. Sri Phani*	4	0
Mr. Manish Ratti*	4	2
Please note that Risk Management Committee attended by permanent invitees as well.		

* Mr. Rakesh Bajaj, Mr. Amarjeet Singh Kalsi, Prasen Kale, Mr. Sameer Upadhyay, Ms. Priti Goel and Mr. Sri Phani ceased to be members of the committee w.e.f April 28, 2017, May 15, 2017; May 25, 2017; July 31, 2017 respectively.

(viii) IT Strategy Committee

Pursuant to the RBI Regulations, the Company has constituted a IT Strategy Committee w.e.f. June 29, 2018 consisting of following members.

- a) Deepak Ghaisas, Independent Director
- b) Nina Nagpal, Managing Director
- c) N K Subbu, Chief Information Officer
- d) Mr. Niraj Parekh*
- e) Mr. Girish Dixit**
- f) Mr. Arvind Singla **
- g) Mr. K Anandasagar**
- h) Ms. Padmaja Chakravarty**
- i) Mr. Manish Kumar**

*Mr. Niraj Parekh, permanent invitee, ceased to be a member of the Committee w.e.f July 25, 2018.

** Permanent Invitee

GENERAL BODY MEETINGS

(i) Annual General Meeting

During the year under review, 1 (One) Annual General Meeting was held on September 29, 2017.

(ii) Extraordinary General Meeting

There was no Extraordinary General Meetings held during the year under review.

MEETING OF INDEPENDENT DIRECTORS

Section 149(8) of the Companies Act, 2013 read with Schedule IV require the Independent Directors of the company to hold at least one meeting in a year, without the attendance of non-independent directors and members of management to:

- (a) review the performance of non-independent directors and the Board as a whole;
- (b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non- executive directors;

During the year under review, Independent Directors met on November 15, 2017 and:

- a) noted the report on performance evaluation from the Chairman of the Board;
- b) reviewed the performance of non-independent directors and the Board as a whole;
- c) reviewed the performance of the Chairperson of the Company, taking into account the views of executive director and non-executive directors;
- d) assessed the quantity, quality and timely flow of information between the Management and the Board and found it to be in line with the expectations.

FORMAL LETTER OF APPOINTMENT TO INDEPENDENT DIRECTORS

The Company has issued a formal letter of appointment to independent directors as provided in the Companies Act, 2013 at the time of appointment.

The independent directors of the company have been appointed for a period of 5 years with effect from January 24, 2014 and shall not be liable to retire by rotation.

The terms and conditions of appointment of independent directors are placed on the website of the company at www.citicorpfinance.co.in.

PERFORMANCE EVALUATION

Pursuant Section 178 (2) of the Companies Act, 2013 and Securities and Exchange Board of India the Board has carried out an annual performance evaluation of its own performance, and that of its Committees, Chairperson and individual directors.

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

The board expressed its satisfaction on the same.

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

The Company believes that all employees and other persons dealing with the Company have a right to be treated with dignity. Hence the company is aligned to and follows Citigroup Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the work place which is in accordance with local



laws. The Policy defines the scope of Sexual Harassment and articulates the approach to raising issues and the redressal of the same.

Under the said policy (also covering the requirement of the (The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act)), the company has formed the Internal Complaints Committee (Internal Committee).

Details of sexual harassment complaints/cases during the period under review:

No. of complaints/cases received: Nil

No. of complaints/cases disposed of: Nil

FRAUD

There is no instance of fraud committee by the Company during the year under review.

Further, one instance of customer related fraud amounting to Rs. 13.5 Lakh was reported during the year under review as compared to last year where one fraud amounting to Rs. 0.47 Lakh was detected. The fraud has been appropriately reported to Reserve Bank of India in accordance with the applicable guidelines.

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

Pursuant to the provisions of Section 135 and Schedule VII of the Companies Act, 2013, the company has constituted a CSR Committee who is responsible to oversee the CSR projects/programs to be undertaken by the company, the expenditure to be incurred for each CSR project/program, to implement and monitor CSR activities, provide timely updates and to do all the acts and things as mentioned in the CSR Policy of the company.

A detailed CSR policy has also been framed by the Company with the approval of the CSR Committee and the Board of Directors. The policy, inter alia, covers the following:

- a) Scope;
- b) Members of the Committee;
- c) CSR Programmatic Areas
- d) Monitoring and Reporting

CSR policy also gives an overview of the projects or programs which are proposed to be undertaken by the Company in the coming years.

The CSR Policy has been uploaded on the website of the company at www.citicorpfinance.co.in.

Please refer committee section for composition of CSR Committee. The mandatory disclosures on CSR are enclosed herewith as **Annexure IV**.

LISTING

The company has issued Non-Convertible Debentures (NCDs) which are listed on The National Stock Exchange of India Limited (NSE). During the year under review, there is no default in repayment of debenture holders.

The company has paid the Annual Listing Fees for the year 2017-2018 to NSE where the company's debentures are listed.

INVESTOR EDUCATION AND PROTECTION FUND

During the year under review, no amount due which is require to transfer in Investor Education and Protection Fund.

REDEMPTION OF DEBENTURES

During the year under review, Debentures amounting to Rs. 6,711.55 crores have been redeemed/paid (Previous Year Rs. 5,385.51 crores).

DEBENTURE TRUSTEE

The IDBI Trusteeship Services Limited continues to be a Debenture Trustee of the company for the year under review. The Contact details are as below:

IDBI Trusteeship Services Limited

Asian Building, Ground Floor
17, R. Kamani Marg, Ballard Estate
Mumbai - 400 001
Contact No: 022 4080 7080

TREASURY

The Treasury segment of the Company 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. It also provides funds to other segments as per the needs of business and excess capital with other segments is deployed back with treasury. There is an internal transfer price attached to the funds so provided or deployed, which forms part of inter-segment revenues. The revenue for the year decreased from Rs. 38.95 crore (Previous Year) to Rs. 35.70 crore (Current Year) by 8.34%.

CREDIT RATING

The company has obtained/ revalidated external ratings from reputed agencies (ICRA) for its debt.

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

ICRA Rating

(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)

CRISIL Rating

(i) Rating Assigned	"Stable"
(ii) Name of the Rating Agency	CRISIL
(iii) Rating of products	
(a) Commercial Paper	CRISIL A1+ (Assigned)
(b) Commodity Linked Debentures	CRISIL PP-MLD AAAR/Stable (Reaffirmed)
(c) Equity-Linked Debentures	CRISIL PP-MLD AAAR/Stable (Reaffirmed)
(d) Short Term Debt Program	CRISIL A1+ (Reaffirmed)

DISCLOSURES RELATED TO EMPLOYEES

The details of employees as required by the provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed herewith as **Annexure V**. In terms of first proviso to Section 136 of the Act, the Report and Accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars as required pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel)



Rules, 2014. The said information is available for inspection by the members at the registered office of the company during business hours on working days of the company up to the date of the ensuing annual general meeting. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary in this regard.

DISCLOSURES PERTAINING TO CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Companies Act, 2013 (the “Act”) and Accounting Standard (AS-21) on Consolidated Financial Statements read with AS-23 on Accounting for Investments in Associates, the audited consolidated financial statement is provided in the Annual Report.

A statement containing the salient features of the financial statements of the associate company are enclosed herewith form AOC-1 as **Annexure-VI**.

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

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

RATIO OF REMUNERATION TO EACH DIRECTOR

The ratio of the remuneration of each Director to the median employee’s remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and as amended from time to time, are forming part of this report as per enclosed herewith as **Annexure – VII**.

TRAINING AND DEVELOPMENT

The company provides various training and skill development related opportunities to its employees to continuously upgrade their knowledge, skills & professional competence, besides ensuring compliance of various local laws and regulations. During the year under review, below mentioned training were imparted covering Man hours and Man days respectively.

Competency	Sum of Activity Man Hours	Sum of Activity Man Days
Functional	64	8
Functional Skills	5	1
Leadership	20	2
Mandatory	439	55
New Hire	8	1
Professional Development	264	33
Grand Total	799	100

DIRECTORS’S RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, hereby confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed and there is no material departure;



- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared the annual accounts on a going concern basis; and
- (e) they have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

The Board of Directors takes this opportunity to express its sincere appreciation for the support, co-operation and guidance from its members, Reserve Bank of India, National Stock Exchange, Securities and Exchange Board of India, trustee for debenture holders and other regulatory authority.

The Board of Directors also places on record its sincere appreciation for the commitment and hard work put in by the Management and the employees of the Company and thanks them for yet another excellent year.

For Citicorp Finance (India) Limited

Date: August 23, 2018
Place: Mumbai


Nina Nagpal
Managing Director
DIN- 00138918


Priti Goel
Director
DIN- 07649929

ANNEXURE INDEX

Annexure	Content
i	Related Party Transaction
ii	Secretarial Audit Report
iii	Annual declaration from Independent Directors
iv	Annual Report on Corporate Social Responsibility
v	Disclosure related to employees
vi	AOC – 1
vii	Ratio of remuneration to each Director

Annexure - I

Details of Related Party Transactions with Key Managerial Personnel (KMP)/Directors and relatives of KMP/ Directors

Key management personnel (KMP)

Details of KMP as on March 31, 2018

- a) Rohit Ranjan - (Identified as related party w.e.f Jan 25, 2010)*
- b) Priti Goel - (Identified as related party w.e.f Dec 21, 2016)*
- c) Sameer Upadhyay – (Identified as related party w.e.f Nov 07, 2015)
- d) Ganesh Ramanathan - (Identified as related party w.e.f Nov 07, 2015)**

Relatives of Directors and KMP

Nina Nagpal*- Dharmakirti Joshi, Ishwar Chandra Nagpal, Savitri Nagpal, Ira Joshi, Rajiv Nagpal, Dr. Rita Nagpal, Dr. Nita N Kumar

Rohit Ranjan- Anuradha Negi Ranjan, Pramode Ranjan, Pramode Ranjan, Rama Ranjan, Mrinalini Ranjan, Annika Ranjan, Ritu Raju, Ritika Sinha

Priti Goel- Jai Bhagwan Goel, Nidhi Goel, Niti Goel, Naval Goel

Srinivas Sishthla- Neeta Sishthla, Adinarayana Sarma Sishthla, Renukadevi Sishthla, Aditi Sishthla, Aditya Sishthla, Apoorva Sishthla, K. Padmavathy

Niraj Parekh*- Rashmi Parekh, Amita Parekh, Isha Parekh

Saurabh Shah- Bijal Shah, Surendra J Shah, Sulasa S Shah, Amay Shah, Samir S Shah, Sujal S Shah

Deepak Ghaisas- Sadhana Ghaisas, Omkar Ghaisas, Harish Ghaisas, Vandana Gadre

Sameer Upadhyay- Jalpa S. Upadhyay, Vishnuprasad B. Upadhyay, Hansaben V. Upadhyay, Master Dharmic S. Upadhyay, Dipesh V. Upadhyay, Komal K. Bhatt

Ganesh Ramanathan**-Chaitali Bharambe, Ramanathan D Kongade, Lalitha Ramanathan, Dharmaraj Ramanathan, Subramanium Ramanathan, Som Ganesh, Shloka Ganesh.

*Designation of Mr. Rohit Ranjan and Ms. Priti Goel has been changed from Jt. Managing Director to Director w.e.f June 01, 2018 and Ms. Nina Nagpal appointed as Managing Director of the Company w.e.f June 01, 2018.

** Mr. Ganesh Ramanathan had resigned from the position of Chief Financial Officer of the Company w.e.f July 15, 2018.

Please note that during the year under review no transaction was held with any director or to any other person or entity in whom the director is interested

		<p>CGM Singapore PTE Limited Citigroup Global Markets Hong Kong Ltd Citi Korea INC Citibank Europe PLC Hungary Citibank Europe PLC France Citibank Europe PLC Sweden</p>	<p>Fellow Subsidiary Fellow Subsidiary Fellow Subsidiary Fellow Subsidiary Fellow Subsidiary</p>
b)	Nature of contracts/arrangements/transaction	<p>1. Citibank NA India : <u>Receivable:</u> - Lease rentals received - Sale of Loan portfolio - Sourcing and Collection fees for loan portfolio - Interest earned on deposits <u>Payable:</u> - Servicing and Collection fees paid - Fee paid for loans referral in connection with Loans against securities - Support service charges paid/received for seconded personnel - Bank Charges for Cash Management and Custody Services, Interest on Short term loans - Technology / support / expenses paid - Fee paid for Advisory, Arrangement, Placement, Merchant Banker Fees & Brokerage paid - Fee paid for Geographical Revenue Attribution - Purchase of Loan portfolio - Rentals for premises</p> <p>2. Citibank NA-Singapore branch -Technology / support expenses paid, Fees for HR related services</p> <p>3. Citibank NA, Manila Branch - Technology / support expenses paid, Fees for HR related services</p> <p>4. Citibank NA, United Kingdom Branch - Fee paid for Geographical Revenue Attribution</p> <p>5. Citibank NA, Hong Kong</p>	

		<p>Branch</p> <ul style="list-style-type: none"> - Fee paid for Geographical Revenue Attribution <p>6. Citicorp Investment Bank Singapore Ltd</p> <ul style="list-style-type: none"> - Fee paid for Geographical Revenue Attribution <p>7. Citigroup Global Markets India Pvt Ltd</p> <ul style="list-style-type: none"> - Rent paid/recovered, Finance Lease Transactions, Merchant banking fees - Fee paid for Geographical Revenue Attribution <p>8. Citigroup Technology Inc.</p> <ul style="list-style-type: none"> - Fees related to Global Technology Infrastructure. <p>9. Citigroup Global Market Asia Limited</p> <ul style="list-style-type: none"> - Fees payable w.r.t risk management, hedging strategy, equity market advisory services and other related support services. <p>10. Citicorp Services India Pvt Ltd</p> <ul style="list-style-type: none"> - Fees payable w.r.t. HR related services, Rent paid, Compliance fees, Technology support services, loan operations etc - Receivables: Interest earned on finance lease, internal control services to CSIPL etc. - Inter corporate borrowings taken <p>11. Citigroup Transactions Services (M) Sdn Bhd</p> <ul style="list-style-type: none"> - Technology / support expenses paid <p>12. CGM Deutschland AG</p> <ul style="list-style-type: none"> - Fee paid for Geographical 	
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		<p>Revenue Attribution</p> <p>13. Citibank China Ltd Co - Fee paid for Geographical Revenue Attribution</p> <p>14. Citibank Japan Ltd - Fee paid for Geographical Revenue Attribution</p> <p>15. CGM Singapore PTE Limited - Fee paid for Geographical Revenue Attribution</p> <p>16. Citigroup Global Markets Hong Kong Ltd - Fee paid for Geographical Revenue Attribution</p> <p>17. Citibank NA, New York - Fee paid for Geographical Revenue Attribution - HR related services</p> <p>18. Citibank Europe PLC Hungary - Technology / support expenses paid</p> <p>19. Citi Korea INC - Fee paid for Geographical Revenue Attribution</p> <p>20. Citibank Europe PLC France - Fee paid for Geographical Revenue Attribution</p> <p>21. Citibank Europe PLC Sweden - Fee paid for Geographical Revenue Attribution</p> <p>22. Citibank NA, Japan - Fee paid for Geographical Revenue Attribution</p>	
c)	Duration of the contracts/arrangements/tra	FY 2017-2018	

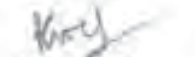


	Transaction		
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	All terms and conditions are as per transfer pricing regulations	
e)	Date of approval by the Board	29/05/2018	
f)	Amount paid as advances, if any	-	

Date: August 23, 2018
Place: Mumbai

For Citicorp Finance (India) Limited


Nina Nagpal
Managing Director
DIN- 00138918


Priti Goel
Director
DIN-07649929

Zainab H Poonawala & Associates
Practising Company Secretary

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018

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

To,
The Members,

Citicorp Finance (India) Limited

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

Based on my verification of the **Citicorp Finance (India) Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st March 2018** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Citicorp Finance (India) Limited** ("the Company") for the financial year ended on **31st March, 2018** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder ;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder (not applicable to the Company during the audit period);

The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder (not applicable to the company during the audit period);

Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;



- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (not applicable to the company during the audit period);
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (not applicable to the company during the audit period);
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (not applicable to the company during the audit period);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (not applicable to the company during the audit period);
 - (e) The Securities and Exchange Board of India (Listing Obligation and Disclosures Requirement) Regulations, 2015;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (not applicable to the company during the audit period);
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the company during the audit period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1996; (not applicable to the company during the audit period)
- (vi) IRDA Regulations applicable to Corporate Agents. (not applicable to the company during the audit period)
- (vii) RBI Act, 1934 read with all notifications and circulars issued by the Reserve Bank of India for Non-Banking Finance Companies.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange(s), for listing of Non Convertible Debentures;



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

We further report that

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

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

Majority decision is carried through unanimously.

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

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

1. Issued Non Convertible Debentures under Private Placement In Series and complied with the applicable provisions of the Companies Act, 2013, Rule 14 of Chapter III, Chapter V and Chapter VI of SEBI (Listing Obligation and Disclosures Requirement) 2015, its amendments and Notifications issued by RBL.

Place: Mumbai

Date: 25/08/2018



A handwritten signature in black ink, appearing to read 'Zainab H Poonewala'.

Zainab H Poonewala

FCS No.: 7916

C P No.: 6674

Annexure I: Laws And Act applicable to the Company

1. Employees' Provident Fund Act,1952 and Rules
2. Professional Tax Act,1975 and Rules
3. Payment of Gratuity Act, 1972
4. Employment Exchanges (Compulsory Notification of vacancies) Act, 1959
5. Equal Remuneration Act, 1976
6. Minimum Wages Act, 1948
7. Payment of Bonus Act, 1965
8. Shop and Establishment Act, 1948
9. Maternity Benefit Act, 1961
10. Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013
11. Income Tax Act, 1961
12. Finance Act, 1994



Declaration under Section 149(6) of the Companies Act, 2013

To
The Board of Directors
Citicorp Finance (India) Limited
Mumbai

Dear Sir(s)

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

- a. I meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013;
- b. I do not hold designation of managing director or a whole – time director or a nominee director in CFIL or its holding, subsidiary or associate company;
- c. I possess relevant expertise and experience as required for the designation;
- d. I possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, administration, research and corporate governance related to the Company's business;
- e. I am not the nominee of any financial institution or of the government or any of any other person, to represent their interest on the Board;
- f. I am or was not promoter of the company or its holding, subsidiary or associate and also not related to the promoters or directors in the company, its holding, subsidiary or associate company;
- g. I do not have or have had any pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- h. None of my relative has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

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

Place: Mumbai Signature:

Dated this 1 day of April 2018

DIN - 00001811



Deepak Ghaisas

Declaration under Section 149(6) of the Companies Act, 2013

To
The Board of Directors
Citicorp Finance (India) Limited
Mumbai

Dear Sir(s)

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

- a. I meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013;
- b. I do not hold designation of managing director or a whole – time director or a nominee director in CFIL or its holding, subsidiary or associate company;
- c. I possess relevant expertise and experience as required for the designation;
- d. I possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, administration, research and corporate governance related to the Company's business;
- e. I am not the nominee of any financial institution or of the government or any of any other person, to represent their interest on the Board;
- f. I am or was not promoter of the company or its holding, subsidiary or associate and also not related to the promoters or directors in the company, its holding, subsidiary or associate company;
- g. I do not have or have had any pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- h. None of my relative has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

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

Place: Mumbai
Dated this 31st day of March 2018


Signature:
Saurabh Shah
DIN -02094645

Annexure IV

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

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

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

The company is committed to enabling socio-economic progress in the communities where we live and work and has developed its Corporate Social Responsibility program to comply with the requirements of Section 135 of the Act and the Companies Rules, 2014, and has aligned its projects and programs across some of the areas indicated in Schedule VII of the Act and the Rules for the year, April 2017-March 2018.

The priority areas are as follows:

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

- (2) The Composition of the CSR Committee.

The Composition of Corporate Social Responsibility Committee (CSR) as on March 31, 2018 is as under:

- a) Mr. Rohit Ranjan, Jt. Managing Director*
- b) Mr. Niraj Parekh, Director*
- c) Mr. Deepak Ghaisas, Independent Director

* Mr. Rohit Ranjan and Niraj Parekh ceased to be member of the Committee and Ms. Nina Nagpal and Mr. Srinivas Sishitla appointed as members of the Committee w.e.f July 25, 2018.

- (3) Average net profit of the company for last three financial years- **Rs. 317.28 crore**
- (4) Prescribed CSR Expenditure (two percent of the amount as in item 3 above)— **Rs. 6.35 crore**
- (5) Details of CSR spent during the financial year.
- (a) Total amount spent during the financial year; **Rs. 6.35 crore**
 - (b) Amount unspent, if any; - **NA**
 - (c) Manner in which the amount spent during the financial year is detailed below

	CSR project or activity identified	Sector in which the project is covered	Project or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget project or Programs wise	Amount spent on the projects or Programs Sub Heads; (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount Spent: Direct or through implementing Agency
1	Towards promoting Livelihood Enhancement and Women's Empowerment through the DIvE – Digital Inclusion via Education' program.	Towards the DIvE – Digital Inclusion via Education' program, which focuses on educating low-income individuals on the use of digital financial services through a break through model using technology and human interface	Nagpur	10,374,148	10,374,148	10,374,148	Through implementation partner Grameen Foundation for Social Impact. Grameen Foundation is a global nonprofit that empowers the poor, especially women, to end poverty and hunger
2	Towards the 'Swachhata Web and Mobile applications under the aegis of the Swachh Bharat Mission' program	Towards the 'Swachhata Web and Mobile applications under the aegis of the Swachh Bharat Mission' program which focuses on moving towards a Clean India by 2020.	Nationwide in 4041 Cities and towns in Urban India	6,500,000	6,500,000	6,500,000	Through implementation partner Janaagraha Centre for Citizenship and Democracy. Janaagraha is a non-profit organization that aims to strengthen democracy in India by working for citizen participation in urban local government.

