

**Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company  
Pursuant to the Clause 41 of the Listing Agreement****To****Board of Directors of  
Capital First Limited**

1. We have audited the quarterly consolidated financial results of Capital First Limited ('the Company') for the quarter ended March 31, 2014 and the consolidated financial results for the year ended March 31, 2014, attached herewith, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. The quarterly consolidated financial results are the derived figures between the audited figures in respect of the year ended March 31, 2014 and the published year-to-date figures up to December 31, 2013, being the date of the end of the third quarter of the current financial year, which were audited by us. The consolidated financial results for the quarter ended March 31, 2014 have been prepared on the basis of the consolidated financial results for the nine-month period ended December 31, 2013, the audited annual consolidated financial statements as at and for the year ended March 31, 2014, and the relevant requirements of Clause 41 of the Listing Agreement and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these consolidated financial results based on our audit of the consolidated financial results for the nine-month period ended December 31, 2013 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, notified under the Companies Act, 1956 read with General Circular 8/2014 dated April 4, 2014, issued by the Ministry of Corporate Affairs and other accounting principles generally accepted in India, our audit of the annual consolidated financial statements as at and for the year ended March 31, 2014; and the relevant requirements of Clause 41 of the Listing Agreement.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:
  - i. are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
  - ii. give a true and fair view of the net profit and other financial information for the quarter ended March 31, 2014 and for the year ended March 31, 2014.



# **S.R. BATLIBOI & CO. LLP**

Chartered Accountants

4. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2014 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2014 and the published year-to-date figures up to December 31, 2013, being the date of the end of the third quarter of the current financial year, as required under Clause 41(I)(d) of the Listing Agreement.
5. Further, read with paragraph 1 above, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.
6. We did not audit financial results of one subsidiary, whose financial results included in the consolidated quarterly financial results and consolidated year to date results, reflect total assets of Rs. 2,121.58 lakhs as at March 31, 2014 and Rs. 2,121.58 lakhs as at quarter ended March 31, 2014 as well as the total revenue of Rs. 2.30 lakhs for the year ended March 31, 2014 and Rs. Nil as at the quarter ended March 31, 2014. These financial statements have been audited by other auditor whose report have been furnished to us, and our opinion on the quarterly financial results and the year to date results, to the extent they have been derived from such financial statements is based solely on the report of such other auditors.

For S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm registration number: 301003E

*Shrawan*

per Shrawan Jalan

Partner

Membership No.: 102102

Place of Signature: Mumbai

Date: May 08, 2014





**STATEMENT OF CONSOLIDATED AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2014**

PART I		QUARTER ENDED			YEAR ENDED	
PARTICULARS		31.03.2014 (Audited) (refer note 'I')	31.12.2013 (Audited)	31.03.2013 (Audited) (refer note 'I')	31.03.2014 (Audited)	31.03.2013 (Audited)
1	<b>Income from operations</b>					
	a) Income from operations	28,588.31	27,340.40	21,083.14	105,990.69	81,010.81
	b) Other operating income	183.62	286.58	320.09	750.00	699.00
	<b>Total Income from operations (net)</b>	<b>28,771.93</b>	<b>27,626.98</b>	<b>21,403.23</b>	<b>106,740.69</b>	<b>81,709.81</b>
2	<b>Expenses</b>					
	a) Employee benefits expenses	3,157.41	2,972.92	3,342.52	13,202.58	13,936.00
	b) Depreciation and amortisation expense	152.53	159.15	176.34	643.15	699.81
	c) Provision and write offs	624.71	1,820.02	1,400.69	5,096.61	2,201.36
	d) Amortised loan origination cost	1,789.39	1,101.04	600.93	5,101.55	1,964.34
	e) Legal and Professional charges	1,147.20	910.27	606.31	3,680.99	2,317.31
	f) Other expenses	2,372.72	2,306.23	1,959.10	8,741.76	7,311.20
	<b>Total Expenses</b>	<b>9,243.96</b>	<b>9,269.63</b>	<b>8,085.89</b>	<b>36,466.64</b>	<b>28,430.02</b>
3	<b>Profit from Operations before Other Income, Finance Cost &amp; Exceptional Items (1-2)</b>	<b>19,527.97</b>	<b>18,357.35</b>	<b>13,317.34</b>	<b>70,274.05</b>	<b>53,279.79</b>
4	Other Income	119.70	12.58	66.00	311.19	253.39
5	<b>Profit from ordinary activities before Finance costs &amp; Exceptional Items (3+4)</b>	<b>19,647.67</b>	<b>18,369.93</b>	<b>13,383.34</b>	<b>70,585.24</b>	<b>53,533.18</b>
6	Finance Costs	17,324.62	16,676.19	13,023.21	64,682.49	48,342.36
7	<b>Profit from Ordinary activities after Finance costs but before Exceptional Items (5-6)</b>	<b>2,323.05</b>	<b>1,693.74</b>	<b>360.13</b>	<b>5,902.75</b>	<b>5,190.82</b>
8	Exceptional Items	-	-	(105.05)	-	2,130.95
9	<b>Profit from Ordinary activities before tax (7+8)</b>	<b>2,323.05</b>	<b>1,693.74</b>	<b>255.08</b>	<b>5,902.75</b>	<b>7,321.77</b>
10	Tax expense (including Deferred Tax) (refer note 'f')	(659.75)	682.26	(560.45)	639.93	1,010.83
11	<b>Net Profit from Ordinary activities after tax (9-10)</b>	<b>2,982.80</b>	<b>1,011.48</b>	<b>815.53</b>	<b>5,262.82</b>	<b>6,310.94</b>
12	Extraordinary Item	-	-	-	-	-
13	<b>Net Profit for the quarter / year (11-12)</b>	<b>2,982.80</b>	<b>1,011.48</b>	<b>815.53</b>	<b>5,262.82</b>	<b>6,310.94</b>
14	Share of minority interest	-	-	-	-	-
15	<b>Net Profit after minority interests (13-14)</b>	<b>2,982.80</b>	<b>1,011.48</b>	<b>815.53</b>	<b>5,262.82</b>	<b>6,310.94</b>
	Paid up Equity Share Capital (Face Value-Rs.10 per share)	8,263.15	7,102.43	7,102.43	8,263.15	7,102.43
	Reserves excluding Revaluation Reserves as per balance sheet	-	-	-	108,899.49	89,029.80
16	a) Earnings per share (EPS) (before Extraordinary items) (of Rs.10/- each) *					
	-Basic (Rs.)	4.17	1.42	1.23	7.40	9.49
	-Diluted (Rs.)	4.16	1.42	1.22	7.38	9.44
	b) Earnings per share (EPS) (after Extraordinary items) (of Rs.10/- each) *					
	-Basic (Rs.)	4.17	1.42	1.23	7.40	9.49
	-Diluted (Rs.)	4.16	1.42	1.22	7.38	9.44

