

**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 financial results of Capital First Limited ("the Company") for the quarter ended March 31, 2014 and the 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 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 financial results for the quarter ended March 31, 2014 have been prepared on the basis of the financial results for the nine-month period ended December 31, 2013, the audited annual 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 financial results based on our audit of the 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 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. 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**

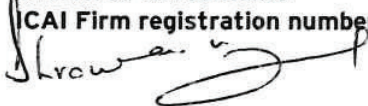
Chartered Accountants

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.

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

Chartered Accountants

ICAI Firm registration number: 301003E



per Shrawan Jalan

Partner

Membership No.: 102102

Place of Signature: Mumbai

Date: 8/5/17





**STATEMENT OF STANDALONE AUDITED RESULTS FOR THE YEAR ENDED MARCH 31, 2014**

**PART I**

(Rs. In Lakhs)

PARTICULARS	QUARTER ENDED			YEAR ENDED	
	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 Income from operations					
a) Income from operations	28,567.36	27,194.17	20,740.31	105,240.83	79,316.05
b) Other operating income (refer note 'g')	2,233.76	262.44	127.25	2,629.34	498.70
Total Income from operations (net)	30,801.12	27,456.61	20,867.56	107,870.17	79,814.75
2 Expenses					
a) Employee benefits expenses	3,068.30	2,884.16	3,134.78	12,639.37	13,077.44
b) Depreciation and amortisation expense	138.37	144.76	153.01	569.21	563.23
c) Provision and write offs	1,342.17	1,747.66	698.33	5,249.87	1,262.52
d) Amortised loan origination cost	1,788.04	1,100.35	600.93	5,099.50	1,964.34
e) Legal and Professional charges	1,126.52	903.11	585.35	3,620.28	2,259.37
e) Other expenses	2,283.39	2,189.91	1,880.53	8,276.89	6,619.62
Total Expenses	9,746.79	8,969.95	7,052.93	35,455.12	25,746.52
3 Profit from Operations before Other Income, Finance Cost & Exceptional Items (1-2)	21,054.33	18,486.66	13,814.63	72,415.05	54,068.23
4 Other Income	-	11.29	-	101.05	190.66
5 Profit from Ordinary activities before Finance costs & Exceptional Items (3+4)	21,054.33	18,497.95	13,814.63	72,516.10	54,258.89
6 Finance Costs	17,264.87	16,776.70	13,199.98	64,982.75	48,846.60
7 Profit from Ordinary activities after Finance costs but before Exceptional Items (5-6)	3,789.46	1,721.25	614.65	7,533.35	5,412.29
8 Exceptional Items (refer note 'e')	(97.75)	(197.00)	296.10	(3,444.75)	2,432.10
9 Profit from Ordinary activities before tax (7+8)	3,691.71	1,524.25	910.75	4,088.60	7,844.39
10 Tax expense (including Deferred Tax) (refer note 'd')	(711.91)	584.72	(590.24)	390.25	867.01
11 Net Profit from Ordinary activities after tax (9-10)	4,403.62	939.53	1,500.99	3,698.35	6,977.38
12 Extraordinary Item	-	-	-	-	-
13 Net Profit for the period (11-12)	4,403.62	939.53	1,500.99	3,698.35	6,977.38
14 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
15 Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	105,281.87	87,153.27
16 a) Earnings per share (EPS) (before Extraordinary items) (Face Value-Rs.10 per share) *					
-Basic (Rs.)	6.16	1.32	2.26	5.20	10.49
-Diluted (Rs.)	6.14	1.32	2.25	5.19	10.44
b) Earnings per share (EPS) (after Extraordinary items) (Face Value-Rs.10 per share) *					
-Basic (Rs.)	6.16	1.32	2.26	5.20	10.49
-Diluted (Rs.)	6.14	1.32	2.25	5.19	10.44

\*EPS for the quarters are not annualised

**PART II**

PARTICULARS OF SHAREHOLDING					
1 Public shareholding					
-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 Promoters and Promoter Group shareholding					
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 INVESTOR COMPLAINTS		
Pending at the beginning 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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BY**


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



Notes

- a. The audited 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.
- b. 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.
- c. 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.
- d. 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.
- e. Discontinuation of broking business and resultant diminution: No impact on consolidated Networth 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 Company has taken a further diminution in the value of its investment in the subsidiary to the extent of Rs. 97.75 lacs (year ended March 31, 2014 - Rs. 3,444.75 lacs) in the Statement of Profit and Loss of its standalone financials. The Consolidated Statement of Profit and Loss and the Consolidated Networth of the company is not affected by this diminution in this quarter/year as the same has already been accounted for in the Consolidated financials in respective periods.
- f. 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.
- g. Other operating income includes dividend received from one of the subsidiary of the Company amounting to Rs. 2,050.42 lakhs.
- 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.

For CAPITAL FIRST LIMITED



V. Vaidyanathan  
Chairman & Managing Director

Place : Mumbai  
Date : May 08, 2014

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BY**

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STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lakhs)

PARTICULARS	As at 31.03.2014 (Audited)	As at 31.03.2013 (Audited)
<b>A EQUITY AND LIABILITIES</b>		
<b>1 Shareholders' Funds</b>		
(a) Share Capital	8,202.18	7,041.46
(b) Reserves and Surplus	105,281.87	87,153.27
Sub-total shareholders' funds	113,484.05	94,194.73
<b>2 Share application money pending allotment</b>	83.56	-
<b>3 Non - Current Liabilities</b>		
(a) Long term borrowings	554,196.68	445,215.32
(b) Other long term liabilities	3,786.45	2,893.21
(c) Long term provisions	9,618.10	8,684.92
Sub-total non-current liabilities	567,601.23	456,793.45
<b>4 Current Liabilities</b>		
(a) Short term borrowings	149,372.14	109,376.55
(b) Trade payables	6,449.35	5,275.15
(c) Other current liabilities	160,076.13	84,590.58
(d) Short term provisions	3,677.78	4,204.23
Sub-total current liabilities	319,575.40	203,446.51
<b>TOTAL - EQUITY &amp; LIABILITIES</b>	<b>1,000,744.24</b>	<b>754,434.69</b>
<b>B ASSETS</b>		
<b>1 Non - Current Assets</b>		
(a) Fixed Assets	2,756.39	2,965.51
(b) Non - current investments	8,039.80	11,484.55
(c) Deferred tax assets (Net)	1,672.05	770.94
(d) Long term loans and advances	492,506.86	398,145.29
(e) Other non current assets	25,113.82	24,544.55
Sub-total non-current assets	530,088.92	437,910.84
<b>2 Current Assets</b>		
(a) Current Investments	34,631.52	-
(b) Trade receivables	895.32	1,399.42
(c) Cash and cash equivalents	198,962.17	112,211.83
(d) Short term loans and advances	222,595.19	193,030.03
(e) Other current assets	13,571.12	9,882.57
Sub-total current assets	470,655.32	316,523.85
<b>TOTAL - ASSETS</b>	<b>1,000,744.24</b>	<b>754,434.69</b>

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