3	Towards promoting Education including special education and employment enhancing vocational skills especially among children, women, elderly, and differently abled and livelihood enhancement projects.	Social Empowerment and Economic Development Society (SEEDS) in association with Generation India Foundation (GIF) has been implementing a program called Generation, which focuses on youth unemployment. This program is towards partnership to train 1290 youth across 5 cities of Delhi, Gurgaon, Chennai, Hyderabad and Bangalore, to become General Duty Assistants, to aid the elderly and sick in hospitals	Delhi, Gurgaon, Chennai, Hyderabad and Bangalore	21,600,000	21,600,000	21,600,000	Through Implementation Partner - Social Empowerment and Economic Development Society in association with Generation India Foundation (GIF). GIF is an affiliate of McKinsey Social Initiative (MSI), a charitable organization incorporated in US and has expertise in delivering charitable programs successfully. GIF is closely working with SEEDS in India on 'Generation' program under close supervision.
4	Towards promoting education including special education and employment enhancing vocational skills especially among children, women, elderly, and differently abled and livelihood enhancement	To support Sampark Smart 'Shalas' which focuses on improving learning outcomes in government schools of Haryana. With a reach of 10,000 schools in year 1. The Sampark Smart classroom is learning outcome focused intervention that innovatively uses	Haryana	15,000,000	15,000,000	15,000,000	Through Implementation Partner – Sampark Foundation with its program called Sampark Smart 'Shalas' which focuses on improving learning outcomes in government schools of Haryana.

	ent projects, through Sampark Foundation's 'Improving Learning Outcomes in Government Schools of Haryana' program.	technology, a voice mascot called "Sampark Didi", toys, stories, games, teachers training modules combined with rigorous monitoring in collaboration with state governments.					
5	Towards promoting Youth Skilling and Employability through, 'Employing the Unemployed' program.	Bandhan's 'Employing the Unemployed' (EUP) program will skill 4500, youth in Jalpaiguri, in West Bengal	Bandhan's 'Employing the Unemployed' (EUP) program will skill 4500, youth in Jalpaiguri, in West Bengal	10,000,000	10,000,000	10,000,000	Through Implementation Partner – Bandhan Konnagar
6	Giving at Citi (Citi Employee Payroll Giving Program)	This it towards the matching contribution given by Citi to support employee contributions to the payroll program. Supporting six partner NGOs by matching employee contribution under the legal entity as part of our CSR contribution under the Citi Payroll Giving Program. Following are the partner NGOs that have been supported	Bengaluru, Mumbai, New Delhi, Chennai, Pune, Kolkata, Hyderabad	62,490*	62,490	62,490	Through implementation partner United Way of Mumbai: United Way Mumbai, is a non-profit organization with expertise in CSR services, workplace campaigns and community impact programs in marginalized rural and urban communities. Through its partnerships with 400+ NGOs across the country, the organization leads programs working on education, health, livelihood, environment, inclusion, public safety and disaster


	under the program: 1. SOS Children's Village 2. HelpAge India 3. The Akshaya Patra Foundation 4. Make a Wish Foundation 5. ADAPT 6. St. Jude India ChildCare Centre					response. UWM has proven expertise and over a decade long experience in designing and implementing end to end workplace campaigns for mid to large sized organizations, creating payroll giving and employee engagement strategies which correspond with employee skill-sets and passion that are also aligned closely with the charitable goals of the corporate partner. Since inception, UWM's workplace campaigns have successfully channelized over 20000 employee donations to committed causes.
	Total		63,536,638	63,536,638	63,536,638	

* Total spent for Giving at Citi program is Rs. 62, 490 which is in excess of amount approved by board of director. The board has approved Rs. 62,160 for the said program. The difference of Rs. 330 is due to the fact that there was an additional employee contribution.


7. The Company has made CSR contribution fully during the year.

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

For Citicorp Finance (India) Limited


 Mr. Priti Goel
 Director
 DIN- 07649929


 Mr. Deepak Ghaisas
 Independent Director
 DIN-00001811


 Ms. Nina Nagpal
 Managing Director
 DIN-00138918

Date: August 23, 2018
 Place: Mumbai



Annexure - V

Statement of Particulars of employees pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sl No	Name	Designation/ Nature of Duties	Remuneration * Received (Rs.)	Qualification	Latest Citi Experience in years	Age in years	Effective date of secondment / Date of commencement of employment with CFIL	LWD with CFIL/ Date of De-secondment	Last employment held Prior to Citi
1	Punoot Sanwalka	Director	*	CA	17.6	41	1-Jun-16	NA	Price Water House Coopers
2	Asheesh Goel	SVP	*	CA	17.5	47	10-Mar-17	NA	Birla Global Fin. Ltd
3	Lata Daswani	SVP	*	CA	1.5	37	20-Jun-16	NA	Barclays Bank PLC
4	Sunil Bajaj	VP	*	MA	15.6	40	NA	31-Oct-17	NA
5	Komal Grover	AVP	*	MBA	10.6	40	NA	9-May-17	E-Serve International Ltd
6	Rajesh kumar Aggarwal	SVP	*	CA/CS	9.4	45	NA	19-Dec-17	Ranbaxy

*The remuneration details are available with the company.

Notes:

- ✓ The above employees' details are for the financial year 2017-18
- ✓ All appointments are / were non-contractual
- ✓ Remuneration as shown above comprises of Salary, Leave Salary, Bonus, Gratuity where paid, Leave Travel Assistance, Medical Benefit, House Rent Allowance, Perquisites and company's contribution to Provident Fund and Superannuation Fund. Remuneration on cash basis.
- ✓ None of the above employees is related to any Director of the company employed for part of the financial year.

Date: August 23, 2018
Place: Mumbai

For Citicorp Finance (India) Limited

Nina Nagpal
Managing Director
DIN- 00138918

Priti Goel
Director
DIN- 07649929

Annexure VI

Form AOC-1

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

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

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.....)	NA
1. Sl. No.	NA
2. Name of the Subsidiary	NA
3. Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	NA
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	NA
5. Share capital	NA
6. Reserves & surplus	NA
7. Total assets	NA
8. Total Liabilities	NA
9. Investments	NA
10. Turnover	NA
11. Profit before taxation	NA
12. Provision for taxation	NA
13. Profit after taxation	NA
14. Proposed Dividend	NA
15. % of shareholding	NA


- Names of subsidiaries which are yet to commence operations- NA
- Names of subsidiaries which have been liquidated or sold during the year- As at March 31, 2018 the company does not have any subsidiaries.

Part "B": Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act,
2013 related to Associate Companies and Joint Ventures

Name of Associates/ Joint Ventures	India Infradebt Limited
1. Latest audited Balance Sheet Date	31/03/2018
2. Shares of Associate/Joint Ventures held by the company on the year end	
a. No.	87,000,000
b. Amount of Investment in Associates/Joint Venture	Rs. 870,000,000.00
c. Extend of Holding %	15.06%
3. Description of how there is significant influence	There is significant influence by virtue of Joint Venture and Shareholders Agreement dated October 8, 2012 and amendments thereof.
4. Reason why the associate/ joint venture is not consolidated	NA
5. Networth attributable to Shareholding as per latest audited Balance Sheet	141.77 crore
6. Profit / Loss for the year	
i. Considered in Consolidation	20.16 crore
ii. Not Considered in Consolidation	Nil

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

For Citicorp Finance (India) Limited


Priti Goel
 Director
 DIN- 07649929


Rohit Ranjan
 Director
 DIN- 00003480


Manisha Inamdar
 Chief Financial Officer


Sameer Upadhyay
 Company Secretary


Nina Nagpal
 Managing Director
 DIN- 00138918

Date: August 23, 2018
 Place: Mumbai

Annexure –VII

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

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

Ms. Priti Goel – 7.74
Mr. Rohit Ranjan – 16.58

Please note that for calculating ratio of remuneration, average of financial year beginning and ending values have been considered.

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

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

Employee Name	% Increase
Ms. Priti Goel*	10.81%
Mr. Rohit Ranjan*	0.0%
Mr. Ganesh Ramanathan	4.0%
Mr. Sameer V. Upadhyay	3.5%

* The secondment charges are paid to Citibank.

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

The percentage increase in the median remuneration of the employees in the financial year is around 6.3%.

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

273 (as on 31-Mar-18)

5. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**

The average percentage increase made in the salaries of total employees other than Key Managerial Personnel is around 7.83%, while the average increase in the remuneration of the Key Managerial Personnel is 4.67%.

6. **The key parameters for any variable component availed by the directors**

The Company follows prudent remuneration practices under the guidance of the Board and Nomination and Remuneration Committee (“NRC”). The Key Performance Indicators (“KPIs”) are fixed for the Jt. Managing Directors, which are paid by the company to Citibank as secondment charges. At the end of the financial year the performance of the company as well as the performance of the Jt. MD and CEO based on KPIs is presented to the BGC. Based on the



performance assessment by the BGC, the variable component of the remuneration for the MD & CEO is recommended to and approved by the Board. The Independent Directors are paid sitting fee @ Rs. 36,000/- per board/committee meeting, which are within the maximum permissible amount under the Companies Act, 2013 together with Rules thereunder.

7. **Affirmation that the remuneration is as per the remuneration policy of the company**
Affirmed

For Citicorp Finance (India) Limited

Nina Nagpal
Managing Director
DIN- 00138918

Priti Goel
Director
DIN-07649929

Date: August 23, 2018
Place: Mumbai

INDEPENDENT AUDITORS' REPORT**To the Members of Citicorp Finance (India) Limited****Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of Citicorp Finance (India) Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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 standalone 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 and Companies (Accounting Standards) Amendment Rules, 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone 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 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

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 auditors' 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. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at March 31, 2018, and its profit and its cash flows for the year ended on that date.

Other Matter

The standalone financial statements of the Company for the year ended March 31, 2017, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated - May 25, 2017, expressed an unmodified opinion on those financial statements.

Our opinion is not modified in respect of this matter.



Report on Other Legal and Regulatory Requirements

1. 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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016.
 - (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the director is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'.
 - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, 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, if any, of pending litigations as at March 31, 2018 on its financial position in its standalone financial statements - Refer Note 24(1).
 - ii. The Company has long-term contracts including derivative contracts as at March 31, 2018 for which there were no material foreseeable losses.

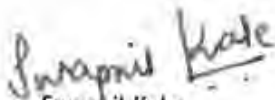


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- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.
- iv. The reporting on disclosure relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.
2. As required by the Companies (Auditor's Report) Order, 2016 (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 B', a statement on the matters specified in paragraphs 3 and 4 of the Order.

For MSKA & Associates (Formerly known as MZSK & Associates)

Chartered Accountants

ICAI Firm Registration No. 105047W


Swapnil Kale

Partner

Membership No.117812



Mumbai

May 29, 2018

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF CITICORP FINANCE (INDIA) LIMITED ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018.

Page 1 of 3

Report on the Internal Financial Controls with Reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to financial statements of Citicorp Finance (India) Limited (the "Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI") (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.



ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF CITICORP FINANCE (INDIA) LIMITED ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018.

Page 2 of 3

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF CITICORP FINANCE (INDIA) LIMITED ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018.

Page 3 of 3

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For MSKA & Associates (Formerly known as MZSK & Associates)

Chartered Accountants

ICAI Firm Registration No. 105047W

Swapnil Kale

Swapnil Kale

Partner

Membership No. 117812



Mumbai

May 29, 2018

**ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE MEMBERS OF
CITICORP FINANCE (INDIA) LIMITED STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR
ENDED MARCH 31, 2018.**

Page 1 of 4

- i.
- (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) All the fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties as disclosed in Note 11 on fixed assets to the standalone financial statements are held in the name of the Company.
- ii. The Company is in the business of rendering financial services, and consequently, does not hold any inventory. Therefore, the provisions stated in clause 3(ii) of the Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 (the "Act"). Therefore, the provisions of clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has not granted any loans, provided any guarantees or security to the parties covered under Section 185. Therefore, the provisions of clause 3(iv) of the Order are not applicable to the Company.
- In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186(1) of the Act as applicable, in respect of investments made.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.
- vi. The provisions of sub-section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Therefore, the provisions of clause 3(vi) of the Order are not applicable to the Company.



ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE MEMBERS OF CITICORP FINANCE (INDIA) LIMITED STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2018.

Page 2 of 4

vii.

- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amount deducted/accrued in the books of account in the respect of undisputed statutory dues including provident fund, income-tax, service tax, value added tax, goods and service tax, cess and any other statutory dues applicable to it have generally 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 provident fund, income-tax, value added tax, service tax, employee's state insurance, customs duty, sales tax, excise duty and any other statutory dues applicable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the following dues of Income Tax, value added tax and Service Tax have not been deposited by the Company on account of dispute.

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 Demands	8.35	AY 1999-00	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax Demands	5.86	AY 2001-02	Assessing Officer
Income Tax Act, 1961	Income Tax Demands	33.71	AY 2002-03	High Court
Income Tax Act, 1961	Income Tax Demands	1.35	AY 2002-03	Assessing Officer
Income Tax Act, 1961	Income Tax Demands	356.52	AY 2005-06	Assessing Officer
Income Tax Act, 1961	Income Tax Demands	28.93	AY 2006-07	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax Demands	159.30	AY 2012-13	Commissioner of Income Tax (Appeals)
Maharashtra Value Added Tax Act 2002	Value Added Tax	266.23	FY 2010-11	Joint Commissioner of Sales Tax (Appeal)
Finance Act, 1994	Service Tax Demands	1,073.08	FY 2006-07 to FY 2008-09	Customs, Excise and Service Tax Appellate Tribunal



ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE MEMBERS OF CITICORP FINANCE (INDIA) LIMITED STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2018.

Page 3 of 4

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of, loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. In our opinion, according to the information and explanations given to us, money raised by way of debt instruments and term loans during the year have been applied for the purpose for which they were raised.
- x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.
- xi. According to the information and explanations given to us and based on our examination of records of the Company, the Company has not paid any managerial remuneration. Accordingly, the provisions of clause 3(xi) of the order are not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Section 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the provisions of clause 3(xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Therefore, provisions of clause 3(xv) of the Order are not applicable to the Company.



MSKA

& Associates

Chartered Accountants

**ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE MEMBERS OF
CITICORP FINANCE (INDIA) LIMITED STANDALONE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR
ENDED MARCH 31, 2018.**

Page 4 of 4

- xvi. The Company is required to, and has been registered under Section 45-IA of the Reserve Bank of India Act, 1934 as Non-Banking Financial Company.

For MSKA & Associates (Formerly known as MZSK & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W

Swapnil Kale

Swapnil Kale
Partner
Membership No. 117812



Mumbai
May 29, 2018

Citicorp Finance (India) Limited

Balance sheet

as at 31 March 2018

(Currency: Indian Rupees in Lakhs)

	Note No.	31 March 2018	31 March 2017
I. EQUITY AND LIABILITIES			
1. SHAREHOLDERS' FUNDS			
Share capital	3	289,330	289,330
Reserves and surplus	4	102,087	88,139
		<u>391,417</u>	<u>377,469</u>
2. NON-CURRENT LIABILITIES			
Long term borrowings	5	89,997	47,338
Other long term liabilities	6	3,935	3,201
Long term provisions	7	969	718
		<u>94,901</u>	<u>51,257</u>
3. CURRENT LIABILITIES			
Short term borrowings	8	229,565	209,221
Trade payables			
- Total outstanding dues of micro enterprises and small enterprises		11	89
- Total outstanding dues of creditors other than micro enterprises and small enterprises		5,143	5,259
Other current liabilities	9	286,796	376,607
Short term provisions	10	9,133	9,509
		<u>530,648</u>	<u>660,665</u>
TOTAL		<u>1,016,966</u>	<u>1,089,391</u>
II. ASSETS			
1. NON-CURRENT ASSETS			
Fixed assets			
Property, Plant and Equipment	11	332	427
Capital work in progress		322	141
		<u>654</u>	<u>568</u>
Non current investments	12	10,371	10,452
Deferred tax assets (Net)	24.9	15,069	14,901
Long term loans and advances	13	189,395	162,282
Other non current assets	14	4,179	2,735
		<u>219,668</u>	<u>190,938</u>
2. CURRENT ASSETS			
Current investments	15	17,907	21,746
Cash and bank balances	16	21,054	29,153
Short term loans and advances	17	737,034	823,441
Other current assets	18	21,303	24,113
		<u>797,298</u>	<u>898,453</u>
TOTAL		<u>1,016,966</u>	<u>1,089,391</u>

Significant accounting policies

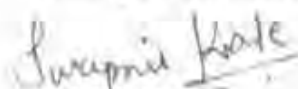
The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For **MSKA & Associates (Formerly known as MZSK & Associates)**

Chartered Accountants

Firm's Registration No: 105047W



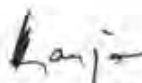
Swapnil Kale

Partner

Membership No: 117812

Mumbai

29 May 2018



Rohit Ranjan


Jr. Managing Director

DIN: 00003480



Ganesh Ramnathan

Chief Financial Officer



Priti Goel

Jr. Managing Director

DIN: 07649929



Sameer Upadhyay

Company Secretary

For and on behalf of the Board of Directors

Citicorp Finance (India) Limited

Citicorp Finance (India) Limited**Statement of profit and loss**

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

	Note No	31 March 2018	31 March 2017
REVENUE			
Revenue from operations	19	77,328	81,278
Other income	20	2,246	3,469
Total Revenue		79,574	84,747
EXPENSES			
Employee benefits expense	21	4,578	4,286
Finance costs	22	35,488	40,431
Depreciation expense	11	122	125
Other expenses	23	17,296	16,370
Total Expenses		57,484	61,212
PROFIT BEFORE TAX		22,090	23,535
TAX EXPENSE:			
Current tax expense relating to prior years		-	1,269
Current tax expense		4,475	5,140
MAT credit (entitlement) / utilised		3,835	(612)
Net current tax		8,310	5,797
Deferred tax	24.9	(168)	2,931
PROFIT FOR THE YEAR		13,948	14,807
EARNINGS PER EQUITY SHARE:			
Basic earnings per share (Face Value of Rs. 7.50 each)	24.8	0.36	0.38

Significant accounting policies

2

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

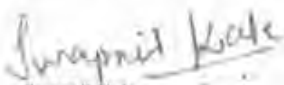
As per our report of even date attached

For MSKA & Associates (Formerly known as MZSK & Associates)

Chartered Accountants

Firm's Registration No.: 105047W

For and on behalf of the Board of Directors

Citicorp Finance (India) Limited

Swapnil Kale

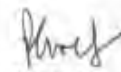
Partner

Membership No: 117812


Rohit Ranjan

Jt. Managing Director

DIN: 00003480

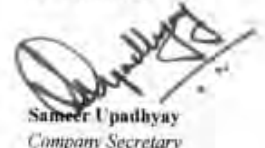

Priti Goel

Jt. Managing Director

DIN: 07649929

Mumbai

29 May 2018


Ganesh Ramanathan
Chief Financial Officer

Sameer Upadhyay
Company Secretary

Citicorp Finance (India) Limited**Cash flow statement**

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

	31 March 2018	31 March 2017
Cash flows from operating activities		
Profit before tax	22,090	23,535
Add:-		
Depreciation and amortisation	122	125
Provision for diminution in the value of investments	-	5
Provision for doubtful advances and standard assets	227	1,164
Provision for other liabilities	47	190
Discount/Premium amortised on issue or charged-off on buy-back of debentures	(20)	4
Amortization of debt issuance and loan origination costs	205	273
MTM of Short Term Investments	8	-
Gain on sale of Short term investments	(40)	(197)
Loss/(Gain) on sale of fixed assets	25	(4)
Less:-		
Unrealized gain on derivatives	(6,126)	(1,356)
Reversal of diminution in the value of investments	689	-
Amortisation of subvention income	178	334
Dividend income	333	81
Operating profit before working capital changes	27,590	25,975
Decrease / (Increase) in other current and non current assets	(6,038)	(7,279)
Decrease/(Increase) in loans and advances	55,542	(230,349)
(Decrease) / Increase in provisions, liabilities and trade payables	(410)	(251)
	49,094	(237,879)
Net cash used in operating activities before taxes	76,684	(211,904)
Less: Taxes paid (Net of refunds)	4,582	4,215
Cash flows generated from / (used in) operating activities - A	72,102	(216,119)
Cash flows from investing activities		
Dividend income	333	81
Net proceeds from sale of short term investments	4,560	8,172
Decrease in long term investments	81	-
Sale proceeds of fixed assets	-	4
Purchase of fixed assets	(232)	(147)
Cash flows generated from investing activities - B	4,742	8,110
Cash flows from financing activities		
Increase/ (Decrease) in secured loans (net)	103,438	(13,685)
Increase/ (Decrease) in unsecured loans (net)	(189,656)	222,905
Cash flows generated from / (used in) financing activities - C	(86,218)	209,220
Net increase in cash and cash equivalents - (A+B+C)	(9,374)	1,211
Cash and cash equivalents at the beginning of the period	20,450	19,239
Cash and cash equivalents at the end of the period	11,076	20,450

Note:

- 1) The above cash flow statement have been prepared under the indirect method set out in Accounting Standard (AS)-3, 'Cash Flow Statement' notified pursuant to the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.
- 2) Cash and cash equivalents comprises of cash at bank and in hand, cheques on hand and short-term investments with an original maturity of three months or less.

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

As per our report of even date attached.

For **MSKA & Associates (Formerly known as MZSK & Associates)**

Chartered Accountants

Firm's Registration No: 103047W


Swapnil Kale

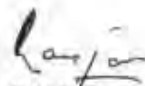
Partner

Membership No: 117812

Mumbai

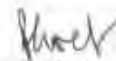
29 May 2018

For and on behalf of the Board of Directors

Citicorp Finance (India) Limited

Rohit Ranjan

Jt. Managing Director

DIN: 00003480


Priti Goel

Jt. Managing Director

DIN: 07649929


Ganesh Ramanathan

Chief Financial Officer


Sumeer Upadhyay

Company Secretary

Citicorp Finance (India) Limited

Notes to the financial statements

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

1 Background

Citicorp Finance (India) Limited ('the Company') incorporated in India on 1 May 1997, is registered with the Reserve Bank of India ('the RBI') as a Non-Banking Financial Company ('NBFC') vide Certificate No. N.13.02079 dated 10 October 2014. 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 451A of the Reserve Bank of India Act, 1934.