\*EPS for the quarters are not annualised

PART II						
A PARTICULARS OF SHAREHOLDING						
1	<b>Public shareholding</b>					
	-Number of shares	23,145,867	19,895,867	20,900,063	23,145,867	20,900,063
	-Percentage of shareholding	28.01%	28.01%	29.43%	28.01%	29.43%
2	<b>Promoters and Promoter Group shareholding</b>					
	a) Pledged/ Encumbered					
	-Number of shares	-	-	-	-	-
	-Percentage of shares (as a % of the total shareholding of promoters and promoter group)	-	-	-	-	-
	-Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
	b) Non-encumbered					
	-Number of shares	59,485,602	51,128,457	50,124,261	59,485,602	50,124,261
	-Percentage of shares (as a % of the total shareholding of promoters and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
	-Percentage of shares (as a % of the total share capital of the company)	71.99%	71.99%	70.57%	71.99%	70.57%

PARTICULARS		QUARTER ENDED 31.03.2014
B	<b>INVESTOR COMPLAINTS</b>	
	Pending at the begining of the quarter	1
	Received during the quarter	3
	Disposed of during the quarter	4
	Remaining unresolved at the end of the quarter	-

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MUMBAI**



**Notes**

- a. The audited consolidated financial results relates to Capital First Limited (the "Company") and its subsidiaries. The consolidated financial results are prepared in accordance with the principles and procedures for the preparation and presentation of consolidated accounts as set out in Accounting Standard (AS) - 21 'Consolidated Financial Statements' as notified by the Companies (Accounting Standards) Rules, 2006. The financial results of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses.
- b. The consolidated financial results for the quarter and year ended March 31, 2014, have been reviewed by the Audit Committee and subsequently approved by the Board of Directors (the "Board") at their respective meetings held on May 08, 2014.
- c. During the quarter under review, the Board of Directors vide Circular Resolution dated March 28, 2014 allotted 11,607,145 equity shares of the Company of Rs.10/- each, at the premium of Rs. 143.80/- each on preferential basis. The said funds aggregating to Rs. 17,851.79 lakhs received pursuant to the aforesaid allotment have been utilised as on March 31, 2014. The aforesaid allotment is subject to the lock-in requirements as per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time, with regard to the Preferential Issue.
- d. Discontinuation of broking business and resultant diminution: No impact on consolidated Network and consolidated statement of Profit and loss of the company.  
The Board of Directors at its meeting held on November 13, 2013 decided to discontinue its broking business carried on through its subsidiaries viz. Capital First Securities Limited (CFSL) & Capital First Commodities Limited (CFCL) (subsidiary of CFSL). The loss after tax attributed to the broking entities for the quarter and year ended March 31, 2014 is Rs. 137.52 lacs and Rs. 632.27 lacs respectively and these are reflected in the consolidated financials.
- e. Securities issue expenses for the quarter ended March 31, 2014 aggregating Rs. 99.53 lakhs has been adjusted against the Securities Premium Account in accordance with Section 78 of the Companies Act, 1956.
- f. An amount of Rs. 1,732.72 lakhs relates to tax credit of Assessment Year 2011-12 in respect of bad debts written off allowed as a deduction on completion of assessment.