Associates Financial Services (Mauritius) LLC, a Company incorporated in Mauritius holds 52.94% in the Company and remaining 47.06% is held by Citibank Overseas Investment Corporation, a company incorporated in Delaware, U.S.A.

The Company is engaged in a range of Financial Service activities which includes:

- 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
- e. Personal 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 (the 'Act') 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 have been 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 reviewed on an on-going basis. Any revision to accounting estimates is recognized prospectively in current and future periods.



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(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, amortisation and impairment

Fixed assets are stated at historical cost inclusive of all incidental expenses incurred for acquisition of such assets, less depreciation and impairment. 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 Act. 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 for its intended use.

Lease hold improvements are depreciated over the lease period (including renewal, if any) or useful life whichever is shorter. All assets individually costing 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 Act. Based on the nature of fixed assets used by the Company and past experience of its usage and technical evaluation, the Company considers that the useful life for respective assets to be appropriate.



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(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/ 4 years
Furniture and fixtures – in leased premises	6 years
Electrical equipment – in leased premises	6 years
Vehicles- Lease	4 years

During the current year, the Company has decided to revise useful life of computer equipment purchased and put to use on or after 1st April 2017 from 3 years to 4 years.

The Company assesses at the 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 a trade date 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 purchase of each investment. Investment which is to be liquidated in a period of one year from the date of purchase is classified as current investment.

Long term investments are carried at cost less any diminution in value other than temporary.

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 investments are 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 ex-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.



Citicorp Finance (India) Limited

Notes to the financial statements *(continued)*

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Employee benefits (continued)

Post-employment benefits

Gratuity

The Company pays gratuity to employees who retire or resign after serving for the stipulated period mentioned under 'The payment of Gratuity Act, 1972'. 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 as per AS-15 'Employee Benefits' 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 in 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 during the period in which the employee renders the related services.

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.

Long term service awards (LTSA)

The company provides for liability towards long term service awards for eligible employees, based on length of service, based on actuarial valuation performed by an independent actuary using the Projected Unit Cost Method as at the balance sheet date.

2.7 **Revenue recognition**

Interest and commission income are recognised on a period proportionate basis except in respect of penal interest charged on overdue instalments, which is recognised when there is a reasonable certainty over its collection.

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



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Revenue recognition (continued)

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.

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 / write off.

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

Interest income on investments is recorded on a period proportionate basis. Interest paid for broken period on purchase of investment is not charged to the 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 weighted average method.

Dividend is recognised as income 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.



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

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 / write off.

2.10 Bad debts and 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 Master Direction DNBR.PD.008/03.10.119/2016-17 dated September 1, 2016 – Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, 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.

In case of purchase of loan portfolio, the Company records the same under loans and advances. Further, the premium paid on such acquisitions is amortised over the life of the portfolio.

2.12 Leases

Operating leases: Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as 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.



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Leases (continued)

Finance leases: Leases where substantially all the risks and rewards incidental to ownership of an asset are transferred to the lessee are classified as 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. Assets given out on financial leases are shown as finance lease receivables. 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 finance lease receivables.

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 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.

The Company presents mark to market on derivative transactions on a gross basis in accordance with the presentation requirements as set out in the Guidance Note on accounting for derivative contracts.

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.



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Taxation (continued)

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 at the 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.

Minimum alternate tax (MAT)

The Company recognises MAT credit available as an asset only to the extent that the Company, based on convincing 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 convincing evidence that it will be able to set off 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 embodying economic benefits 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 the 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.



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

as at 31 March 2018

(Currency: Indian Rupees in Lakhs)

	As at 31 March 2018	As at 31 March 2017
Note 3:		
SHARE CAPITAL		
AUTHORISED CAPITAL:		
5,269,333,333 (Previous year : 5,269,333,333) Equity shares of Rs.7.50 each	<u>395,200</u>	<u>395,200</u>
ISSUED, SUBSCRIBED AND FULLY PAID UP:		
3,857,727,031 (Previous year : 3,857,727,031) Equity shares of Rs.7.50 each	<u>289,330</u>	<u>289,330</u>
Reconciliation of the number of shares		
At the beginning of the year	3,857,727,031	3,857,727,031
Issued during the year	-	-
At the end of the year	<u>3,857,727,031</u>	<u>3,857,727,031</u>
Reconciliation of equity share capital		
At the beginning of the year	289,330	289,330
Issued during the year	-	-
At the end of the year	<u>289,330</u>	<u>289,330</u>
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.		
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 or ultimate holding Company		
Associates Financial Services (Mauritius) LLC	2,042,338,070	2,042,338,070
Citibank Overseas Investment Corporation	1,815,388,961	1,815,388,961
Details of shareholding more than 5% shares in the Company		
Associates Financial Services (Mauritius) LLC (% held 52.94 % (Previous Year: 52.94 %))	No. of shares 2,042,338,070	No. of shares 2,042,338,070
Citibank Overseas Investment Corporation (% held 47.06 % (Previous Year: 47.06 %))	1,815,388,961	1,815,388,961
Note 4:		
RESERVES AND SURPLUS		
Statutory reserve:		
(Created pursuant to Section 45-1C of the Reserve Bank of India Act, 1934)		
Opening balance	56,951	53,990
Add: Transfer from surplus in the statement of profit and loss	2,790	2,961
Closing balance	<u>59,741</u>	<u>56,951</u>
General reserve:		
Opening balance	3,674	3,674
Additions during the year	-	-
Closing balance	<u>3,674</u>	<u>3,674</u>



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

as at 31 March 2018

(Currency: Indian Rupees in Lakhs)

	As at 31 March 2018	As at 31 March 2017
Note 4:		
RESERVES AND SURPLUS (continued)		
Surplus in the statement of profit and loss:		
Opening balance	27,514	1,813
Add:		
Reversal of proposed dividend of previous year (Refer Note 24.18)	-	11,511
Reversal of provision for dividend distribution tax of previous year (Refer Note 24.18)	-	2,344
Amount carried forward from the statement of profit and loss	13,948	14,807
Less: Appropriations		
Transfer to statutory reserve	2,790	2,961
Closing balance	38,672	27,514
Total	102,087	88,139
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 24.4)	89,989	47,330
Long term maturities of finance lease obligation (Refer Note 24.7A)	8	8
Total	89,997	47,338
Note 6:		
OTHER LONG TERM LIABILITIES		
Franchisee and other liabilities	126	270
Cash profit on loan transfer transactions pending recognition	217	141
Interest accrued but not due on borrowings	3,592	2,790
Total	3,935	3,201
Note 7:		
LONG TERM PROVISIONS		
Provision for gratuity (Refer Note 24.11)	178	118
Provision for employee benefits	10	9
Contingent provision for standard assets (Refer Note 2.10)	630	445
Provision for non performing assets (Refer Note 2.10)	151	146
Total	969	718



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

as at 31 March 2018

(Currency: Indian Rupees in Lakhs)

	As at 31 March 2018	As at 31 March 2017
Note 8:		
SHORT TERM BORROWINGS		
SECURED (Refer Note 24.25A)		
Loans repayable on demand from banks	20,000	-
UNSECURED (Refer Note 24.25B)		
Loans repayable on demand from banks	675	1,689
Commercial paper	63,890	240,932
Inter Corporate Borrowings	145,000	26,600
Total	229,565	269,221

Note 9:

OTHER CURRENT LIABILITIES

Current maturities of secured non convertible redeemable debentures (refer note 24.4)	264,520	223,755
Current maturities of unsecured non convertible redeemable debentures (refer note 24.4)	-	130,000
Current maturities of finance lease obligations (Refer Note 24.7A)	6	13
Interest accrued but not due on borrowings	7,622	12,556
Interest collected but not earned on loans and advances	358	218
Dealer held disbursal and other liabilities	6,380	4,255
Statutory dues including employee benefit payable	1,224	212
Mark to market on derivatives	4,444	2,347
Collection payables on servicing portfolio	2,134	3,168
(Payable to related parties- Rs. 2,051 (Previous Year - Rs. 2,982))		
Cash profit on loan transfer transactions pending recognition	108	83
Total	286,796	376,607

Note 10:

SHORT TERM PROVISIONS

Provision for loan assignment	1,617	2,099
Provision for bonus	46	34
Provision for employee benefits	2	3
Provision for value added tax	3,228	3,223
Provision for litigations	1,294	1,247
Contingent provision for standard assets (Refer Note 2.10)	2,946	2,903
Total	9,133	9,509



Citicorp Finance (India) Limited

Notes to the financial statements (continued) as at 31 March 2018

(Currency: Indian Rupees in Lakhs)

Note 11:

Fixed assets (Continued)

As at 31 March, 2017

	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK		
	As at 1-Apr-16	Additions	Deletions/ Adjustments	As at 31-Mar-17	As at 1-Apr-16	For the year	Deductions/ Adjustments	As at 31-Mar-17	As at 31-Mar-16
Property, Plant and Equipment									
Building	61	-	-	61	22	-	-	22	39
Freehold land	5	-	-	5	-	-	-	-	5
Furniture and fixtures	53	-	24	29	41	3	24	20	9
Office equipments	120	10	-	130	70	16	-	86	44
Electrical installations	372	28	8	392	101	42	8	135	257
Computer equipments	453	37	-	490	391	47	-	438	52
Sub-Total	1,064	75	32	1,107	625	108	32	701	405
Assets taken on lease - Vehicles	113	15	-	128	89	17	-	106	22
Total (A)	1,177	90	32	1,235	714	125	32	807	427
Intangible assets (B)	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A+B)	1,177	90	32	1,235	714	125	32	807	427
Capital work-in-progress									463
									141
									83



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

as at 31 March 2018

(Currency: Indian Rupees in Lakhs)

Note 12:

NON-CURRENT INVESTMENTS

(Valued at cost unless stated otherwise)

IN ASSOCIATE COMPANIES (UNQUOTED)

IN EQUITY SHARES

India Infradebt Limited

87,000,000 (Previous year : 87,000,000) equity shares of Rs. 10/- each fully paid

8,700

8,700

SUB TOTAL

8,700

8,700

IN OTHER COMPANIES (UNQUOTED)

Rediff.com India Limited

192,720 (Previous year : 192,720) equity shares of Rs. 5/- each fully paid

868

868

Prime Telesystems Limited

784,570 (Previous year : 784,570) equity shares of Rs. 10/- each fully paid

480

480

Secova Eservices Private Limited

117,176 (Previous year : 117,176) equity shares of Rs. 10/- each fully paid

13

13

Tejas Networks Limited (Refer Note 24.26)

255,450 (Previous year : 255,450) equity shares of Rs. 10/- each fully paid

-

770

Grameen Capital India Private Limited

875,000 (Previous year : 875,000) equity shares of Rs. 10/- each fully paid

88

88

NSDL e-Governance Infrastructure Limited

1,250,000 (Previous year : 1,250,000) equity shares of Rs. 10/- each fully paid

1,644

1,644

Less: Provision for diminution in value

(1,422)

(2,111)

SUB TOTAL

1,671

1,752

IN DEBENTURES (UNQUOTED)

Primus Retail Private Limited

300,000 (Previous year : 300,000) 18% optionally convertible debentures of Rs. 1,000/- each

3,000

3,000

Less: Provision for diminution in value

(3,000)

(3,000)

SUB TOTAL

-

-

GRAND TOTAL

10,371

10,452

AGGREGATE COST OF UNQUOTED INVESTMENTS

14,793

15,563

AGGREGATE PROVISION FOR DIMINUTION IN THE VALUE OF INVESTMENTS

4,422

5,111



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

as at 31 March 2018

(Currency: Indian Rupees in Lakhs)

	As at 31 March 2018	As at 31 March 2017
Note 13:		
LONG TERM LOANS AND ADVANCES		
Secured and considered good		
Loans for commercial vehicles and construction equipments	20,778	11,901
Advance against financial assets and other loans	23,088	15,578
Finance lease receivables (Refer Note 24.7B)	1,331	2,157
(Finance lease to related parties- Rs. 1,331 (Previous Year : Rs. 2,157))		
Gross amount receivable from customers under hire purchase agreements	-	33
Less : Unearned hire purchase premium	-	(33)
	-	-
Unsecured and considered good		
Unsecured loans	112,226	96,923
Deposits	157	167
Prepaid expenses	88	102
Advance tax (net of provision Rs. 110,625 and includes MAT credit entitlement of Rs. 16,054) (Previous Year : net of provision Rs. 106,138 and includes MAT credit entitlement of Rs. 19,889)	31,727	35,454
Total	189,395	162,282

Note 14:

OTHER NON-CURRENT ASSETS

Unamortized costs (net)	2,816	2,105
Deposits with banks (maturity over 12 months)	444	-
(Deposit with related parties - Rs. 444 (Previous Year : Rs. Nil)) (Includes lien marked deposits of Rs 444 lacs (Previous Year: Nil) for securitization transactions executed in prior years)		
Interest accrued on fixed deposits	67	-
(Interest accrued from fixed deposits with related parties - Rs. 67 (Previous Year : Rs. Nil))		
Input tax credit	11,815	11,912
Provision for input tax credit	(11,490)	(11,906)
	325	7
Other deposits	527	623
Total	4,179	2,735

Note 15:

CURRENT INVESTMENT

QUOTED

IN EQUITY SHARES

Tejas Networks Limited (Refer Note 24.26)
255,450 (Previous year: 255,450) equity shares of Rs. 10/- each fully paid

770

-

IN COMMERCIAL PAPERS

Housing Development Finance Corporation Limited
2,500 (Previous year : Nil) of Face value Rs. 500,000/- each

12,135

-

L&T Infrastructure Finance Company Limited
Nil (Previous year : 2,000) of Face value Rs. 500,000/- each

9,675

L&T Fincorp Limited
Nil (Previous year : 2,500) of Face value Rs. 500,000/- each

12,071

IN CORPORATE BONDS

Housing Development Finance Corporation Limited
50 (Previous year : Nil) of Face value Rs. 10,000,000/- each

5,002

17,907

AGGREGATE COST OF QUOTED INVESTMENTS

17,915

AGGREGATE MARKET VALUE OF QUOTED INVESTMENTS

18,076



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

as at 31 March 2018

(Currency: Indian Rupees in Lakhs)

	As at 31 March 2018	As at 31 March 2017
Note 16:		
CASH AND BANK BALANCES		
A) Cash and cash equivalents*		
Cash on hand	-	3
Cheques on hand	47	308
Balance with banks		
- In current accounts	553	1,831
(Balances with related parties - Rs. 121 (Previous Year : Rs. 1,610))		
- In fixed deposits (with original maturity of less than 3 months)	10,476	18,308
(Fixed deposits with related parties - Rs. 10,476 (Previous Year : Rs. 18,308))		
B) Other bank balances		
- In fixed deposits# (Fixed deposits with related parties - Rs. 1,605 (Previous Year : Rs. 2,034))		
with original maturity of less than 3 months	247	-
with original maturity of more than 3 months but less than 12 months	1,431	2,103
-Margin money deposit		
with original maturity of less than 3 months	5,900	-
with original maturity of more than 3 months but less than 12 months	2,400	6,600
Total	21,054	29,153
(* Cash and cash equivalents meets the definition as per 'AS 3-Cash Flow Statements')		
#Includes lien marked deposits of Rs 1,605 lacs (Previous Year: Rs 1,997 lacs) for securitization transactions executed in prior years)		
Note 17:		
SHORT TERM LOANS AND ADVANCES		
Secured and considered good		
Loans for commercial vehicles and construction equipments	12,510	8,047
Advances against financial assets and other loans	361,156	402,240
Finance lease receivables (Refer Note 24.7B)	1,187	1,527
(Finance lease to related parties- Rs. 1,187 (Previous Year: Rs. 1,527))		
Unsecured and considered good		
Trade advances	71	122
Unsecured loans	362,019	411,412
Security deposits	-	50
Prepaid expenses	73	31
Other advances	18	12
Total	737,034	823,441
Note 18:		
OTHER CURRENT ASSETS		
Mark to market on derivatives	4,645	8,086
Interest accrued on loans and advances	7,435	10,353
Interest accrued on investments	181	-
Interest accrued on fixed deposits	154	144
(Interest accrued from fixed deposits with related parties - Rs. 75 (Previous Year : Rs. 88))		
Unamortized costs (net)	1,774	1,262
Debt issue costs	8	13
Margin money with exchanges	138	65
Other receivables	6,968	3,390
(Receivables from related parties - Rs. 6,843 (Previous Year : Rs. 2,588))		
Total	21,303	24,113



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

	31 March 2018	31 March 2017
Note 19:		
REVENUE FROM OPERATIONS		
INTEREST INCOME		
Interest on loans	68,546	74,009
Interest on fixed deposits	1,872	785
Interest on investments	365	660
Finance lease income	402	488
	<u>71,185</u>	<u>75,942</u>
OTHER FINANCIAL SERVICES		
Collection and sourcing fees	5,721	4,592
Gain on assignment	345	452
Other fees	77	292
	<u>6,143</u>	<u>5,336</u>
Total	<u><u>77,328</u></u>	<u><u>81,278</u></u>

Note 20:

OTHER INCOME

Dividend income		
- From Associates	252	-
- From others	81	81
Gain on sale of investments (net)	40	197
Gain on derivatives (net)	414	2,181
Bad debts recovered (net)	-	176
Reversal of provision for diminution in investments (net)	689	-
Profit on sale of fixed assets	-	4
Miscellaneous income	770	830
Total	<u><u>2,246</u></u>	<u><u>3,469</u></u>

Note 21:

EMPLOYEE BENEFITS EXPENSE

Salaries, wages and bonus	4,223	3,982
Contribution to provident fund and other funds	195	185
Gratuity (Refer Note 24.11)	118	59
Staff welfare expenses	42	60
Total	<u><u>4,578</u></u>	<u><u>4,286</u></u>



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018.

(Currency: Indian Rupees in Lakhs)

31 March 2018

31 March 2017

Note 22:

FINANCE COSTS

Interest on non convertible debentures	22,926	26,475
Interest on commercial paper	9,400	10,260
Interest on Inter-Corporate Borrowings	2,641	48
Interest on borrowings from banks	512	3,640
Interest on finance lease	6	6
Other interest	3	2
Total	35,488	40,431

Note 23:

OTHER EXPENSES

Rent	1,036	984
Premises maintenance costs	379	488
Rates and taxes	218	145
Bad debts written off (net)	812	-
Diminution, other than temporary, in the value of investments (net)	-	5
Provision for standard assets	227	1,164
Provision for litigations	143	48
Loss on MTM of current Investments	8	-
Loss on sale of fixed assets (net)	25	-
Bank charges	66	78
Brokerage	47	104
Distribution and placement fees	493	324
Credit rating and surveillance fees	176	137
Service bureau expenses	2,278	1,869
Fees and Commission	5,616	5,875
Technology and software expenses	1,876	1,680
Stamping / franking charges	316	420
Travelling and conveyance expenses	330	301
Telephone expenses	33	75
Professional and legal expenses	680	611
Collection expenses	1,386	956
HR processing charges	35	50
Payments to the auditors		
(a) statutory audit	54	59
(b) tax audit	8	9
(c) limited review	5	6
(d) reimbursement of expenses	3	1
Corporate social responsibility expenses (Refer Note 24.16)	635	575
Miscellaneous expenses	411	406
Total	17,296	16,375



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Note 24

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

Particulars	As at	As at
	31 March 2018	31 March 2017
Tax assessments	3,995	5,386
Customer litigations	587	661
Estimated amount of contracts remaining to be executed on capital account	185	207
Undrawn committed credit lines	1,215	640

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. 854 lakhs (Previous year: Rs.3,144 lakhs).

There were outstanding demands against the Company under Karnataka Value Added Tax Act, 2003, primarily on account of disallowance of input tax credit amounting to Rs. 1,702 lakhs (Previous year: Rs. 1,976 lakhs). During the year, these matters were heard before the Karnataka Appellate Tribunal and were remanded back to the Assessing Authority. However, the amount continues to be reported in contingent liability as the reassessment by the Assessing Authority is in progress. Out of this, we had made a pre-deposit of Rs. 270 lakhs in the previous years.

There are outstanding demands against the Company under Maharashtra Value Added Tax Act, 2002, primarily on account of levy of VAT on part purchase consideration received on account of "transfer of KPO Division" on slump sale basis amounting to Rs. 316 lakhs, out of which we had made a pre-deposit of Rs. 50 lakhs in the previous years (Previous year: Rs. 266 lakhs (excluding pre deposit of 50 Lakhs)).

There are outstanding demands against the Company under Finance Act,1994, primarily on account of adjustment of service tax paid in previous years and other miscellaneous issues amounting to Rs. 1.123 lakhs(Previous year: Nil). Out of this, we have made a pre-deposit of Rs. 49.59 lakhs in the current year.

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 for the above.

Further, there are few customers who have initiated legal proceedings against the Company for a total compensation demand of Rs. 587 lakhs (Previous year: Rs.661 lakhs). The Company believes that such demands are not tenable and are highly unlikely to be confirmed by higher authorities.



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

(2) Movement in provision is set out below:

Particulars	As at 1 April 2017	Created during the year	Utilized / Released during the year	As at 31 March 2018
Provision for NPA	146	502	497	151
Investments	5,111	-	689	4,422
Provision on assignment of asset portfolio	2,099	-	482	1,617
Provision for Input tax credit	11,906	-	416	11,490
Provision for Value Added Tax (VAT)#	3,223	5	-	3,228
Provision for litigation	1,247	241	194	1,294
Total	23,732	748	2,278	22,202

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

(3) Expenditure in foreign currency on accrual basis:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Technology and software expenses	977	1,312
Service Bureau Expenses	49	43
Fees & Commission	311	1,834
HR Processing fees	35	36
Total	1,372	3,225

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

A. Details of secured long term equity linked non-convertible redeemable debentures are as follows:

Series No	Maturity / Call Date	31 March 18	31 March 17	Series No	Maturity / Call Date	31 March 18	31 March 17
656 I	2-Mar-21	1,400	-	585 I	28-Jun-19	635	660
654 I	27-Jan-21	1,075	-	680 I	20-Jun-19	18,700	-
650 I	29-Dec-20	975	-	582 I	17-Jun-19	250	250
649 I	1-Dec-20	1,600	-	567 II	1-Jun-19	450	450
642 I	27-Oct-20	100	-	568 I	1-Jun-19	2,500	2,500
642 V	27-Oct-20	130	-	568 II	1-Jun-19	595	595
647 I	27-Oct-20	300	-	568 VI	1-Jun-19	350	350
647 II	27-Oct-20	50	-	639 IV	27-May-19	100	-
647 V	27-Oct-20	470	-	581 VII	6-May-19	2,500	2,500
647 VI	27-Oct-20	100	-	668 I	22-Apr-19	22,000	-
647 XI	27-Oct-20	50	-	672 I	22-Apr-19	3,900	-



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Series No	Maturity / Call Date	31 March 18	31 March 17	Series No	Maturity / Call Date	31 March 18	31 March 17
648 VI	27-Oct-20	100	-	674 I	22-Apr-19	10,000	-
638 I	29-Sep-20	400	-	681 I	22-Apr-19	2,325	-
638 II	29-Sep-20	100	-	633 VII	8-Apr-19	100	-
639 I	29-Sep-20	200	-	671 I	2-Apr-19	2,705	-
639 III	29-Sep-20	100	-	626 VIII	1-Apr-19	100	100
639 VI	29-Sep-20	250	-	630 II	1-Apr-19	300	300
640 I	29-Sep-20	1,450	-	632 II	1-Apr-19	100	100
640 II	29-Sep-20	125	-	562 I	19-Mar-19	-	1,080
641 I	29-Sep-20	600	-	561 I	27-Feb-19	-	1,700
641 II	29-Sep-20	250	-	620 IV	31-Jan-19	-	100
641 III	29-Sep-20	50	-	559 II	26-Jan-19	-	320
634 II	30-Aug-20	150	-	618 I	10-Jan-19	-	2,200
634 IV	30-Aug-20	100	-	557 I	28-Nov-18	-	500
636 II	30-Aug-20	650	-	556 I	27-Nov-18	-	300
636 IV	30-Aug-20	280	-	556 II	27-Nov-18	-	518
637 IV	30-Aug-20	100	-	553 II	30-Oct-18	-	410
637 VIII	30-Aug-20	100	-	553 III	30-Oct-18	-	379
635 V	25-Aug-20	776	-	554 II	30-Oct-18	-	870
633 I	5-Aug-20	50	-	554 III	30-Oct-18	-	310
632 I	29-Jul-20	400	400	603 I	28-Oct-18	-	100
626 I	28-Jul-20	210	210	604 I	28-Oct-18	-	160
628 II	22-Jul-20	876	876	551 II	2-Oct-18	-	530
623 I	27-Jun-20	200	200	551 IV	2-Oct-18	-	240
620 I	13-Jun-20	175	175	596 I	27-Sep-18	-	100
604 IV	29-Feb-20	50	50	600 I	27-Sep-18	-	50
604 VIII	29-Feb-20	500	500	629 I	24-Sep-18	-	2,500
604 IX	29-Feb-20	100	100	550 II	19-Sep-18	-	100
602 II	28-Jan-20	300	300	549 II	12-Sep-18	-	480
602 III	28-Jan-20	150	150	547 II	28-Aug-18	-	485
602 IV	28-Jan-20	100	100	548 II	28-Aug-18	-	722
596 II	25-Jan-20	300	300	586 II	3-Jul-18	-	100
596 III	25-Jan-20	200	200	632 VII	2-Jul-18	-	2,925
600 II	25-Jan-20	260	260	596 VI	1-Jul-18	-	50
600 III	25-Jan-20	240	240	544 I	28-Jun-18	-	100
592 III	31-Dec-19	300	350	585 II	28-Jun-18	-	250
593 II	31-Dec-19	100	100	582 II	17-Jun-18	-	100
593 III	31-Dec-19	200	200	540 I	30-May-18	-	195
594 III	31-Dec-19	50	50	541 I	30-May-18	-	480
591 II	6-Dec-19	700	700	541 II	30-May-18	-	225
580 I	30-Nov-19	160	210	594 II	3-May-18	-	100
580 III	30-Nov-19	375	425	581 VIII	2-May-18	-	300
581 I	30-Nov-19	200	200	582 III	2-May-18	-	100
581 II	30-Nov-19	200	200	586 III	2-May-18	-	100
581 III	30-Nov-19	350	450	604 VI	2-May-18	-	100
578 I	26-Oct-19	555	605	604 VII	2-May-18	-	500
578 II	26-Oct-19	50	50	604 X	2-May-18	-	200
578 III	26-Oct-19	750	750	608 II	2-May-18	-	100
579 I	26-Oct-19	250	250	539 II	1-May-18	-	155



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Series No	Maturity / Call Date	31 March 18	31 March 17	Series No	Maturity / Call Date	31 March 18	31 March 17
579 II	26-Oct-19	150	150	585 III	1-May-18	-	200
579 III	26-Oct-19	280	330	626 VI	30-Apr-18	-	50
589 I	30-Jul-19	460	460	632 VI	30-Apr-18	-	200
576 V	30-Jul-19	-	100	632 V	29-Apr-18	-	330
574 IV	14-Jul-19	100	100	630 III	28-Apr-18	-	200
571 IV	29-Jun-19	100	100	626 III	15-Apr-18	-	150
571 VI	29-Jun-19	300	450	626 IV	15-Apr-18	-	150
572 V	29-Jun-19	200	300	537 I	10-Apr-18	-	627
572 VII	29-Jun-19	200	200	627 I	5-Apr-18	-	6,500
592 I	29-Jun-19	100	100				
Total						89,882	47,337

B. Details of secured current equity linked non-convertible redeemable debentures are as follows:

Series No	Maturity / Call Date	31 March 18	31 March 17	Series No	Maturity / Call Date	31 March 18	31 March 17
562 I	19-Mar-19	1,080	-	535 II	31-Mar-18	-	250
669 I	4-Mar-19	925	-	536 III	31-Mar-18	-	175
561 I	27-Feb-19	1,700	-	536 IV	31-Mar-18	-	305
620 IV	31-Jan-19	100	-	576 I	31-Mar-18	-	100
656 II	28-Jan-19	16,250	-	576 III	31-Mar-18	-	350
658 I	28-Jan-19	5,000	-	623 V	31-Mar-18	-	100
660 I	28-Jan-19	800	-	536 I	27-Mar-18	-	25
664 I	28-Jan-19	600	-	623 III	25-Mar-18	-	225
665 I	28-Jan-19	10,000	-	625 V	24-Mar-18	-	800
559 II	26-Jan-19	320	-	623 VII	16-Mar-18	-	400
618 I	10-Jan-19	2,200	-	622 I	10-Mar-18	-	1,300
652 I	7-Dec-18	10,000	-	621 II	9-Mar-18	-	1,000
653 I	7-Dec-18	3,500	-	621 III	9-Mar-18	-	1,000
557 I	28-Nov-18	500	-	620 II	2-Mar-18	-	50
556 I	27-Nov-18	300	-	532 II	27-Feb-18	-	330
556 II	27-Nov-18	518	-	533 II	27-Feb-18	-	175
553 II	30-Oct-18	385	-	621 I	22-Feb-18	-	6,500
553 III	30-Oct-18	354	-	619 I	4-Feb-18	-	10,000
554 II	30-Oct-18	870	-	529 II	31-Jan-18	-	655
554 III	30-Oct-18	310	-	530 II	31-Jan-18	-	585
603 I	28-Oct-18	100	-	531 II	31-Jan-18	-	370
604 I	28-Oct-18	160	-	529 IV	13-Jan-18	-	10,010
551 II	2-Oct-18	505	-	577 I	31-Dec-17	-	3,000
551 IV	2-Oct-18	240	-	611 I	30-Dec-17	-	8,500
600 I	27-Sep-18	50	-	519 I	29-Dec-17	-	505
629 I	24-Sep-18	2,500	-	526 III	29-Dec-17	-	260
550 II	19-Sep-18	100	-	526 IV	29-Dec-17	-	745
549 II	12-Sep-18	325	-	527 II	29-Dec-17	-	635
547 II	28-Aug-18	405	-	600 IV	28-Dec-17	-	50
548 II	28-Aug-18	657	-	602 V	28-Dec-17	-	-
642 IV	30-Jul-18	50	-	608 I	15-Dec-17	-	1,500
647 VIII	30-Jul-18	200	-	609 I	15-Dec-17	-	700



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Series No	Maturity / Call Date	31 March 18	31 March 17	Series No	Maturity / Call Date	31 March 18	31 March 17
647 IX	30-Jul-18	200	-	607 I	9-Dec-17	-	10,000
647 IV	30-Jul-18	1,550	-	525 IV	30-Nov-17	-	310
648 IV	30-Jul-18	200	-	592 IV	30-Nov-17	-	310
648 VII	30-Jul-18	300	-	593 IV	30-Nov-17	-	200
643 VII	16-Jul-18	7,700	-	524 III	28-Nov-17	-	510
626 IV	2-Jul-18	150	-	525 III	28-Nov-17	-	630
632 VII	2-Jul-18	2,925	-	603 II	26-Nov-17	-	50
639 V	2-Jul-18	200	-	603 III	26-Nov-17	-	170
640 V	2-Jul-18	200	-	604 III	26-Nov-17	-	730
640 IV	2-Jul-18	50	-	604 V	26-Nov-17	-	100
641 IV	2-Jul-18	100	-	605 I	25-Nov-17	-	500
641 V	2-Jul-18	100	-	524 II	24-Nov-17	-	1,005
641 VIII	2-Jul-18	215	-	601 I	28-Oct-17	-	10,000
596 VI	1-Jul-18	50	-	521 I	28-Sep-17	-	335
641 VII	30-Jun-18	500	-	522 I	28-Sep-17	-	955
641 IX	30-Jun-18	850	-	585 IV	28-Sep-17	-	100
544 I	28-Jun-18	100	-	595 I	23-Sep-17	-	700
585 II	28-Jun-18	250	-	594 I	16-Sep-17	-	500
638 IV	11-Jun-18	2,000	-	551 I	27-Aug-17	-	165
633 V	6-Jun-18	120	-	549 I	13-Aug-17	-	325
540 I	30-May-18	170	-	589 III	13-Aug-17	-	150
541 I	30-May-18	455	-	590 III	13-Aug-17	-	8,350
541 II	30-May-18	225	-	516	29-Jul-17	-	545
630 III	30-May-18	200	-	518	29-Jul-17	-	620
632 V	30-May-18	330	-	547 I	27-Jul-17	-	475
635 VI	30-May-18	220	-	548 I	27-Jul-17	-	490
625 I	27-May-18	200	200	581 VI	8-Jul-17	-	1,000
625 II	27-May-18	550	550	584 III	8-Jul-17	-	500
633 III	7-May-18	200	-	583 I	7-Jul-17	-	6,750
633 IV	7-May-18	200	-	581 IV	4-Jul-17	-	5,750
633 VIII	7-May-18	200	-	582 IV	4-Jul-17	-	400
594 II	3-May-18	100	-	576 II	2-Jul-17	-	620
581 VIII	2-May-18	300	-	576 IV	29-Jun-17	-	450
582 III	2-May-18	100	-	512	28-Jun-17	-	815
586 III	2-May-18	100	-	575 IV	21-Jun-17	-	500
604 VI	2-May-18	100	-	580 IV	7-Jun-17	-	400
604 VII	2-May-18	500	-	580 V	7-Jun-17	-	100
608 II	2-May-18	100	-	509	30-May-17	-	760
539 II	1-May-18	155	-	571 II	24-May-17	-	200
585 III	1-May-18	200	-	571 III	24-May-17	-	200
626 VI	30-Apr-18	50	-	572 II	24-May-17	-	100
632 VI	30-Apr-18	200	-	542 I	14-May-17	-	510
626 III	15-Apr-18	150	-	579 V	13-May-17	-	500
537 I	10-Apr-18	627	-	505	29-Apr-17	-	260
627 I	5-Apr-18	6,500	-	575 I	20-Apr-17	-	1,600
Total						90,896	111,255



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

C. Details of secured current non-convertible redeemable debentures are as follows:

Series No	Interest rate	Maturity / Call Date	31-Mar-18	31-Mar-17
677 I	8.30%	12-Sep-18	15,000	-
676 I	8.40%	7-Sep-18	10,000	-
675 I	8.40%	6-Sep-18	50,000	-
681 II	7.75%	20-Jul-18	15,000	-
663 I	7.70%	14-Jun-18	17,500	-
679 I	8.25%	14-Jun-18	60,000	-
678 I	7.90%	13-Jun-18	3,500	-
641 X	7.30%	31-May-18	2,000	-
673 I	7.50%	31-May-18	500	-
577 IV	8.95%	30-Jun-17	-	15,000
632 IX	7.70%	29-Jun-17	-	25,000
631 I	7.25%	27-Jun-17	-	20,000
630 IV	7.70%	23-Jun-17	-	25,000
628 I	7.50%	22-Jun-17	-	25,000
624 I	7.10%	6-Jun-17	-	2,500
Total			173,500	112,500

D. Details of unsecured current non-convertible redeemable debentures are as follows:

Series No	Interest rate	Maturity / Call Date	31-Mar-18	31-Mar-17
626 IX	7.25%	16-Jun-17	-	50,000
615 I	7.35%	23-May-17	-	50,000
610 I	7.10%	11-Apr-17	-	30,000
Total			-	130,000

(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 2018	31 March 2017
Total number of loan assets assigned during the year (Nos)	1,222	1,359
Total amount of exposures retained by the Company to comply with MRR	2,298	1,957
Total book value of loan assets assigned	22,512	19,816
Sale consideration received for the assigned assets	22,774	19,957
Gain on account of assigned assets	294	136
Gains amortized during the year as per the RBI guidelines (includes gains amortized of previous years assignment)	193	272



Citicorp Finance (India) Limited

Notes to the financial statements *(continued)*

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

(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: Advance against Financial Assets (AAFA), Corporate loans, Treasury and Others which include Equipment Finance and Personal loans.

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 and service charges.

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.

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.

Other Retail Loans include Equipment Finance and Personal loan portfolio. Equipment Finance provides services in the form of loans for the purchase of commercial vehicles, construction equipment 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 assignment etc. Personal loan portfolio bought during the year is unsecured loan given to individuals.

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.



Citicorp Finance (India) Limited

Notes to the financial statements (continued) for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Summary of the segments for the year ended 31 March 2018

	AAFA		Corporate Loans		Treasury		Other Retail Loans		Unallocated		Total	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Revenue												
Segment revenue	29,779	30,525	24,345	34,913	3,570	3,895	20,788	14,398	1,092	1,016	79,574	84,747
Inter-segment revenues	(15,772)	(16,038)	(12,829)	(18,633)	35,210	38,938	(6,609)	(4,267)	-	-	-	-
TOTAL REVENUE	14,007	14,487	11,516	16,280	38,780	42,833	14,179	10,131	1,092	1,016	79,574	84,747
Result												
Segment result	11,007	11,402	9,948	14,732	1,330	(396)	3,105	1,827	(3,300)	(4,030)	22,090	25,535
Income tax	-	-	-	-	-	-	-	-	(8,310)	(5,797)	(8,310)	(5,797)
Deferred tax	-	-	-	-	-	-	-	-	168	(2,931)	168	(2,931)
Net segment result	11,007	11,402	9,948	14,732	1,330	(396)	3,105	1,827	(11,442)	(12,758)	13,948	14,807
Other information (relating to the current period)												
Capital expenditure	-	-	-	-	-	-	212	105	20	43	232	148
Depreciation	-	-	-	-	2	0	30	21	90	104	122	125
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	-	-	-	-	-	5	896	-	(84)	-	812	5
Capital employed as at												
Segment assets	321,929	385,212	416,467	440,657	65,755	71,202	208,319	138,924	4,496	53,396	1,016,966	1,089,391
Segment liabilities	(2,812)	(4,369)	(3,252)	(1,747)	(599,594)	(688,985)	(14,633)	(12,232)	(5,268)	(4,589)	(625,549)	(711,922)
Net segment assets/(liabilities)	319,117	380,843	413,215	438,910	(533,829)	(617,783)	193,686	126,692	(772)	48,807	391,417	377,469



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

(7) Leases

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

Particulars	As at 31 March 2018	As at 31 March 2017
Net carrying value of the assets as at the date of balance sheet	14	21
Total of minimum lease payments as at the balance sheet date		
• Not later than one year	8	15
• Later than one year and not later than five years	10	10
Total	18	25
Present value of minimum lease payments as at the balance sheet date		
• Not later than one year	6	13
• Later than one year and not later than five years	8	8
Total	14	21

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

Particulars	As at 31 March 2018	As at 31 March 2017
Gross investment as at the date of balance sheet		
• Not later than one year	1,419	1,891
• Later than one year and not later than five years	1,474	2,431
Total	2,893	4,322
Present value of minimum lease payments as at the balance sheet date		
• Not later than one year	1,187	1,527
• Later than one year and not later than five years	1,331	2,157
Total	2,518	3,684
Unearned finance charges	375	638
Unguaranteed residual value	-	-
Accumulated provision for minimum lease payment receivable	-	-

There are no provisions relating to contingent rent.



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(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. There is no dilution to the basic earnings per share as there are no dilutive potential equity shares.

Particulars	31 March 2018	31 March 2017
Profit available to equity shareholders (A)		
Profit after tax	13,948	14,807
Weighted average number of equity shares		
Number of shares at the beginning of the year	3,857,727,031	3,857,727,031
Shares issued during the year	-	-
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)]	0.36	0.38

(9) Deferred tax

The breakup of deferred tax assets is as under:

Particulars	As at 31 March 2018	As at 31 March 2017
Deferred tax assets:		
a. Provision for doubtful assets / valuation loss / assignment	6,386	6,510
b. WDV of fixed assets as per tax	5,135	6,009
c. Disallowance of expenses	1,293	1,268
d. Unrealized losses on derivatives	1,538	482
e. Lease rental payable	5	7
f. Interest accrued but not due on debentures	3,305	4,143
Subtotal (A)	17,662	18,419
Deferred tax liabilities		
a. WDV of fixed assets as per books	115	148
b. Unrealized gain on derivatives	1,607	2,095
c. Lease rental receivable	871	1,275
Subtotal (B)	2,593	3,518
Total (A-B)	15,069	14,901

The Company is of view that there is reasonable certainty of earning taxable profits in the near future and hence deferred tax assets of Rs. 15,069 lakhs is being recognised in the books of accounts (In the previous year, the Company, based on reasonable certainty, had recognised deferred tax assets of Rs. 14,901 lakhs).



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

(10) Derivatives

Quantitative disclosure for derivative instruments

Particulars	As at	As at
	31 March 2018	31 March 2017
Derivatives (notional principal amount)		
Futures and options:		
Equity and Index (net of long and (short))	61,964	43,472

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

(11) Disclosure pursuant to Accounting Standard – 15 (Revised) "Employee Benefits"

A. Defined Contribution Plan

Amount of Rs. 195 lakhs (Previous year: Rs. 185 lakhs) is recognised as an expense for provident fund and superannuation fund included in "Employee Benefits"

B. 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 2018	31 March 2017
Change in obligations		
Present value of defined benefits obligations at the beginning of the year	421	395
Employer service cost	41	40
Plan amendments	59	(1)
Interest cost	27	28
Acquisitions cost/(credit)	-	-
Actuarial (gains) / losses	15	14
Settlement cost	-	-
Actual benefits payments	(51)	(55)
Present value of defined benefits obligations at the end of the year (A)	512	421
Change in plan assets		
Plan assets as at the beginning of the year	303	255
Expected return on plan assets	26	23
Actual company contributions	59	80
Actual benefits payments	(51)	(55)
Actuarial gain / (losses)	(3)	-
Plan assets at the end of the year (B)	334	303



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(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	512	421
Fair value of plan assets as at the end of the year	334	303
Net liability recognized in the balance sheet (B-A)	(178)	(118)

Particulars	31 March 2018	31 March 2017
Components of employer expense		
Current services cost	41	39
Interest cost	27	30
Expected return on assets	(26)	(23)
Past service cost	59	(1)
Settlement cost/ (credit)	-	-
Actuarial (gains) and losses	17	14
Net cost recognized in the Profit and loss account	118	59
Assumptions		
Discount rate	7.40%	6.80%
Expected return on assets	8.50%	8.50%
Salary escalation rate	10.00%	10.00%
Withdrawal rate	15.00%	15.00%
Mortality	LIC (2006-08) ultimate	LIC (2006-08) ultimate

Particulars	31 March 2018	31 March 2017	31 March 2016	31 March 2015	31 March 2014
Experience history					
Defined benefit obligation at the end of the period	(512)	(421)	(395)	(379)	(365)
Plan assets at the end of the period	334	303	255	308	361
Funded status	(178)	(118)	(140)	(71)	(4)
Experience gain/ (loss) adjustments on plan liabilities	(34)	6	-	(22)	24
Experience gain/ (loss) adjustments on plan assets	(3)	-	(1)	(7)	-
Actuarial gain / (loss) due to change of assumptions	19	(20)	(42)	(32)	31

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

Notes to the financial statements *(continued)*

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

(12) Related party disclosures

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

Related parties as per AS 18 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

Citibank Korea Inc.

Citibank Europe plc. and its branches

Citigroup Technology Inc.

Citigroup Transaction Services M Sdn Bhd

Citigroup Global Markets Asia Limited

Citicorp Services India Private Limited

Citicorp Investment Bank Singapore Limited

Citigroup Global Markets Hong Kong Limited

Citigroup Global Markets Singapore PTE Limited

Citibank (China) Co. Ltd.

Citigroup Global Markets Deutschland AG

Citibank Japan Ltd.