- g. At the consolidated level, the main business of the Company is financing. As such, there are no separate reportable segments as per the Accounting Standard (AS) - 17 'Segment Reporting' as notified by the Companies (Accounting Standards) Rules, 2006.
- h. The Board of Directors have recommended, subject to the approval of shareholders, dividend of Rs. 2.00 per share (20.00%)
- i. The figures for the last quarter of the current year and for the previous year are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures up to third quarter.
- j. Figures for previous quarter / year have been regrouped and/or reclassified wherever considered necessary, to conform to current quarter/ year classification.
- k. The Standalone Financial Results are available on the Company's website viz. [www.capfirst.com](http://www.capfirst.com) and on the websites of BSE ([www.bseindia.com](http://www.bseindia.com)) and NSE ([www.nseindia.com](http://www.nseindia.com)).

For CAPITAL FIRST LIMITED

V. Vaidyanathan  
Chairman & Managing Director

Place : Mumbai  
Date : May 08, 2014

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MUMBAI**





**CAPITAL FIRST LIMITED**  
(CIN no. L29120MH2005PLC156795)

Regd. Office : 15th Floor, Tower 2, IndiaBulls Finance Centre, Senapati Bapat Marg, Elphinstone (W), Mumbai - 400 013

**STANDALONE FINANCIALS SUMMARY**

(Rs. in Lakhs)

PARTICULARS	QUARTER ENDED			YEAR ENDED	
	31.03.2014 (Audited)	31.12.2013 (Audited)	31.03.2013 (Audited)	31.03.2014 (Audited)	31.03.2013 (Audited)
Revenues (including other income)	30,801.12	27,467.90	20,867.56	107,971.22	80,005.41
Exceptional item	(97.75)	(197.00)	296.10	(3,444.75)	2,432.10
Profit / (Loss) before tax	3,691.71	1,524.25	910.75	4,088.60	7,844.39
Profit / (Loss) after tax	4,403.62	939.53	1,500.99	3,698.35	6,977.38

**STATEMENT OF ASSETS AND LIABILITIES (CONSOLIDATED)**

(Rs. in Lakhs)

PARTICULARS	As at 31.03.2014 (Audited)	As at 31.03.2013 (Audited)
<b>A EQUITY AND LIABILITIES</b>		
1 Shareholders' Funds		
(a) Share Capital	8,202.18	7,041.46
(b) Reserves and Surplus	108,899.49	89,029.80
Sub-total shareholders' funds	117,101.67	96,071.26
2 Share application money pending allotment	83.56	-
3 Non - Current Liabilities		
(a) Long term borrowings	557,009.18	442,152.57
(b) Other Long term liabilities	3,836.26	2,917.50
(c) Long term provisions	9,525.75	8,527.08
Sub-total non-current liabilities	570,371.19	453,597.15
4 Current Liabilities		
(a) Short term borrowings	146,644.64	107,029.05
(b) Trade payables	13,967.27	6,179.90
(c) Other current liabilities	161,259.24	85,347.98
(d) Short term provisions	3,765.95	5,307.30
Sub-total current liabilities	325,637.10	203,864.23
<b>TOTAL - EQUITY &amp; LIABILITIES</b>	<b>1,013,193.52</b>	<b>753,532.64</b>
<b>B ASSETS</b>		
1 Non-Current Assets		
(a) Fixed Assets	3,401.27	3,907.17
(b) Non - current investments	110.71	110.71
(c) Deferred tax assets (Net)	1,708.03	867.43
(d) Long term loans and advances	500,851.89	398,718.10
(e) Other non current assets	25,176.38	24,544.55
Sub-total non-current assets	531,248.28	428,147.96
2 Current Assets		
(a) Current Investments	34,631.52	-
(b) Trade receivables	935.97	3,898.86
(c) Cash and Bank Balances	201,307.51	119,060.30
(d) Short term loans and advances	231,429.17	192,505.13
(e) Other current assets	13,641.07	9,920.39
Sub-total current assets	481,945.24	325,384.68
<b>TOTAL - ASSETS</b>	<b>1,013,193.52</b>	<b>753,532.64</b>

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