C. Associates

India Infradebt Limited

D. Key Management Personnel

Rohit Ranjan (Joint Managing Director)

Priti Goel (Joint Managing Director)



Citicorp Finance (India) Limited

Notes to the financial statements (continued) for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Related party disclosures (continued)

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

Nature of Related party transaction	Holding Companies and companies exercising control		Associates		Fellow Subsidiaries		
	Citibank N.A. and its branches		India Infradebt Limited		Citicorp Services India Ltd		Other Fellow Subsidiaries
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-17
Asset given on lease	629	1,376	-	-	298	869	86
Lease rentals received for assets given on lease	1,225	1,357	-	-	603	636	44
Fixed deposits placed	1,545,171	383,078	-	-	-	-	-
Fixed deposits matured	1,551,817	382,745	-	-	-	-	-
Inter Corporate Borrowings taken	-	-	-	-	181,000	-	-
Inter Corporate Borrowings repaid	-	-	-	-	78,500	-	-
Loans taken	1,481,900	6,520,600	-	-	-	-	-
Loans repaid	1,481,900	6,520,600	-	-	-	-	-
Loan portfolio purchase personal loan	135,078	127,545	-	-	-	-	-
Loan portfolio purchase domestic trade finance	123,296	58,588	-	-	-	-	-
Loan portfolio sale	22,774	19,957	-	-	-	-	-
Net movement in bank accounts	475	403	-	-	-	-	-
Distribution and Placement Fees paid	464	324	-	-	-	-	-
Rent paid	595	606	-	-	19	23	19



Citicorp Finance (India) Limited

Notes to the financial statements (continued) for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Nature of Related party transaction	Holding Companies and companies exercising control		Associates		Fellow Subsidiaries		
	Citibank N.A. and its branches		India Infradebt Limited		Citicorp Services India Ltd		Other Fellow Subsidiaries
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-17
Rent recovered	-	-	-	-	-	148	-
Fee for HR & ICU Service earned	-	-	-	-	-	3	-
HR Related Expenses incurred	35	36	-	-	13	19	-
Interest paid on borrowings and overdraft	447	2,483	-	-	841	-	-
Bank Charges paid	24	34	-	-	-	-	-
Interest received on fixed deposits	1,512	363	-	-	-	-	-
Sourcing and Collection Fees earned	5,710	4,580	-	-	-	-	-
Fees and Commission (includes secondment charges for joint managing directors)	5,310	3,965	-	-	-	5	1,458
Secondment charges earned	482	486	-	-	-	-	-
Technology & Software expenses incurred	648	959	-	-	230	217	219
Collection Expenses incurred	675	271	-	-	-	-	-
Expense processing fees incurred	49	43	-	-	-	-	-
Compliance Services	-	-	-	-	-	14	-
Equity Dividend Received	-	-	252	-	-	-	-



Citicorp Finance (India) Limited

Notes to the financial statements (continued) for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Related party disclosures (continued)

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

Nature of Related party outstanding balances	Holding Companies and companies exercising control		Fellow Subsidiaries	
	Citibank N.A. and its branches		Citicorp Services India Ltd	Other Fellow Subsidiaries
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Assets				
Finance lease principal receivable	1,608	2,410	853	57
Other receivables	5,251	2,414	209	37
Fixed deposits	12,526	20,342	-	-
Interest accrued on fixed deposits	142	88	-	-
Bank Balances	121	1,610	-	-
Liabilities				
Inter Corporate Borrowings	-	-	102,500	-
Interest payable on Inter Corporate borrowings	-	-	293	-
Trade payables	3,281	3,082	115	44
Other Liabilities	2,051	2,982	-	-
Loans repayable on demand from banks (overdraft)	675	1,689	-	-



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

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

Particulars	31 March 2018	31 March 2017
Equity-futures and options	1,445	(4,662)

(14) 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 2018	31 March 2017
Principal amount remaining unpaid to any supplier as at the year end	-	59
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	181	-
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	3	2
Amount of interest accrued and remaining unpaid at the end of the accounting year	11	10

(15) The Company has not accepted deposits within the meaning of 'Public Deposits' as defined in the prudential norms issued by the RBI.

(16) Corporate social responsibility expense

Particulars	31 March 2018	31 March 2017
Gross amount required to be spent during the year	635	579
Amount spent during the year	-	-
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	-	-
In cash	635	141
Yet to be paid in cash	-	*434
Total	635	575

* Payment initiated on 31st March 2017, cleared on 4th April 2017



Citicorp Finance (India) Limited

Notes to the financial statements *(continued)*

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

(17) Details of Specified Bank Notes (SBN) held and transacted during the period from 8 November 2016 to 30 December 2016

(Rs. as Actuals)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	10,500	208	10,708
(+) Permitted receipts	-	2,195,243	2,195,243
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	10,500	2,091,607	2,102,107
Closing cash in hand as on 30.12.2016	-	103,844	103,844

(18) During the previous year, the Company had reversed provision for proposed dividend and dividend distribution tax pertaining to financial year 2015-16 amounting to Rs. 13,855 lakhs at the instance of shareholders in the Annual General Meeting held on 29 August 2016.

(19) Other expenses – fees and commission include transfer pricing fees amounting to Rs. 3,105 lakhs (Previous year: Rs. 4,616 lakhs) paid/ accrued to affiliates. These fees are based on refinements in the transfer pricing model which has been effective April 1, 2016. The refined model is aimed at simplifying and standardizing country and intercompany reporting while properly recognizing and rewarding components of the value chain through net revenue allocation for respective country locations and legal entities.

(20) Figures for the previous year have been re-grouped wherever necessary, to confirm to current year's classification.



Citicorp Finance (India) Limited

Notes to the financial statements (continued) for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

(21) Details of Loan Assets subjected to Restructuring as at 31 March 2018

SL. No	Type of Restructuring		Standard		Others		Total
	Asset Classification Details		Standard	Sub Standard	Doubtful	Loss	
1	Restructured Accounts as on 1 April of the FY (opening figures)	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
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	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
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	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
7	Restructured Accounts as on March 31 of the FY (closing figures)	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-

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



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

- (22) In accordance with the RBI notification No. RBI/DNBS/2016-17/49 Master Direction DNBS.PPD.01/66.15.001/2016-17 dated September 29, 2016, Rs. 13.50 lakhs of fraud was detected and reported during the financial year ended 31 March 2018 (Previous year: Rs. 0.47 lakhs).
- (23) In accordance with Master Direction DNBR.PD.008/03.10.119/2016-17 dated September 1, 2016 – Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, the Company did not enter into any credit default swaps during the year ended 31 March 2018 (Previous year: Nil).
- (24) In accordance with Master Direction DNBR.PD.008/03.10.119/2016-17 dated September 1, 2016 – Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, the Company has not lent against gold jewellery during the year ended 31 March 2018 (Previous year: Nil).

(25) Short Term Borrowings

A. Secured Borrowings

i. Working Capital Demand Loan from Banks

Particulars	As at 31 March 2018	As at 31 March 2017
Tenure (from the date of the Balance Sheet)	Maturing within 1 year	NA
Rate Range	9.60%	NA
Total Outstanding Balance	20,000	-

The above loan is secured by a pari passu charge on the movable financial assets.

B. Unsecured Borrowings

i. Cash Credit Facility from Banks

Particulars	As at 31 March 2018	As at 31 March 2017
Tenure (from the date of the Balance Sheet)	Maturing within 1 year	Maturing within 1 year
Rate Range	13.50%	13.50%
Total Outstanding Balance	675	1,689

Loans from related parties- Rs. 675 lakhs (Previous Year: Rs. 1,689 lakhs)



Citicorp Finance (India) Limited

Notes to the financial statements *(continued)*

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

ii. Commercial Paper

Particulars	As at	As at
	31 March 2018	31 March 2017
Tenure (from the date of the Balance Sheet)	Maturing within 1 year	Maturing within 1 year
Discount Rate (Range)	6.98% to 7.90%	6.67% to 7.30%
Total Outstanding Balance	65,000	245,000
Less: Unamortised Cost	1,110	4,068
Net Outstanding Balance	63,890	240,932

iii. Inter Corporate Borrowings

Particulars	As at	As at
	31 March 2018	31 March 2017
Tenure (from the date of the Balance Sheet)	Maturing within 1 year	Maturing within 1 year
Rate Range	6.50% to 7.50%	6.20% to 6.50%
Total Outstanding Balance	145,000	26,600

Loans from related parties- Rs. 102,500 lakhs (Previous Year: Rs. Nil)

- (26) During June 2017, Tejas Networks Ltd made a public offer and got listed on the stock exchange. Given that these equity shares are now marketable, the Company has reclassified the investment from non-current investment to current investment w.e.f. October 1, 2017 by virtue of a board resolution passed on November 15, 2017. Further, since the market value of the investment is greater than the initial investment amount as on the balance sheet date, provision of Rs. 689 lakhs, created earlier, has been reversed in the current year.



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

(27) Additional NBFC disclosures

- a) As required in terms of paragraph 18 of RBI/DNBR/2016-17/45 - Master Direction DNBR.PD.008/03.10.119/2016-17 dated September 1, 2016 – Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

Particulars		31 March 2018		31 March 2017	
Liabilities side :					
(1)	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
	(a) Debentures : Secured	354,509	Nil	271,085	Nil
	: Unsecured	Nil	Nil	130,000	Nil
	(other than falling within the meaning of public deposits*)				
	(b) Deferred Credits	Nil	Nil	Nil	Nil
	(c) Term Loans	Nil	Nil	Nil	Nil
	(d) Inter-corporate loans and borrowings	145,000	Nil	26,600	Nil
	(e) Commercial Paper	63,890	Nil	240,932	Nil
	(f) Other Loans – WCDL	20,000	Nil	Nil	Nil
	(g) Other Loans – Cash Credit	675	Nil	1,689	Nil
	(h) Other Loans – Finance Lease Obligation	14	Nil	21	Nil
	* Please see Note 1 below				
Assets side :		Amount outstanding			
(2)	Break-up of Loans and Advances including bills receivables [other than those included in (3) below] :	31 March 2018		31 March 2017	
	(a) Secured	384,244		417,819	
	(b) Unsecured	474,316		508,458	
(3)	Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities	31 March 2018		31 March 2017	
	(i) Lease assets including lease rentals under sundry debtors :				
	(a) Finance lease	2,518		3,684	
	(b) Operating lease	Nil		Nil	
	(ii) Stock on hire including hire charges under sundry debtors:				
	(a) Assets on hire	Nil		Nil	
	(b) Repossessed Assets	Nil		Nil	
	(iii) Other loans counting towards AFC activities				
	(a) Loans where assets have been repossessed	19		25	
	(b) Loans other than (a) above	33,270		19,923	



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

(27) a) Additional NBFC disclosures (continued)

	Particulars	
	Assets side :	Amount outstanding
(4)	Break-up of Investments :	
	Current Investments :	31 March 2018 31 March 2017
	1. <u>Quoted :</u>	
	(i) Shares : (a) Equity	770 Nil
	(b) Preference	Nil Nil
	(ii) Debentures and Bonds	5,002 Nil
	(iii) Units of mutual funds	Nil Nil
	(iv) Government Securities	Nil Nil
	(v) Others – Commercial Paper	12,135 21,746
	2. <u>Unquoted :</u>	
	(i) Shares : (a) Equity	Nil Nil
	(b) Preference	Nil Nil
	(ii) Debentures and Bonds	Nil Nil
	(iii) Units of mutual funds	Nil Nil
	(iv) Government Securities	Nil Nil
	(v) Others – Commercial paper	Nil Nil
	Long Term Investments :	
	1. <u>Quoted :</u>	
	(i) Shares : (a) Equity	Nil Nil
	(b) Preference	Nil Nil
	(ii) Debentures and Bonds	Nil Nil
	(iii) Units of mutual funds	Nil Nil
	(iv) Government Securities	Nil Nil
	(v) Others	Nil Nil
	2. <u>Unquoted :</u>	
	(i) Shares : (a) Equity	10,371 10,452
	(b) Preference	Nil Nil
	(ii) Debentures and Bonds	Nil Nil
	(iii) Units of mutual funds	Nil Nil
	(iv) Government Securities	Nil Nil
	(v) Others	Nil Nil



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

(27) a) Additional NBFC disclosures (continued)

Particulars						
Assets side :		Amount outstanding				
(5) Borrower group-wise classification of assets financed as in (2) and (3) above :Refer note 2 below						
Category	Amount net of provisions					
	31 March 2018			31 March 2017		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties **						
(a)Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
(b)Companies in the same group	2,518	35,540	38,058	3,684	44,963	48,647
(c)Other related parties	Nil	Nil	Nil	Nil	Nil	Nil
2. Other than related parties	417,466	438,693	856,159	437,649	463,467	901,116
Total	419,984	474,233	894,217	441,333	508,430	949,763
(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	31 March 2018		31 March 2017			
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)		
1. Related Parties **						
(a)Subsidiaries	Nil	Nil	Nil	Nil	Nil	
(b)Companies in the same group	Nil	Nil	Nil	Nil	Nil	
(c)Other related parties	14,174	8,700	12,413	8,700		
2. Other than related parties***	19,651	19,578	23,039	23,499		
Total	33,825	28,278	35,452	32,199		
** As per Accounting Standard 18 (Please see Note 3)*** Refer note 4						
Other information						
			31 March 2018	31 March 2017		
(i) Gross Non-Performing Assets						
(a)Related parties			Nil	Nil		
(b)Other than related parties			407	296		
(ii) Net Non-Performing Assets						
(a) Related parties			Nil	Nil		
(b) Other than related parties			256	150		
(iii) Assets acquired in satisfaction of debt			Nil	Nil		



Citicorp Finance (India) Limited

Notes to the financial statements *(continued)*

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

(27) a) Additional NBFC disclosures *(continued)*

Notes:

- 1 As defined in point six of paragraph 3 of Chapter -2 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
- 2 Provisioning norms shall be applicable as prescribed in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
- 3 All Accounting Standards prescribed in the Companies (Accounts) Rules, 2014 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 point (4) above.
- 4 The break-up value or NAV of investments are arrived based on the audited financial statements for the year ended 31 March 2017 as the latest audited financial statements are not available

(27) Additional NBFC disclosures

- b) In accordance with Master Direction DNBR.PD.008/03.10.119/2016-17 dated September 1, 2016 – Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

i. CRAR

Items	31 March 2018	31 March 2017
i) CRAR (%)	39.01	34.44
ii) CRAR - Tier I capital (%)	38.63	34.10
iii) CRAR - Tier II Capital (%)	0.38	0.34
iv) Amount of subordinated debt raised as Tier-II capital	Nil	Nil
v) Amount raised by issue of Perpetual Debt Instruments	Nil	Nil



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

(27) b) Additional NBFC disclosures (continued)

ii. Exposures

Exposure to Real Estate Sector

Category		31 March 2018	31 March 2017
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;	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	Nil
(iii)	Investments in Mortgage Backed Securities (MBS) and other securitized 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
	Total Exposure to Real Estate Sector	Nil	Nil

Exposure to Capital Market

Particulars		31 March 2018	31 March 2017
(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;	11,142	10,452
(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;	299,722	377,819
(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	310,864	388,271



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

(27) b) Additional NBFC disclosures (continued)

iii. Asset Liability Management

Maturity pattern of certain items of assets and liabilities as of 31 March 2018

	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	20,675	-	-	-	-	-	-	-	20,675
Market Borrowings	132,528	163,106	93,820	18,228	66,720	89,890	-	-	564,292
Assets									
Advances**	253,370	163,878	72,432	107,525	139,859	137,852	19,457	-	894,373
Investments	-	-	17,143	-	770	-	-	10,371	28,284

Maturity pattern of certain items of assets and liabilities as of 31 March 2017

	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	1,689	-	-	-	-	-	-	-	1,689
Market Borrowings	38,460	212,270	204,765	53,730	116,130	45,476	1,861	-	672,692
Assets									
Advances**	206,267	108,443	77,140	238,246	193,299	114,398	12,119	-	949,912
Investments	-	-	22,500	-	-	-	-	10,452	32,952

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



Citicorp Finance (India) Limited

Notes to the financial statements (continued) for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

(27) b) Additional NBFC disclosures (continued)

iv. Investments

Particulars		31 March 2018	31 March 2017
1	Value of Investments		
(i)	Gross Value of Investments	32,700	37,310
	(a) In India	32,700	37,310
	(b) Outside India,	-	-
(ii)	Provisions for Depreciation	4,422	5,111
	(a) In India	4,422	5,111
	(b) Outside India,	-	-
(iii)	Net Value of Investments	28,278	32,199
	(a) In India	28,278	32,199
	(b) Outside India,	-	-
2	Movement of provisions held towards depreciation on investments.		
	(i) Opening balance	5,111	5,106
	(ii) Add : Provisions made during the year	-	5
	(iii) Less: Write-off / write-back of excess provisions during the year	689	-
	(iv) Closing balance	4,422	5,111

v. Details of Non-performing Financial Assets sold - Nil

vi. Details of Single Borrower limit (SGL) / Group Borrower Limit (GBL) exceeded by NBFC

During the year ended 31 March 2018 and 31 March 2017, the Company's credit exposure to single borrowers and group borrowers were within the limits prescribed by the RBI.

vii. Unsecured advances - There are no unsecured advances against intangible assets.

viii. Disclosure of penalties imposed by the RBI and other regulators – None

ix. Draw down from Reserve - Nil during the year ended 31 March 2018 and 31 March 2017

x. Overseas Assets (For those with joint ventures and subsidiaries abroad)

The Company does not have any joint ventures or subsidiaries, hence not applicable.

xi. Sector-wise NPAs

Sl. No.	Sector	Percentage of NPAs to total advances in that sector	
		31 March 2018	31 March 2017
1	Agriculture and allied activities	0.23%	0.35%
2	MSME	0.20%	4.47%
3	Corporate borrowers	Nil	Nil
4	Services	Nil	Nil
5	Unsecured personal loans	0.22%	0.10%
6	Auto loans	Nil	Nil
7	Other personal loans	Nil	Nil



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

(27) b) Additional NBFC disclosures (continued)

xii. Concentration of NPAs

Particulars	31 March 2018	31 March 2017
Total Exposure to top four NPA accounts	58	75

xiii. Customer complaints

Particulars	31 March 2018	31 March 2017
(a) No. of complaints pending at the beginning of the year	7	13
(b) No. of complaints received during the year	269	470
(c) No. of complaints redressed during the year	265	476
(d) No. of complaints pending at the end of the year	11	7

xiv. Movement of NPAs

Particulars	31 March 2018	31 March 2017
(i) Net NPAs to Net Advances (%)	0.03%	0.02%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	296	471
(b) Additions during the year	1,918	849
(c) Reductions during the year	1,807	1,024
(d) Closing balance	407	296
(iii) Movement of Net NPAs		
(a) Opening balance	150	276
(b) Additions during the year	1,416	648
(c) Reductions during the year	1,310	774
(d) Closing balance	256	150
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	146	195
(b) Provisions made during the year	502	201
(c) Write-off/ write-back of excess provisions	497	250
(d) Closing balance	151	146

xv. Registration obtained from other financial sector regulators

During the year, the Company has not renewed its registration with IRDA as Corporate Agent for soliciting insurance business of both life and general insurance.

xvi. Break up of 'Provisions and Contingencies' shown under the head expenditure in the statement of profit and loss

Particulars	31 March 2018	31 March 2017
Provision towards NPA	5	(72)
Provision for Cenvat Credit	(416)	(353)
Provision for VAT	5	(184)
Provision for Litigations	47	42
Provision for depreciation on investment	-	-
Provision for Standard Assets including restructured standard advance	227	1,164



Citicorp Finance (India) Limited

Notes to the financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

(27) b) Additional NBFC disclosures (continued)

xvii. Credit Ratings

The latest available ratings assigned by ICRA as of 27 March 2018 to the Company is as below:

Particulars	31 March 2018	31 March 2017
(i) Rating Assigned	"Stable"	"Stable"
(ii) Name of the Rating Agency	ICRA	ICRA
(iii) Rating of products		
(a) Commercial Paper	(ICRA) A1+	(ICRA) A1+
(b) Debentures	(ICRA) AAA (Stable)	(ICRA) AAA (Stable)
(c) Market Linked Debentures.	PP-MLD (ICRA) AAA (Stable)	PP-MLD (ICRA) AAA (Stable)

xviii. Concentration of Advances and Exposures#

Details	31 March 2018	31 March 2017
Total advances to twenty largest borrowers	452,298	564,057
Percentage of advances to twenty largest borrowers to total advances of the Company	50.57%	59.38%
Total exposure to twenty largest borrowers / customers	777,548	653,049
Percentage of exposures to twenty largest borrowers / customers to total exposure of the Company on borrowers / customers	41.99%	46.10%

#includes unutilised limits.

As per our report of even date attached

For **MSKA & Associates**
(Formerly known as MZSK & Associates)

Chartered Accountants
Firm's Registration No:
105047W

For and on behalf of the Board of Directors

Citicorp Finance (India) Limited


Swapnil Kale

Partner

Membership No: 117812


Rohit Ranjan

Jt. Managing
Director

DIN: 00003480


Priti Goel

Jt. Managing
Director

DIN: 07649929


**Ganesh
Ramanathan**
Chief Financial
Officer


**Sameer
Upadhyay**
Company
Secretary

Mumbai
29 May 2018

INDEPENDENT AUDITORS' REPORT**To the Members of Citicorp Finance (India) Limited****Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Citicorp Finance (India) Limited (hereinafter referred to as the "Holding Company") and India Infradebt Limited (hereinafter referred to as the "associate Company"), comprising of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as the "Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Holding Company including its associate Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The respective Board of Directors of the Holding Company and its associate Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Holding Company and its associate Company respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.



Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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 auditors' 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 Holding 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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, of the consolidated state of affairs of the Holding Company and its associate Company as at March 31, 2018, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

- a. The consolidated financial statements include the Holding Company's share of net profit of Rs. 2,016 lakhs for the year ended March 31, 2018, as considered in the Consolidated Financial Statements, in respect of India Infradebt Limited, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of its associate Company, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the its associate Company, is based solely on the reports of other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

- b. The Consolidated Financial Statements of the Holding Company for the year ended March 31, 2017, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated May 25, 2017, expressed an unmodified opinion on those financial statements.

Our opinion is not modified in respect of these matters.



Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and other financial information of its associate Company, as noted in the 'Other Matters' paragraph above, we report, to the extent applicable 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 of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016;
 - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its associate company, none of the director of the Holding Company and its associate Company is disqualified as on March 31, 2018 from being appointed as a director of that Company in terms of Section 164(2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its associate Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and



- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Holding Company and its associate Company- Refer Note 24(1) to the Consolidated Financial Statements;
 - ii. The Holding Company and associate Company have long-term contracts including derivative contracts as at March 31, 2018 for which there were no material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its associate Company during the year ended March 31, 2018.
 - iv. The reporting on disclosure relating to Specified Bank Notes is not applicable to the Holding Company and associate Company for the year ended March 31, 2018.

For MSKA & Associates (formerly known as MZSK And Associates)

Chartered Accountants

ICAI Firm Registration No. 105047W

Swapnil Kale

Swapnil Kale

Partner

Membership No.117812



Mumbai

May 29, 2018

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF CITICORP FINANCE (INDIA) LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018.

Page 1 of 4

Report on the Internal Financial Controls with Reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

In conjunction with our audit of the Consolidated Financial Statements of Citicorp Finance (India) Limited (the "Holding Company") as of and for the year ended March 31, 2018, we have audited the internal financial controls with reference to financial statements of the Holding Company and its associate Company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its Associate Company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI") (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding company, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.



ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF CITICORP FINANCE (INDIA) LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018.

Page 2 of 4

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to financial statements of the Holding company.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF CITICORP FINANCE (INDIA) LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018.

Page 3 of 4

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company and its associate Company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.



**ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF
CITICORP FINANCE (INDIA) LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR
ENDED MARCH 31, 2018.**

Page 4 of 4

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to its associate Company, which is company incorporated in India, is based on the corresponding reports of the auditors of such associate Company incorporated in India.

Our opinion is not modified in respect of this matter.

For MSKA & Associates (Formerly known as MZSK & Associates)

Chartered Accountants

ICAI Firm Registration No. 105047W

Swapnil Kale

Swapnil Kale

Partner

Membership No. 117812



Mumbai

May 29, 2018

Citicorp Finance (India) Limited
Consolidated Balance sheet

as at 31 March 2018

(Currency: Indian Rupees in Lakhs)

	Note No.	31 March 2018	31 March 2017
I. EQUITY AND LIABILITIES			
1. SHAREHOLDERS' FUNDS			
Share capital	3	289,330	289,330
Reserves and surplus	4	107,564	91,852
		<u>396,894</u>	<u>381,182</u>
2. NON-CURRENT LIABILITIES			
Long term borrowings	5	89,997	47,338
Other long term liabilities	6	3,935	3,201
Long term provisions	7	969	718
		<u>94,901</u>	<u>51,257</u>
3. CURRENT LIABILITIES			
Short term borrowings	8	229,565	269,221
Trade payables			
- Total outstanding dues of micro enterprises and small enterprises		11	69
- Total outstanding dues of creditors other than micro enterprises and small enterprises		5,143	5,259
Other current liabilities	9	286,796	376,607
Short term provisions	10	9,133	9,509
		<u>530,648</u>	<u>660,665</u>
TOTAL		<u>1,022,443</u>	<u>1,093,104</u>
II. ASSETS			
1. NON-CURRENT ASSETS			
Fixed assets			
Property, Plant and Equipment	11	332	427
Capital work in progress		322	141
		<u>654</u>	<u>568</u>
Non current investments	12	15,848	14,165
Deferred tax assets (Net)	14,9	15,069	14,901
Long term loans and advances	13	189,395	162,282
Other non current assets	14	4,179	2,735
		<u>225,145</u>	<u>194,651</u>
2. CURRENT ASSETS			
Current investments	15	17,907	21,746
Cash and bank balances	16	21,054	29,153
Short term loans and advances	17	737,034	823,441
Other current assets	18	21,303	24,113
		<u>797,298</u>	<u>898,453</u>
TOTAL		<u>1,022,443</u>	<u>1,093,104</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 **MSKA & Associates (Formerly known as MZSK & Associates)**

Chartered Accountants

Firm's Registration No: 105047W

For and on behalf of the Board of Directors

Citicorp Finance (India) Limited


Swapnil Kale
 Partner
 Membership No: 117812


Rohit Rajjan
 Jr. Managing Director
 DIN: 00003480


Preeti Goel
 Jr. Managing Director
 DIN: 07649929

Mumbai
 29 May 2018


Ganesh Ramanathan
 Chief Financial Officer


Sameer Upadhyay
 Company Secretary

Citicorp Finance (India) Limited
Consolidated Statement of profit and loss
for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

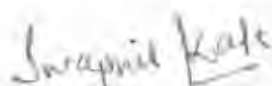
	<i>Note No.</i>	31 March 2018	31 March 2017
REVENUE			
Revenue from operations	19	77,328	81,278
Other income	20	4,010	4,864
Total Revenue		81,338	86,142
EXPENSES			
Employee benefits expense	21	4,578	4,286
Finance costs	22	35,488	40,431
Depreciation expense	11	122	125
Other expenses	23	17,296	16,370
Total Expenses		57,484	61,212
PROFIT BEFORE TAX		23,854	24,930
TAX EXPENSE:			
Current tax expense relating to prior years		-	1,269
Current tax expense		4,475	5,140
MAT credit (entitlement) / utilised		3,835	(612)
Net current tax		8,310	5,797
Deferred tax	24.9	(168)	2,931
PROFIT FOR THE YEAR		15,712	16,202
EARNINGS PER EQUITY SHARE:			
Basic earnings per share (Face Value of Rs. 7.50 each)	24.8	0.41	0.42
Significant accounting policies	2		

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

As per our report of even date attached

For MSKA & Associates (Formerly known as MZSK & Associates)
Chartered Accountants
Firm's Registration No.: 105047W

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

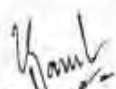


Swapnil Kale
Partner
Membership No: 117812

Mumbai
29 May 2018



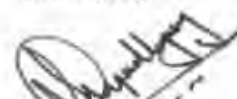
Rohit Ranjan
Jt. Managing Director
DIN: 00003480



Ganes Ramanathan
Chief Financial Officer



Priti Goel
Jt. Managing Director
DIN: 07649929



Sameer Upadhyay
Company Secretary

Citicorp Finance (India) Limited
Consolidated cash flow statement

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

	31 March 2018	31 March 2017
Cash flows from operating activities		
Profit before tax	23,854	24,930
Add:-		
Depreciation and amortisation	122	125
Provision for diminution in the value of investments	-	5
Provision for doubtful advances and standard assets	227	1,164
Provision for other liabilities	47	199
Discount/Premium amortised on issue or charged-off on buy-back of debentures	(20)	4
Amortization of debt issuance and loan origination costs	205	225
MTM of Short Term Investments	8	-
Gain on sale of Short term investments	(40)	(197)
Loss/(Gain) on sale of fixed assets	25	(4)
Less:-		
Unrealized gain on derivatives	(6,126)	(1,336)
Share of profit in associates	2,016	1,595
Reversal of diminution in the value of investments	689	-
Amortisation of subvention income	178	333
Dividend income	81	81
Operating profit before working capital changes	27,590	25,975
Decrease / (Increase) in other current and non current assets	(6,038)	(7,279)
Decrease/ (Increase) in loans and advances	55,542	(230,349)
(Decrease) / Increase in provisions, liabilities and trade payables	(410)	(251)
	49,094	(237,879)
Net cash used in operating activities before taxes	76,684	(211,904)
Less: Taxes paid (Net of refunds)	4,582	4,215
Cash flows generated from / (used in) operating activities - A	72,102	(216,119)
Cash flows from investing activities		
Dividend income	81	81
Recovery from investments	-	-
Net proceeds from / (investment) in deposits with banks	-	-
Proceeds from deposits with banks with a maturity of more than 90 days	-	-
Sale proceeds of research and analytics division	-	-
Net proceeds from sale of short term investments	4,560	8,172
Decrease in long term investments	333	-
(Acquisition) / Recovery of short term investments	-	-
Sale proceeds of fixed assets	-	4
Merger Proceeds	-	-
Purchase of fixed assets	(232)	(147)
Cash flows generated from investing activities - B	4,742	8,110
Cash flows from financing activities		
Increase/ (Decrease) in secured loans (net)	103,438	(13,685)
Increase/ (Decrease) in unsecured loans (net)	(189,656)	222,905
Cash flows generated from / (used in) financing activities - C	(86,218)	209,220
Net increase in cash and cash equivalents - (A+B+C)	(9,374)	1,211
Cash and cash equivalents at the beginning of the period	20,450	19,239
Cash and cash equivalents at the end of the period	11,076	20,450

Note:

1) The above cash flow statement have been prepared under the indirect method set out in Accounting Standard (AS)-3, 'Cash Flow Statement' notified pursuant to the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.

2) Cash and cash equivalents comprises of cash at bank and in hand, cheques on hand and short-term investments with an original maturity of three months or less.

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

As per our report of even date attached.

For MSKA & Associates (Formerly known as MZSK & Associates)

Chartered Accountants


Firm's Registration No: 105047W

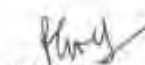

Swapnil Kate


Partner
 Membership No: 117812

Mumbai
 29 May 2018

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


Rohit Ranjan
 Jt. Managing Director
 DIN: 0003480


Priti Goel
 Jt. Managing Director
 DIN: 07649929


Ganesh Ramanathan
 Chief Financial Officer


Sameer Upadhyay
 Company Secretary

Citicorp Finance (India) Limited

Notes to the consolidated financial statements

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

1 Background

Citicorp Finance (India) Limited ('the Company') incorporated in India on 1 May 1997, is registered with the Reserve Bank of India ('the RBI') as a Non-Banking Financial Company ('NBFC') vide Certificate No. N.13.02079 dated 10 October 2014. 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 451A of the Reserve Bank of India Act, 1934.

Associates Financial Services (Mauritius) LLC, a Company incorporated in Mauritius holds 52.94% in the Company and remaining 47.06% is held by Citibank Overseas Investment Corporation, a company incorporated in Delaware, U.S.A.

The Company is engaged in a range of Financial Service activities which includes:

- 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
- e. Personal 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 consolidated 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 (the 'Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the guidelines as issued by RBI in respect of NBFCs and other accounting principles generally accepted in India to the extent applicable. The financial statements have been prepared in Indian rupees rounded off to the nearest lakh.

As per the provisions of section 129 (3) of the Companies Act, 2013 and MCA notification dated 14 October 2014, a company needs to prepare consolidated financial statement if it has one or more subsidiaries and / or associates. The Company has one associate as on 31 March 2017. Accordingly, the Company has prepared the consolidated financial statements.

The Company's investment in its associate is consolidated using the equity method of accounting as prescribed under Accounting Standard 23- Accounting for Investment in Associates. Under the equity method, investment in the associate is carried in the balance sheet at cost plus post acquisition changes in the Company's share of net assets of the associate. The statement of profit and loss reflects the share of the results of operations of the associate. Unrealised gains and losses resulting from transactions between the Company and the associate are eliminated to the extent of the interest in the associate.

The financial statements of the associate are prepared for the same reporting period as that of the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Company.



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Basis of preparation of consolidated financial statements (continued)

After application of the equity method, the Company determines whether it is necessary to recognise an additional impairment loss on the Company's investment in its associates. The Company determines at each balance sheet date whether there is any objective evidence that the investment in the associate is impaired. If this is the case the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in the statement of profit and loss.

The associate considered in the consolidated financial statement is:

Investment in Associate	Country of Incorporation	Proportion of ownership interest	
		As at March 2018	As at March 2017
India Infradebt Limited	India	15.06%	29%

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 reviewed on an on-going basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

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:

- It is expected to be realised in the Company's normal operating cycle;
- It is expected to be realised within 12 months after the reporting date; or
- 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:

- It is expected to be settled in the Company's normal operating cycle;
- It is due to be settled within 12 months after the reporting date; or
- 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.



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Current – non-current classification (continued)

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, amortisation and impairment

Fixed assets are stated at historical cost inclusive of all incidental expenses incurred for acquisition of such assets, less depreciation and impairment. 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 Act. 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 for its intended use.

Lease hold improvements are depreciated over the lease period (including renewal, if any) or useful life whichever is shorter. All assets individually costing 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 Act. Based on the nature of fixed assets used by the Company and past experience of its usage and technical evaluation, the Company considers that the useful life for respective assets to be appropriate.

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

During the current year, the Company has decided to revise useful life of computer equipment purchased and put to use on or after 1st April 2017 from 3 years to 4 years.

The Company assesses at the 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.



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

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 a trade date 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 purchase of each investment. Investment which is to be liquidated in a period of one year from the date of purchase is classified as current investment.

Long term investments are carried at cost less any diminution in value other than temporary.

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 investments are 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.

Post-employment benefits

Gratuity

The Company pays gratuity to employees who retire or resign after serving for the stipulated period mentioned under 'The payment of Gratuity Act, 1972'. 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 as per AS-15 'Employee Benefits' 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 in 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 during the period in which the employee renders the related services.



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (*continued*)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Employee benefits (continued)

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.

Long term service awards (LTSA)

The company provides for liability towards long term service awards for eligible employees, based on length of service, based on actuarial valuation performed by an independent actuary using the Projected Unit Cost Method as at the balance sheet date.

2.7 *Revenue recognition*

Interest and commission income are recognised on a period proportionate basis except in respect of penal interest charged on overdue instalments, which is recognised when there is a reasonable certainty over its collection.

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.

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 / write off.

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

Interest income on investments is recorded on a period proportionate basis. Interest paid for broken period on purchase of investment is not charged to the 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.



Citicorp Finance (India) Limited

Notes to the consolidated financial statements *(continued)*

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Revenue recognition (continued)

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 weighted average method.

Dividend is recognised as income 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 / write off.

2.10 *Bad debts and 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.



Citicorp Finance (India) Limited

Notes to the consolidated financial statements *(continued)*

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Loan assignment (continued)

In accordance with Master Direction DNBR.PD.008/03.10.119/2016-17 dated September 1, 2016 – Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, 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.

In case of purchase of loan portfolio, the Company records the same under loans and advances. Further, the premium paid on such acquisitions is amortised over the life of the portfolio.

2.12 *Leases*

Operating leases: Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as 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.

Finance leases: Leases where substantially all the risks and rewards incidental to ownership of an asset are transferred to the lessee are classified as 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. Assets given out on financial leases are shown as finance lease receivables. 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 finance lease receivables.

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.



Citicorp Finance (India) Limited

Notes to the consolidated financial statements *(continued)*

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

2.14 Derivatives

The Company enters into interest rate swaps 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.

The Company presents mark to market on derivative transactions on a gross basis in accordance with the presentation requirements as set out in the Guidance Note on accounting for derivative contracts.

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 at the 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.

Minimum alternate tax (MAT)

The Company recognises MAT credit available as an asset only to the extent that the Company, based on convincing 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 convincing evidence that it will be able to set off MAT credit against the income tax liability during the specified period.



Citicorp Finance (India) Limited

Notes to the consolidated financial statements *(continued)*

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

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 embodying economic benefits 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 the 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.



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

as at 31 March 2018

(Currency: Indian Rupees in Lakhs)

	As at 31 March 2018	As at 31 March 2017
Note 3:		
SHARE CAPITAL		
AUTHORISED CAPITAL		
5,269,333,333 (Previous year : 5,269,333,333) Equity shares of Rs.7.50 each	<u>395,200</u>	<u>395,200</u>
ISSUED, SUBSCRIBED AND FULLY PAID UP:		
3,857,727,031 (Previous year : 3,857,727,031) Equity shares of Rs.7.50 each	<u>289,330</u>	<u>289,330</u>
Reconciliation of the number of shares		
At the beginning of the year	3,857,727,031	3,857,727,031
Issued during the year	-	-
At the end of the year	<u>3,857,727,031</u>	<u>3,857,727,031</u>
Reconciliation of equity share capital		
At the beginning of the year	289,330	289,330
Issued during the year	-	-
At the end of the year	<u>289,330</u>	<u>289,330</u>
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.		
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 or ultimate holding Company		
Associates Financial Services (Mauritius) LLC	2,042,338,070	2,042,338,070
Citibank Overseas Investment Corporation	1,815,388,961	1,815,388,961
Details of shareholding more than 5% shares in the Company		
Associates Financial Services (Mauritius) LLC (% held 52.94 % (Previous Year: 52.94 %))	No. of shares 2,042,338,070	No. of shares 2,042,338,070
Citibank Overseas Investment Corporation (% held 47.06 % (Previous Year: 47.06 %))	1,815,388,961	1,815,388,961
Note 4:		
RESERVES AND SURPLUS		
Statutory reserve:		
(Created pursuant to Section 45-1C of the Reserve Bank of India Act, 1934)		
Opening balance	57,230	53,990
Add: Transfer from surplus in the statement of profit and loss	3,142	3,240
Closing balance	<u>60,372</u>	<u>57,230</u>
General reserve:		
Opening balance	3,674	3,674
Additions during the year	-	-
Closing balance	<u>3,674</u>	<u>3,674</u>



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

as at 31 March 2018

(Currency: Indian Rupees in Lakhs)

	As at 31 March 2018	As at 31 March 2017
Note 4:		
RESERVES AND SURPLUS (continued)		
Surplus in the statement of profit and loss:		
Opening balance	30,948	4,131
Add:		
Reversal of proposed dividend of previous year (Refer Note 24.18)	-	11,511
Reversal of provision for dividend distribution tax of previous year (Refer Note 24.18)	-	2,344
Amount carried forward from the statement of profit and loss	15,712	16,202
Less: Appropriations		
Transfer to statutory reserve	3,142	3,240
Closing balance	<u>43,518</u>	<u>30,948</u>
Total	<u>107,564</u>	<u>91,852</u>
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 24.4)	89,989	47,330
Long term maturities of finance lease obligation (Refer Note 24.7A)	8	8
Total	<u>89,997</u>	<u>47,338</u>
Note 6:		
OTHER LONG TERM LIABILITIES		
Franchisee and other liabilities	126	270
Cash profit on loan transfer transactions pending recognition	217	141
Interest accrued but not due on borrowings	3,592	2,790
Total	<u>3,935</u>	<u>3,201</u>
Note 7:		
LONG TERM PROVISIONS		
Provision for gratuity (Refer Note 24.11)	178	118
Provision for employee benefits	10	9
Contingent provision for standard assets (Refer Note 2.10)	630	445
Provision for non performing assets (Refer Note 2.10)	151	146
Total	<u>969</u>	<u>718</u>



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

as at 31 March 2018

(Currency: Indian Rupees in Lakhs)

	As at 31 March 2018	As at 31 March 2017
Note 8:		
SHORT TERM BORROWINGS		
SECURED (Refer Note 24.25A)		
Loans repayable on demand from banks	20,000	-
UNSECURED (Refer Note 24.25B)		
Loans repayable on demand from banks	675	1,689
Commercial paper	63,890	240,932
Inter Corporate Borrowings	145,000	26,600
Total	<u>229,565</u>	<u>269,221</u>
Note 9:		
OTHER CURRENT LIABILITIES		
Current maturities of secured non convertible redeemable debentures (refer note 24.4)	264,520	223,755
Current maturities of unsecured non convertible redeemable debentures (refer note 24.4)	-	130,000
Current maturities of finance lease obligations (Refer Note 24.7A)	6	13
Interest accrued but not due on borrowings	7,622	12,556
Interest collected but not earned on loans and advances	358	218
Dealer held disbursal and other liabilities	6,380	4,255
Statutory dues including employee benefit payable	1,224	212
Mark to market on derivatives	4,444	2,347
Collection payables on servicing portfolio (Payable to related parties- Rs. 2,051 (Previous Year - Rs. 2,982))	2,134	3,168
Cash profit on loan transfer transactions pending recognition	108	83
Total	<u>286,796</u>	<u>376,607</u>
Note 10:		
SHORT TERM PROVISIONS		
Provision for loan assignment	1,617	2,099
Provision for bonus	46	34
Provision for employee benefits	2	3
Provision for value added tax	3,228	3,223
Provision for litigations	1,294	1,247
Contingent provision for standard assets (Refer Note 2.10)	2,946	2,903
Total	<u>9,133</u>	<u>9,509</u>



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued) as at 31 March 2018

(Currency: Indian Rupees in Lakhs)

Note 11:

Fixed assets (Continued)

As at 31 March, 2017

	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK		
	As at 1-Apr-16	Additions	Deletions/ Adjustments	As at 31-Mar-17	As at 1-Apr-16	For the year	Deductions/ Adjustments	As at 31-Mar-17	As at 31-Mar-16
Property, Plant and Equipment									
Building	61	-	-	61	22	-	-	22	39
Freehold land	5	-	-	5	-	-	-	-	5
Furniture and fixtures	53	-	24	29	41	3	24	20	12
Office equipments	120	10	-	130	70	16	-	86	50
Electrical installations	372	28	8	392	101	42	8	135	271
Computer equipments	453	37	-	490	391	47	-	438	52
Sub-Total	1,064	75	32	1,107	625	108	32	701	439
Assets taken on lease - Vehicles	115	15	-	128	89	17	-	106	24
Total (A)	1,177	90	32	1,235	714	125	32	807	463
Intangible assets (B)	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A+B)	1,177	90	32	1,235	714	125	32	807	463
Capital work-in-progress									83



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

as at 31 March 2018

(Currency: Indian Rupees in Lakhs)

Note 12:

NON-CURRENT INVESTMENTS (Valued at cost unless stated otherwise)

IN ASSOCIATE COMPANIES (UNQUOTED)

IN EQUITY SHARES

India Infradebt Limited

87,000,000 (Previous year : 87,000,000) equity shares of Rs. 10/- each fully paid

14,177

12,413

SUB TOTAL

14,177

12,413

IN OTHER COMPANIES (UNQUOTED)

Rediff.com India Limited

192,720 (Previous year : 192,720) equity shares of Rs. 5/- each fully paid

868

868

Prime Telesystems Limited

784,570 (Previous year : 784,570) equity shares of Rs. 10/- each fully paid

480

480

Secova Eservices Private Limited

117,176 (Previous year: 117,176) equity shares of Rs. 10/- each fully paid

13

13

Tejas Networks Limited (Refer Note 24.26)

255,450 (Previous year : 255,450) equity shares of Rs. 10/- each fully paid

-

770

Grameen Capital India Private Limited

875,000 (Previous year: 875,000) equity shares of Rs. 10/- each fully paid

88

88

NSDL e-Governance Infrastructure Limited

1,250,000 (Previous year : 1,250,000) equity shares of Rs. 10/- each fully paid

1,644

1,644

Less: Provision for diminution in value

(1,422)

(2,111)

SUB TOTAL

1,671

1,752

IN DEBENTURES (UNQUOTED)

Primus Retail Private Limited

300,000 (Previous year : 300,000) 18% optionally convertible debentures of Rs. 1,000/- each

3,000

3,000

Less: Provision for diminution in value

(3,000)

(3,000)

SUB TOTAL

-

-

GRAND TOTAL

15,848

14,165

AGGREGATE COST OF UNQUOTED INVESTMENTS

20,270

19,276

AGGREGATE PROVISION FOR DIMINUTION IN THE VALUE OF INVESTMENTS

4,422

5,111



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

as at 31 March 2018

(Currency: Indian Rupees in Lakhs)

	As at 31 March 2018	As at 31 March 2017
Note 13:		
LONG TERM LOANS AND ADVANCES		
Secured and considered good		
Loans for commercial vehicles and construction equipments	20,778	11,901
Advance against financial assets and other loans	23,088	15,578
Finance lease receivables (Refer Note 24.7B)	1,331	2,157
(Finance lease to related parties- Rs. 1,331 (Previous Year : Rs. 2,157))		
Gross amount receivable from customers under hire purchase agreements	-	33
Less : Unearned hire purchase premium	-	(33)
	-	-
Unsecured and considered good		
Unsecured loans	112,226	96,923
Deposits	157	167
Prepaid expenses	88	102
Advance tax (net of provision Rs. 110,625 and includes MAT credit entitlement of Rs. 16,054) (Previous Year : net of provision Rs. 106,138 and includes MAT credit entitlement of Rs. 19,889)	31,727	35,454
Total	189,395	162,282
Note 14:		
OTHER NON-CURRENT ASSETS		
Unamortized costs (net)	2,816	2,105
Deposits with banks (maturity over 12 months)	444	-
(Deposit with related parties - Rs. 444 (Previous Year : Rs. Nil)) (Includes lien marked deposits of Rs. 444 lacs (Previous Year: Nil) for securitization transactions executed in prior years)		
Interest accrued on fixed deposits	67	-
(Interest accrued from fixed deposits with related parties - Rs. 67 (Previous Year : Rs. Nil))		
Input tax credit	11,815	11,913
Provision for input tax credit	(11,490)	(11,906)
	325	7
Other deposits	527	623
Total	4,179	2,735
Note 15:		
CURRENT INVESTMENT		
QUOTED IN EQUITY SHARES		
Tejas Networks Limited (Refer Note 24.26)	770	-
255,450 (Previous year : 255,450) equity shares of Rs. 10/- each fully paid		
IN COMMERCIAL PAPERS		
Housing Development Finance Corporation Limited	12,135	-
2,500 (Previous year : Nil) of Face value Rs. 500,000/- each		
L&T Infrastructure Finance Company Limited	-	9,675
Nil (Previous year : 2,000) of Face value Rs. 500,000/- each		
L&T Fincorp Limited	-	12,071
Nil (Previous year : 2,500) of Face value Rs. 500,000/- each		
IN CORPORATE BONDS		
Housing Development Finance Corporation Limited	5,002	-
50 (Previous year : Nil) of Face value Rs. 10,000,000/- each		
	17,907	21,746
AGGREGATE COST OF QUOTED INVESTMENTS	17,915	21,746
AGGREGATE MARKET VALUE OF QUOTED INVESTMENTS	18,076	21,759



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

as at 31 March 2018

(Currency: Indian Rupees in Lakhs)

	As at 31 March 2018	As at 31 March 2017
Note 16:		
CASH AND BANK BALANCES		
A) Cash and cash equivalents*		
Cash on hand	-	3
Cheques on hand	47	308
Balance with banks		
- In current accounts	553	1,831
(Balances with related parties - Rs. 121 (Previous Year : Rs. 1,610))		
- In fixed deposits (with original maturity of less than 3 months)	10,476	18,308
(Fixed deposits with related parties - Rs. 10,476 (Previous Year : Rs. 18,308))		
B) Other bank balances		
- In fixed deposits# (Fixed deposits with related parties - Rs. 1,605 (Previous Year : Rs. 2,034))		
with original maturity of less than 3 months	247	-
with original maturity of more than 3 months but less than 12 months	1,431	2,103
-Margin money deposit		
with original maturity of less than 3 months	5,900	-
with original maturity of more than 3 months but less than 12 months	2,400	6,600
Total	21,054	29,153
(* Cash and cash equivalents meets the definition as per 'AS 3-Cash Flow Statements')		
[#Includes lien marked deposits of Rs 1,605 lacs (Previous Year: Rs 1,997 lacs) for securitization transactions executed in prior years)		
Note 17:		
SHORT TERM LOANS AND ADVANCES		
Secured and considered good		
Loans for commercial vehicles and construction equipments	12,510	8,047
Advances against financial assets and other loans	361,156	402,240
Finance lease receivables (Refer Note 24, 7B)	1,187	1,527
(Finance lease to related parties- Rs. 1,187 (Previous Year: Rs. 1,527))		
Unsecured and considered good		
Trade advances	71	122
Unsecured loans	362,019	411,412
Security deposits	-	50
Prepaid expenses	73	31
Other advances	18	12
Total	737,034	823,441
Note 18:		
OTHER CURRENT ASSETS		
Mark to market on derivatives	4,645	8,686
Interest accrued on loans and advances	7,435	10,553
Interest accrued on investments	181	-
Interest accrued on fixed deposits	154	144
(Interest accrued from fixed deposits with related parties - Rs. 75 (Previous Year : Rs. 88))		
Unamortized costs (net)	1,774	1,262
Debt issue costs	8	13
Margin money with exchanges	138	65
Other receivables	6,968	3,390
(Receivables from related parties - Rs. 6,843 (Previous Year : Rs. 2,588))		
Total	21,303	24,113



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

	31 March 2018	31 March 2017
Note 19:		
REVENUE FROM OPERATIONS		
INTEREST INCOME		
Interest on loans	68,546	74,009
Interest on fixed deposits	1,872	785
Interest on investments	365	660
Finance lease income	402	488
	<u>71,185</u>	<u>75,942</u>
OTHER FINANCIAL SERVICES		
Collection and sourcing fees	5,721	4,592
Gain on assignment	345	452
Other fees	77	292
	<u>6,143</u>	<u>5,336</u>
Total	<u><u>77,328</u></u>	<u><u>81,278</u></u>

Note 20:

OTHER INCOME

Dividend income		
- From others	81	81
Gain on sale of investments (net)	40	197
Gain on derivatives (net)	414	2,181
Bad debts recovered (net)	-	176
Reversal of provision for diminution in investments (net)	689	-
Profit on sale of fixed assets	-	4
Share in income of associate	2,016	1,395
Miscellaneous income	770	830
Total	<u><u>4,010</u></u>	<u><u>4,864</u></u>

Note 21:

EMPLOYEE BENEFITS EXPENSE

Salaries, wages and bonus	4,223	3,982
Contribution to provident fund and other funds	195	185
Gratuity (Refer Note 24.11)	118	59
Staff welfare expenses	42	60
Total	<u><u>4,578</u></u>	<u><u>4,286</u></u>



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

	31 March 2018	31 March 2017
Note 22:		
FINANCE COSTS		
Interest on non convertible debentures	22,926	26,475
Interest on commercial paper	9,400	10,260
Interest on Inter-Corporate Borrowings	2,641	48
Interest on borrowings from banks	512	3,640
Interest on finance lease	6	6
Other interest	3	2
Total	35,488	40,431

Note 23:

OTHER EXPENSES

Rent	1,036	984
Premises maintenance costs	379	488
Rates and taxes	218	145
Bad debts written off (net)	812	-
Diminution, other than temporary, in the value of investments (net)	-	5
Provision for standard assets	227	1,164
Provision for litigations	143	48
Loss on MTM of current investments	8	-
Loss on sale of fixed assets (net)	25	-
Bank charges	66	78
Brokerage	47	104
Distribution and placement fees	493	324
Credit rating and surveillance fees	176	137
Service bureau expenses	2,278	1,869
Fees and Commission	5,616	5,875
Technology and software expenses	1,876	1,680
Stamping / franking charges	316	420
Travelling and conveyance expenses	330	301
Telephone expenses	33	75
Professional and legal expenses	680	611
Collection expenses	1,386	956
HR processing charges	35	50
Payments to the auditors		
(a) statutory audit	54	59
(b) tax audit	8	9
(c) limited review	5	6
(d) reimbursement of expenses	3	1
Corporate social responsibility expenses (Refer Note 24.16)	635	575
Miscellaneous expenses	411	406
Total	17,296	16,370



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Note 24

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

Particulars	As at	As at
	31 March 2018	31 March 2017
Tax assessments	3,995	5,386
Customer litigations	587	661
Estimated amount of contracts remaining to be executed on capital account	185	207
Undrawn committed credit lines	1,215	640

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. 854 lakhs (Previous year: Rs.3,144 lakhs).

There were outstanding demands against the Company under Karnataka Value Added Tax Act, 2003, primarily on account of disallowance of input tax credit amounting to Rs. 1,702 lakhs (Previous year: Rs. 1,976 lakhs). During the year, these matters were heard before the Karnataka Appellate Tribunal and were remanded back to the Assessing Authority. However, the amount continues to be reported in contingent liability as the reassessment by the Assessing Authority is in progress. Out of this, we had made a pre-deposit of Rs. 270 lakhs in the previous years.

There are outstanding demands against the Company under Maharashtra Value Added Tax Act, 2002, primarily on account of levy of VAT on part purchase consideration received on account of "transfer of KPO Division" on slump sale amounting to Rs. 316 lakhs, out of which we had made a pre-deposit of Rs. 50 lakhs in the previous years (Previous year: Rs. 266 lakhs (excluding pre deposit of 50 Lakhs)).

There are outstanding demands against the Company under Finance Act,1994, primarily on account of adjustment of service tax paid in previous years and other miscellaneous issues amounting to Rs. 1,123 lakhs(Previous year: Nil). Out of this, we have made a pre-deposit of Rs. 49.59 lakhs in the current year.

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 for the above.

Further, there are few customers who have initiated legal proceedings against the Company for a total compensation demand of Rs. 587 lakhs (Previous year: Rs.661 lakhs). The Company believes that such demands are not tenable and are highly unlikely to be confirmed by higher authorities.



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

(2) Movement in provision is set out below:

Particulars	As at 1 April 2017	Created during the year	Utilized / Released during the year	As at 31 March 2018
Provision for NPA	146	502	497	151
Investments	5,111	-	689	4,422
Provision on assignment of asset portfolio	2,099	-	482	1,617
Provision for Input tax credit	11,906	-	416	11,490
Provision for Value Added Tax (VAT)#	3,223	5	-	3,228
Provision for litigation	1,247	241	194	1,294
Total	23,732	748	2,278	22,202

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

(3) Expenditure in foreign currency on accrual basis:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Technology and software expenses	977	1,312
Service Bureau Expenses	49	43
Fees & Commission	311	1,834
HR Processing fees	35	36
Total	1,372	3,225

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

A. Details of secured long term equity linked non-convertible redeemable debentures are as follows:

Series No	Maturity / Call Date	31 March 18	31 March 17	Series No	Maturity / Call Date	31 March 18	31 March 17
656 I	2-Mar-21	1,400	-	585 I	28-Jun-19	635	660
654 I	27-Jan-21	1,075	-	680 I	20-Jun-19	18,700	-
650 I	29-Dec-20	975	-	582 I	17-Jun-19	250	250
649 I	1-Dec-20	1,600	-	567 II	1-Jun-19	450	450
642 I	27-Oct-20	100	-	568 I	1-Jun-19	2,500	2,500
642 V	27-Oct-20	130	-	568 II	1-Jun-19	595	595
647 I	27-Oct-20	300	-	568 VI	1-Jun-19	350	350
647 II	27-Oct-20	50	-	639 IV	27-May-19	100	-
647 V	27-Oct-20	470	-	581 VII	6-May-19	2,500	2,500
647 VI	27-Oct-20	100	-	668 I	22-Apr-19	22,000	-
647 XI	27-Oct-20	50	-	672 I	22-Apr-19	3,900	-



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Series No	Maturity / Call Date	31 March 18	31 March 17	Series No	Maturity / Call Date	31 March 18	31 March 17
648 VI	27-Oct-20	100	-	674 I	22-Apr-19	10,000	-
638 I	29-Sep-20	400	-	681 I	22-Apr-19	2,325	-
638 II	29-Sep-20	100	-	633 VII	8-Apr-19	100	-
639 I	29-Sep-20	200	-	671 I	2-Apr-19	2,705	-
639 III	29-Sep-20	100	-	626 VIII	1-Apr-19	100	100
639 VI	29-Sep-20	250	-	630 II	1-Apr-19	300	300
640 I	29-Sep-20	1,450	-	632 II	1-Apr-19	100	100
640 II	29-Sep-20	125	-	562 I	19-Mar-19	-	1,080
641 I	29-Sep-20	600	-	561 I	27-Feb-19	-	1,700
641 II	29-Sep-20	250	-	620 IV	31-Jan-19	-	100
641 III	29-Sep-20	50	-	559 II	26-Jan-19	-	320
634 II	30-Aug-20	150	-	618 I	10-Jan-19	-	2,200
634 IV	30-Aug-20	100	-	557 I	28-Nov-18	-	500
636 II	30-Aug-20	650	-	556 I	27-Nov-18	-	300
636 IV	30-Aug-20	280	-	556 II	27-Nov-18	-	518
637 IV	30-Aug-20	100	-	553 II	30-Oct-18	-	410
637 VIII	30-Aug-20	100	-	553 III	30-Oct-18	-	379
635 V	25-Aug-20	776	-	554 II	30-Oct-18	-	870
633 I	5-Aug-20	50	-	554 III	30-Oct-18	-	310
632 I	29-Jul-20	400	400	603 I	28-Oct-18	-	100
626 I	28-Jul-20	210	210	604 I	28-Oct-18	-	160
628 II	22-Jul-20	876	876	551 II	2-Oct-18	-	530
623 I	27-Jun-20	200	200	551 IV	2-Oct-18	-	240
620 I	13-Jun-20	175	175	596 I	27-Sep-18	-	100
604 IV	29-Feb-20	50	50	600 I	27-Sep-18	-	50
604 VIII	29-Feb-20	500	500	629 I	24-Sep-18	-	2,500
604 IX	29-Feb-20	100	100	550 II	19-Sep-18	-	100
602 II	28-Jan-20	300	300	549 II	12-Sep-18	-	480
602 III	28-Jan-20	150	150	547 II	28-Aug-18	-	485
602 IV	28-Jan-20	100	100	548 II	28-Aug-18	-	722
596 II	25-Jan-20	300	300	586 II	3-Jul-18	-	100
596 III	25-Jan-20	200	200	632 VII	2-Jul-18	-	2,925
600 II	25-Jan-20	260	260	596 VI	1-Jul-18	-	50
600 III	25-Jan-20	240	240	544 I	28-Jun-18	-	100
592 III	31-Dec-19	300	350	585 II	28-Jun-18	-	250
593 II	31-Dec-19	100	100	582 II	17-Jun-18	-	100
593 III	31-Dec-19	200	200	540 I	30-May-18	-	195
594 III	31-Dec-19	50	50	541 I	30-May-18	-	480
591 II	6-Dec-19	700	700	541 II	30-May-18	-	225
580 I	30-Nov-19	160	210	594 II	3-May-18	-	100
580 III	30-Nov-19	375	425	581 VIII	2-May-18	-	300
581 I	30-Nov-19	200	200	582 III	2-May-18	-	100
581 II	30-Nov-19	200	200	586 III	2-May-18	-	100
581 III	30-Nov-19	350	450	604 VI	2-May-18	-	100
578 I	26-Oct-19	555	605	604 VII	2-May-18	-	500
578 II	26-Oct-19	50	50	604 X	2-May-18	-	200
578 III	26-Oct-19	750	750	608 II	2-May-18	-	100
579 I	26-Oct-19	250	250	539 II	1-May-18	-	155



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Series No	Maturity / Call Date	31 March 18	31 March 17	Series No	Maturity / Call Date	31 March 18	31 March 17
579 II	26-Oct-19	150	150	585 III	1-May-18	-	200
579 III	26-Oct-19	280	330	626 VI	30-Apr-18	-	50
589 I	30-Jul-19	460	460	632 VI	30-Apr-18	-	200
576 V	30-Jul-19	-	100	632 V	29-Apr-18	-	330
574 IV	14-Jul-19	100	100	630 III	28-Apr-18	-	200
571 IV	29-Jun-19	100	100	626 III	15-Apr-18	-	150
571 VI	29-Jun-19	300	450	626 IV	15-Apr-18	-	150
572 V	29-Jun-19	200	300	537 I	10-Apr-18	-	627
572 VII	29-Jun-19	200	200	627 I	5-Apr-18	-	6,500
592 I	29-Jun-19	100	100				
Total						89,882	47,337

B. Details of secured current equity linked non-convertible redeemable debentures are as follows:

Series No	Maturity / Call Date	31 March 18	31 March 17	Series No	Maturity / Call Date	31 March 18	31 March 17
562 I	19-Mar-19	1,080	-	535 II	31-Mar-18	-	250
669 I	4-Mar-19	925	-	536 III	31-Mar-18	-	175
561 I	27-Feb-19	1,700	-	536 IV	31-Mar-18	-	305
620 IV	31-Jan-19	100	-	576 I	31-Mar-18	-	100
656 II	28-Jan-19	16,250	-	576 III	31-Mar-18	-	350
658 I	28-Jan-19	5,000	-	623 V	31-Mar-18	-	100
660 I	28-Jan-19	800	-	536 I	27-Mar-18	-	25
664 I	28-Jan-19	600	-	623 III	25-Mar-18	-	225
665 I	28-Jan-19	10,000	-	625 V	24-Mar-18	-	800
559 II	26-Jan-19	320	-	623 VII	16-Mar-18	-	400
618 I	10-Jan-19	2,200	-	622 I	10-Mar-18	-	1,300
652 I	7-Dec-18	10,000	-	621 II	9-Mar-18	-	1,000
653 I	7-Dec-18	3,500	-	621 III	9-Mar-18	-	1,000
557 I	28-Nov-18	500	-	620 II	2-Mar-18	-	50
556 I	27-Nov-18	300	-	532 II	27-Feb-18	-	330
556 II	27-Nov-18	518	-	533 II	27-Feb-18	-	175
553 II	30-Oct-18	385	-	621 I	22-Feb-18	-	6,500
553 III	30-Oct-18	354	-	619 I	4-Feb-18	-	10,000
554 II	30-Oct-18	870	-	529 II	31-Jan-18	-	655
554 III	30-Oct-18	310	-	530 II	31-Jan-18	-	585
603 I	28-Oct-18	100	-	531 II	31-Jan-18	-	370
604 I	28-Oct-18	160	-	529 IV	13-Jan-18	-	10,010
551 II	2-Oct-18	505	-	577 I	31-Dec-17	-	3,000
551 IV	2-Oct-18	240	-	611 I	30-Dec-17	-	8,500
600 I	27-Sep-18	50	-	519 I	29-Dec-17	-	505
629 I	24-Sep-18	2,500	-	526 III	29-Dec-17	-	260
550 II	19-Sep-18	100	-	526 IV	29-Dec-17	-	745
549 II	12-Sep-18	325	-	527 II	29-Dec-17	-	635
547 II	28-Aug-18	405	-	600 IV	28-Dec-17	-	50
548 II	28-Aug-18	657	-	602 V	28-Dec-17	-	265
642 IV	30-Jul-18	50	-	608 I	15-Dec-17	-	1,500
647 VII	30-Jul-18	200	-	609 I	15-Dec-17	-	700



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Series No	Maturity / Call Date	31 March 18	31 March 17	Series No	Maturity / Call Date	31 March 18	31 March 17
647 IX	30-Jul-18	200	-	607 I	9-Dec-17	-	10,000
647 IV	30-Jul-18	1,550	-	525 IV	30-Nov-17	-	310
648 IV	30-Jul-18	200	-	592 IV	30-Nov-17	-	310
648 VII	30-Jul-18	300	-	593 IV	30-Nov-17	-	200
643 VII	16-Jul-18	7,700	-	524 III	28-Nov-17	-	510
626 IV	2-Jul-18	150	-	525 III	28-Nov-17	-	630
632 VII	2-Jul-18	2,925	-	603 II	26-Nov-17	-	50
639 V	2-Jul-18	200	-	603 III	26-Nov-17	-	170
640 V	2-Jul-18	200	-	604 III	26-Nov-17	-	730
640 IV	2-Jul-18	50	-	604 V	26-Nov-17	-	100
641 IV	2-Jul-18	100	-	605 I	25-Nov-17	-	500
641 V	2-Jul-18	100	-	524 II	24-Nov-17	-	1,005
641 VIII	2-Jul-18	215	-	601 I	28-Oct-17	-	10,000
596 VI	1-Jul-18	50	-	521 I	28-Sep-17	-	335
641 VII	30-Jun-18	500	-	522 I	28-Sep-17	-	955
641 IX	30-Jun-18	850	-	585 IV	28-Sep-17	-	100
544 I	28-Jun-18	100	-	595 I	23-Sep-17	-	700
585 II	28-Jun-18	250	-	594 I	16-Sep-17	-	500
638 IV	11-Jun-18	2,000	-	551 I	27-Aug-17	-	165
633 V	6-Jun-18	120	-	549 I	13-Aug-17	-	325
540 I	30-May-18	170	-	589 III	13-Aug-17	-	150
541 I	30-May-18	455	-	590 III	13-Aug-17	-	8,350
541 II	30-May-18	225	-	516	29-Jul-17	-	545
630 III	30-May-18	200	-	518	29-Jul-17	-	620
632 V	30-May-18	330	-	547 I	27-Jul-17	-	475
635 VI	30-May-18	220	-	548 I	27-Jul-17	-	490
625 I	27-May-18	200	200	581 VI	8-Jul-17	-	1,000
625 II	27-May-18	550	550	584 III	8-Jul-17	-	500
633 III	7-May-18	200	-	583 I	7-Jul-17	-	6,750
633 IV	7-May-18	200	-	581 IV	4-Jul-17	-	5,750
633 VIII	7-May-18	200	-	582 IV	4-Jul-17	-	400
594 II	3-May-18	100	-	576 II	2-Jul-17	-	620
581 VIII	2-May-18	300	-	576 IV	29-Jun-17	-	450
582 III	2-May-18	100	-	512	28-Jun-17	-	815
586 III	2-May-18	100	-	575 IV	21-Jun-17	-	500
604 VI	2-May-18	100	-	580 IV	7-Jun-17	-	400
604 VII	2-May-18	500	-	580 V	7-Jun-17	-	100
608 II	2-May-18	100	-	509	30-May-17	-	760
539 II	1-May-18	155	-	571 II	24-May-17	-	200
585 III	1-May-18	200	-	571 III	24-May-17	-	200
626 VI	30-Apr-18	50	-	572 II	24-May-17	-	100
632 VI	30-Apr-18	200	-	542 I	14-May-17	-	510
626 III	15-Apr-18	150	-	579 V	13-May-17	-	500
537 I	10-Apr-18	627	-	505	29-Apr-17	-	260
627 I	5-Apr-18	6,500	-	575 I	20-Apr-17	-	1,600
Total						90,896	111,255



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

C. Details of secured current non-convertible redeemable debentures are as follows:

Series No	Interest rate	Maturity / Call Date	31-Mar-18	31-Mar-17
677 I	8.30%	12-Sep-18	15,000	-
676 I	8.40%	7-Sep-18	10,000	-
675 I	8.40%	6-Sep-18	50,000	-
681 II	7.75%	20-Jul-18	15,000	-
663 I	7.70%	14-Jun-18	17,500	-
679 I	8.25%	14-Jun-18	60,000	-
678 I	7.90%	13-Jun-18	3,500	-
641 X	7.30%	31-May-18	2,000	-
673 I	7.50%	31-May-18	500	-
577 IV	8.95%	30-Jun-17	-	15,000
632 IX	7.70%	29-Jun-17	-	25,000
631 I	7.25%	27-Jun-17	-	20,000
630 IV	7.70%	23-Jun-17	-	25,000
628 I	7.50%	22-Jun-17	-	25,000
624 I	7.10%	6-Jun-17	-	2,500
Total			173,500	112,500

D. Details of unsecured current non-convertible redeemable debentures are as follows:

Series No	Interest rate	Maturity / Call Date	31-Mar-18	31-Mar-17
626 IX	7.25%	16-Jun-17	-	50,000
615 I	7.35%	23-May-17	-	50,000
610 I	7.10%	11-Apr-17	-	30,000
Total			-	130,000

(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 2018	31 March 2017
Total number of loan assets assigned during the year (Nos)	1,222	1,359
Total amount of exposures retained by the Company to comply with MRR	2,298	1,957
Total book value of loan assets assigned	22,512	19,816
Sale consideration received for the assigned assets	22,774	19,957
Gain on account of assigned assets	294	136
Gains amortized during the year as per the RBI guidelines (includes gains amortized of previous years assignment)	193	272



Citicorp Finance (India) Limited

Notes to the consolidated financial statements *(continued)*

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

(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: Advance against Financial Assets (AAFA), Corporate loans, Treasury and Others which include Equipment Finance and Personal loans.

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 and service charges.

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.

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.

Other Retail Loans include Equipment Finance and Personal loan portfolio. Equipment Finance provides services in the form of loans for the purchase of commercial vehicles, construction equipment 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 assignment etc. Personal loan portfolio bought during the year is unsecured loan given to individuals.

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.



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued) for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Summary of the segments for the year ended 31 March 2018

	AAFA		Corporate Loans		Treasury		Other Retail Loans		Unallocated		Total	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Revenue												
Segment revenue	29,779	30,525	24,345	34,913	5,334	5,290	20,788	14,398	1,092	1,016	81,338	86,142
Intra-segment revenues	(15,772)	(16,038)	(12,829)	(18,633)	35,210	38,938	(6,609)	(4,267)	-	-	-	-
TOTAL REVENUE	14,007	14,487	11,516	16,280	40,544	44,228	14,179	10,131	1,092	1,016	81,338	86,142
Result												
Segment result	11,007	11,402	9,948	14,732	3,093	999	3,105	1,827	(3,299)	(4,030)	23,854	24,930
Income tax	-	-	-	-	-	-	-	-	(8,310)	(5,797)	(8,310)	(5,797)
Deferred tax	-	-	-	-	-	-	-	-	168	(2,931)	168	(2,931)
Net segment result	11,007	11,402	9,948	14,732	3,093	999	3,105	1,827	(11,441)	(12,758)	15,712	16,202
Other information (relating to the current period)												
Capital expenditure	-	-	-	-	-	-	212	105	20	43	232	148
Depreciation	-	-	-	-	2	-	30	21	90	104	122	125
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	-	-	-	-	-	5	896	-	(84)	-	812	5
Capital employed as at												
Segment assets	321,929	385,212	416,467	440,657	71,231	74,915	208,319	138,924	4,497	53,396	1,022,443	1,093,104
Segment liabilities	(2,812)	(4,369)	(3,252)	(1,747)	(599,584)	(688,985)	(14,633)	(12,232)	(5,268)	(4,589)	(625,549)	(711,922)
Net segment assets (liabilities)	319,117	380,843	413,215	438,910	(528,353)	(614,070)	193,686	(26,692)	(771)	48,807	396,894	381,182



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

(7) Leases

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

Particulars	As at 31 March 2018	As at 31 March 2017
Net carrying value of the assets as at the date of balance sheet	14	21
Total of minimum lease payments as at the balance sheet date		
• Not later than one year	8	15
• Later than one year and not later than five years	10	10
Total	18	25
Present value of minimum lease payments as at the balance sheet date		
• Not later than one year	6	13
• Later than one year and not later than five years	8	8
Total	14	21

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

Particulars	As at 31 March 2018	As at 31 March 2017
Gross investment as at the date of balance sheet		
• Not later than one year	1,419	1,891
• Later than one year and not later than five years	1,474	2,431
Total	2,893	4,322
Present value of minimum lease payments as at the balance sheet date		
• Not later than one year	1,187	1,527
• Later than one year and not later than five years	1,331	2,157
Total	2,518	3,684
Unearned finance charges	375	638
Unguaranteed residual value	-	-
Accumulated provision for minimum lease payment receivable	-	-

There are no provisions relating to contingent rent.



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

for the year ended 31 March 2018

(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. There is no dilution to the basic earnings per share as there are no dilutive potential equity shares.

Particulars	31 March 2018	31 March 2017
Profit available to equity shareholders (A)		
Profit after tax	15,712	16,202
Weighted average number of equity shares		
Number of shares at the beginning of the year	3,857,727,031	3,857,727,031
Shares issued during the year	-	-
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)]	0.41	0.42

(9) Deferred tax

The breakup of deferred tax assets is as under:

Particulars	As at 31 March 2018	As at 31 March 2017
Deferred tax assets:		
a. Provision for doubtful assets / valuation loss / assignment	6,386	6,510
b. WDV of fixed assets as per tax	5,135	6,009
c. Disallowance of expenses	1,293	1,268
d. Unrealized losses on derivatives	1,538	482
e. Lease rental payable	5	7
f. Interest accrued but not due on debentures	3,305	4,143
Subtotal (A)	17,662	18,419
Deferred tax liabilities		
a. WDV of fixed assets as per books	115	148
b. Unrealized gain on derivatives	1,607	2,095
c. Lease rental receivable	871	1,275
Subtotal (B)	2,593	3,518
Total (A-B)	15,069	14,901

The Company is of view that there is reasonable certainty of earning taxable profits in the near future and hence deferred tax assets of Rs. 15,069 lakhs is being recognised in the books of accounts (In the previous year, the Company, based on reasonable certainty, had recognised deferred tax assets of Rs. 14,901 lakhs).



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

(10) Derivatives

Quantitative disclosure for derivative instruments

Particulars	As at 31 March 2018	As at 31 March 2017
Derivatives (notional principal amount)		
Futures and options:		
Equity and Index (net of long and (short))	61,964	43,472

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

(11) Disclosure pursuant to Accounting Standard – 15 (Revised) "Employee Benefits"

A. Defined Contribution Plan

Amount of Rs. 195 lakhs (Previous year: Rs. 185 lakhs) is recognised as an expense for provident fund and superannuation fund included in "Employee Benefits"

B. 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 2018	31 March 2017
Change in obligations		
Present value of defined benefits obligations at the beginning of the year	421	395
Employer service cost	41	40
Plan amendments	59	(1)
Interest cost	27	28
Acquisitions cost/(credit)	-	-
Actuarial (gains) / losses	15	14
Settlement cost	-	-
Actual benefits payments	(51)	(55)
Present value of defined benefits obligations at the end of the year (A)	512	421
Change in plan assets		
Plan assets as at the beginning of the year	303	255
Expected return on plan assets	26	23
Actual company contributions	59	80
Actual benefits payments	(51)	(55)
Actuarial gain / (losses)	(3)	-
Plan assets at the end of the year (B)	334	303



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

for the year ended 31 March 2018

(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	512	-421
Fair value of plan assets as at the end of the year	334	303
Net liability recognized in the balance sheet (B-A)	(178)	(118)

Particulars	31 March 2018	31 March 2017
Components of employer expense		
Current services cost	41	39
Interest cost	27	30
Expected return on assets	(26)	(23)
Past service cost	59	(1)
Settlement cost/ (credit)	-	-
Actuarial (gains) and losses	17	14
Net cost recognized in the Profit and loss account	118	59
Assumptions		
Discount rate	7.40%	6.80%
Expected return on assets	8.50%	8.50%
Salary escalation rate	10.00%	10.00%
Withdrawal rate	15.00%	15.00%
Mortality	LIC (2006-08) ultimate	LIC (2006-08) ultimate

Particulars	31 March 2018	31 March 2017	31 March 2016	31 March 2015	31 March 2014
Experience history					
Defined benefit obligation at the end of the period	(512)	(421)	(395)	(379)	(365)
Plan assets at the end of the period	334	303	255	308	361
Funded status	(178)	(118)	(140)	(71)	(4)
Experience gain/ (loss) adjustments on plan liabilities	(34)	6	-	(22)	24
Experience gain/ (loss) adjustments on plan assets	(3)	-	(1)	(7)	-
Actuarial gain / (loss) due to change of assumptions	19	(20)	(42)	(32)	31

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

Notes to the consolidated financial statements *(continued)*

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

(12) Related party disclosures

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

Related parties as per AS 18 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

Citibank Korea Inc.

Citibank Europe plc. and its branches

Citigroup Technology Inc.

Citigroup Transaction Services M Sdn Bhd

Citigroup Global Markets Asia Limited

Citicorp Services India Private Limited

Citicorp Investment Bank Singapore Limited

Citigroup Global Markets Hong Kong Limited

Citigroup Global Markets Singapore PTE Limited

Citibank (China) Co. Ltd.

Citigroup Global Markets Deutschland AG

Citibank Japan Ltd.

C. Key Management Personnel

Rohit Ranjan (Joint Managing Director)

Priti Goel (Joint Managing Director)



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued) for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Related party disclosures (continued)

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

Nature of Related party transaction	Holding Companies and companies exercising control		Fellow Subsidiaries		
	Citibank N.A. and its branches		Citicorp Services India Ltd		Other Fellow Subsidiaries
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-17
Asset given on lease	629	1,376	298	869	86
Lease rentals received for assets given on lease	1,225	1,357	603	636	44
Fixed deposits placed	1,545,171	383,078	-	-	-
Fixed deposits matured	1,551,817	382,745	-	-	-
Inter Corporate Borrowings taken	-	-	181,000	-	-
Inter Corporate Borrowings repaid	-	-	78,500	-	-
Loans taken	1,481,900	6,520,600	-	-	-
Loans repaid	1,481,900	6,520,600	-	-	-
Loan portfolio purchase personal loan	135,078	127,545	-	-	-
Loan portfolio purchase domestic trade finance	123,296	58,588	-	-	-
Loan portfolio sale	22,774	19,957	-	-	-
Net movement in bank accounts	475	403	-	-	-
Distribution and Placement Fees paid	464	324	-	-	-
Rent paid	595	606	19	23	19



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued) for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Nature of Related party transaction	Holding Companies and companies exercising control		Fellow Subsidiaries			
	Citibank N.A. and its branches		Citicorp Services India Ltd		Other Fellow Subsidiaries	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Rent recovered	-	-	-	148	-	-
Fee for HR & ICU Service earned	-	-	-	3	-	-
HR Related Expenses incurred	35	36	13	19	-	-
Interest paid on borrowings and overdraft	447	2,483	841	-	-	-
Bank Charges paid	24	34	-	-	-	-
Interest received on fixed deposits	1,512	363	-	-	-	-
Sourcing and Collection Fees earned	5,710	4,580	-	-	-	-
Fees and Commission (includes secondment charges for joint managing directors)	5,310	3,965	-	5	145	1,458
Secondment charges earned	482	486	-	-	-	-
Technology & Software expenses incurred	648	959	230	217	226	219
Collection Expenses incurred	675	271	-	-	-	-
Expense processing fees incurred	49	43	-	-	-	-
Compliance Services	-	-	-	14	-	-
Equity Dividend Received	-	-	-	-	-	-



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued) for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Related party disclosures (continued)

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

Nature of Related party outstanding balances	Holding Companies and companies exercising control		Fellow Subsidiaries			
	Citibank N.A. and its branches		Citicorp Services India Ltd		Other Fellow Subsidiaries	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Assets						
Finance lease principal receivable	1,608	2,410	853	1,197	57	77
Other receivables	5,251	2,414	209	154	37	20
Fixed deposits	12,526	20,342	-	-	-	-
Interest accrued on fixed deposits	142	88	-	-	-	-
Bank Balances	121	1,610	-	-	-	-
Liabilities						
Inter Corporate Borrowings	-	-	102,500	-	-	-
Interest payable on Inter Corporate borrowings	-	-	293	-	-	-
Trade payables	3,281	3,082	115	44	191	1,138
Other Liabilities	2,051	2,982	-	-	-	-
Loans repayable on demand from banks (overdraft)	675	1,689	-	-	-	-



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

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

Particulars	31 March 2018	31 March 2017
Equity-futures and options	1,445	(4,662)

(14) 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 2018	31 March 2017
Principal amount remaining unpaid to any supplier as at the year end	-	59
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	181	-
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	3	2
Amount of interest accrued and remaining unpaid at the end of the accounting year	11	10

(15) The Company has not accepted deposits within the meaning of 'Public Deposits' as defined in the prudential norms issued by the RBI.

(16) Corporate social responsibility expense

Particulars	31 March 2018	31 March 2017
Gross amount required to be spent during the year	635	579
Amount spent during the year	-	-
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above		
In cash	635	141
Yet to be paid in cash	-	*434
Total	635	575

* Payment initiated on 31st March 2017, cleared on 4th April 2017



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

(17) Details of Specified Bank Notes (SBN) held and transacted during the period from 8 November 2016 to 30 December 2016

(Rs. as Actuals)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	10,500	208	10,708
(+) Permitted receipts	-	2,195,243	2,195,243
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	10,500	2,091,607	2,102,107
Closing cash in hand as on 30.12.2016	-	103,844	103,844

(18) During the previous year, the Company had reversed provision for proposed dividend and dividend distribution tax pertaining to financial year 2015-16 amounting to Rs. 13,855 lakhs at the instance of shareholders in the Annual General Meeting held on 29 August 2016.

(19) Other expenses – fees and commission include transfer pricing fees amounting to Rs. 3,105 lakhs (Previous year: Rs. 4,616 lakhs) paid/ accrued to affiliates. These fees are based on refinements in the transfer pricing model which has been effective April 1, 2016. The refined model is aimed at simplifying and standardizing country and intercompany reporting while properly recognizing and rewarding components of the value chain through net revenue allocation for respective country locations and legal entities.

(20) Figures for the previous year have been re-grouped wherever necessary, to confirm to current year's classification.



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued) for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

(21) Details of Loan Assets subjected to Restructuring as at 31 March 2018

SL. No	Type of Restructuring		Standard			Others			Total
	Asset Classification Details		Standard	Sub Standard	Doubtful	Loss			
1	Restructured Accounts as on 1 April of the FY (opening figures)	No. of borrowers	-	-	-	-	-	-	
		Amount outstanding	-	-	-	-	-	-	
		Provision thereon	-	-	-	-	-	-	
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	-	-	-	-	-	-	
		Amount outstanding	-	-	-	-	-	-	
		Provision thereon	-	-	-	-	-	-	
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	-	-	-	-	-	-	
		Amount outstanding	-	-	-	-	-	-	
		Provision thereon	-	-	-	-	-	-	
7	Restructured Accounts as on March 31 of the FY (closing figures)	No. of borrowers	-	-	-	-	-	-	
		Amount outstanding	-	-	-	-	-	-	
		Provision thereon	-	-	-	-	-	-	

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



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

- (22) In accordance with the RBI notification No. RBI/DNBS/2016-17/49 Master Direction DNBS.PPD.01/66.15.001/2016-17 dated September 29, 2016, Rs. 13.50 lakhs of fraud was detected and reported during the financial year ended 31 March 2018 (Previous year: Rs. 0.47 lakhs).
- (23) In accordance with Master Direction DNBR.PD.008/03.10.119/2016-17 dated September 1, 2016 – Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, the Company did not enter into any credit default swaps during the year ended 31 March 2018 (Previous year: Nil).
- (24) In accordance with Master Direction DNBR.PD.008/03.10.119/2016-17 dated September 1, 2016 – Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, the Company has not lent against gold jewellery during the year ended 31 March 2018 (Previous year: Nil).

(25) Short Term Borrowings

A. Secured Borrowings

i. Working Capital Demand Loan from Banks

Particulars	As at	As at
	31 March 2018	31 March 2017
Tenure (from the date of the Balance Sheet)	Maturing within 1 year	NA
Rate Range	9.60%	NA
Total Outstanding Balance	20,000	-

The above loan is secured by a pari passu charge on the movable financial assets.

B. Unsecured Borrowings

i. Cash Credit Facility from Banks

Particulars	As at	As at
	31 March 2018	31 March 2017
Tenure (from the date of the Balance Sheet)	Maturing within 1 year	Maturing within 1 year
Rate Range	13.50%	13.50%
Total Outstanding Balance	675	1,689

Loans from related parties- Rs. 675 lakhs (Previous Year: Rs. 1,689 lakhs)



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

ii. Commercial Paper

Particulars	As at	As at
	31 March 2018	31 March 2017
Tenure (from the date of the Balance Sheet)	Maturing within 1 year	Maturing within 1 year
Discount Rate (Range)	6.98% to 7.90%	6.67% to 7.30%
Total Outstanding Balance	65,000	245,000
Less: Unamortised Cost	1,110	4,068
Net Outstanding Balance	63,890	240,932

iii. Inter Corporate Borrowings

Particulars	As at	As at
	31 March 2018	31 March 2017
Tenure (from the date of the Balance Sheet)	Maturing within 1 year	Maturing within 1 year
Rate Range	6.50% to 7.50%	6.20% to 6.50%
Total Outstanding Balance	145,000	26,600

Loans from related parties- Rs. 102,500 lakhs (Previous Year: Rs. Nil)

- (26) During June 2017, Tejas Networks Ltd made a public offer and got listed on the stock exchange. Given that these equity shares are now marketable, the Company has reclassified the investment from non-current investment to current investment w.e.f. October 1, 2017 by virtue of a board resolution passed on November 15, 2017. Further, since the market value of the investment is greater than the initial investment amount as on the balance sheet date, provision of Rs. 689 lakhs, created earlier, has been reversed in the current year.

(27) Additional information as required under Schedule III of Companies Act 2013

As at 31 March 2018

Name of the entity	Net Assets i.e total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
India Infradebt Limited	3.57%	14,177	12.83%	2,016

As at 31 March 2017

Name of the entity	Net Assets i.e total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
India Infradebt Limited	3.26%	12,413	8.61%	1,395



Citicorp Finance (India) Limited

Notes to the consolidated financial statements (continued)

for the year ended 31 March 2018

(Currency: Indian Rupees in Lakhs)

Annexure "A"

Additional information, as required under Schedule III of the Companies Act, 2013, of enterprises consolidated as Associates

SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARY/ ASSOCIATE/ JOINT VENTURES AS PER COMPANIES ACT, 2013

Part – "A": Subsidiaries: None

Part – "B": Associates and Joint ventures

Name of the Associate	India Infradebt limited
1. Latest audited Balance Sheet Date	31.03.2018
2. Shares of Associate held on the year end	
i. Number of Shares	87,000,000
ii. Amount of Investment	8,700
iii. Extent of Holding	15.06%
3. Description of how there is significant influence	There is significant influence by virtue of Joint Venture and Shareholders Agreement dated October 8, 2012 and amendments thereof.
4. Reason why the associate is not consolidated	Not Applicable
5. Networth attributable to Shareholding as per latest balance sheet	14,177
6. Profit/ Loss for the year	
i. Considered in consolidation	2,016
ii. Not considered in consolidation	Nil

As per our report of even date attached

For **MSKA & Associates**
(Formerly known as **MZSK & Associates**)

Chartered Accountants
Firm's Registration No:
105047W

For and on behalf of the Board of Directors

Citicorp Finance (India) Limited


Swapnil Kale

Partner

Membership No: 117812


Rohit Ranjan

Jt. Managing
Director

DIN: 00003480


Priti Goel

Jt. Managing
Director

DIN: 07649929


**Ganesh
Ramanathan**
Chief Financial
Officer


**Sameer
Upadhyay**
Company
Secretary

Mumbai
29 May 2018