

Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
Board of Directors of
Capital First Limited,

1. We have audited the quarterly financial results of Capital First Limited for the quarter ended December 31, 2015 and the year-to-date results for the period April 1, 2015 to December 31, 2015, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year-to-date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management and have been approved by the Board of Directors. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", specified under section 133 of the Companies Act, 2013 ('the Act') and other accounting principles generally accepted in India.
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 Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in this regard; and
 - ii. give a true and fair view of the net profit and other financial information for the quarter ended December 31, 2015 as well as the year to date results for the period from April 01, 2015 to December 31, 2015.

For S.R. BATLIBOI & CO. LLP
ICAI Firm registration number: 301003E
Chartered Accountants



per Viren H. Mehta
Partner
Membership No.: 048749
Place: Mumbai
Date: February 10, 2016



STATEMENT OF STANDALONE AUDITED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2015

PART I		QUARTER ENDED			NINE MONTHS ENDED		YEAR ENDED
PARTICULARS		31.12.2015 (Audited)	30.09.2015 (Audited)	31.12.2014 (Audited)	31.12.2015 (Audited)	31.12.2014 (Audited)	31.03.2015 (Audited)
1 Income from operations							
a) Income from operations		48,619.41	42,532.22	37,605.06	129,930.85	103,225.93	141,063.40
b) Other operating income		1.76	142.57	9.88	209.81	1,201.28	1,287.74
Total Income from operations (net)		48,621.17	42,674.79	37,614.94	130,140.66	104,427.21	142,351.14
2 Expenses							
a) Employee benefits expenses		4,664.72	4,413.53	3,562.46	12,764.17	10,126.72	13,448.57
b) Depreciation and amortisation expense		259.48	250.65	246.95	727.11	721.46	995.65
c) Provision and write offs (refer note 'b')		6,171.08	4,679.17	3,034.91	15,906.22	7,292.76	10,439.33
d) Amortised loan origination cost		3,380.43	2,503.59	1,872.87	8,141.85	4,395.97	6,670.64
e) Legal and Professional charges		1,218.35	869.26	1,537.86	2,829.58	4,534.87	6,205.34
f) Other expenses		3,634.88	3,253.92	2,645.10	9,735.18	7,480.45	10,405.54
Total Expenses		19,328.94	15,970.12	12,900.15	50,104.11	34,552.23	48,165.07
3 Profit from Operations before Other Income, Finance Cost & Exceptional items (1-2)		29,292.23	26,704.67	24,714.79	80,036.55	69,874.98	94,186.07
4 Other Income		62.13	-	-	62.13	242.05	242.05
5 Profit from Ordinary activities before Finance costs & Exceptional Items (3+4)		29,354.36	26,704.67	24,714.79	80,098.68	70,117.03	94,428.12
6 Finance Costs (refer note 'c')		22,953.97	20,675.99	20,386.86	62,926.55	58,530.29	78,296.20
7 Profit from Ordinary activities after Finance costs but before Exceptional Items (5-6)		6,400.39	6,028.68	4,327.93	17,172.13	11,586.74	16,131.92
8 Exceptional Items		-	-	-	-	-	-
9 Profit/(Loss) from Ordinary activities before tax (7+8)		6,400.39	6,028.68	4,327.93	17,172.13	11,586.74	16,131.92
10 Tax expense (including Deferred Tax)		2,215.08	2,054.73	1,479.71	5,912.37	3,947.19	4,929.89
11 Net Profit/(Loss) from Ordinary activities after tax (9-10)		4,185.31	3,973.95	2,848.22	11,259.76	7,639.55	11,202.03
12 Extraordinary Item		-	-	-	-	-	-
13 Net Profit/(Loss) for the period / year (11-12)		4,185.31	3,973.95	2,848.22	11,259.76	7,639.55	11,202.03
14 Paid up Equity Share Capital (Face Value-Rs.10 per share)		9,119.17	9,114.40	8,313.08	9,119.17	8,313.08	9,098.23
15 Reserves excluding Revaluation Reserves as per balance sheet		-	-	-	-	-	144,826.94
16 a) Earnings per share (EPS) (before Extraordinary items) (Face Value-Rs.10 per share) *							
-Basic (Rs.)		4.59	4.36	3.43	12.36	9.21	13.48
-Diluted (Rs.)		4.36	4.14	3.31	11.74	8.90	12.85
b) Earnings per share (EPS) (after Extraordinary items) (Face Value-Rs.10 per share) *							
-Basic (Rs.)		4.59	4.36	3.43	12.36	9.21	13.48
-Diluted (Rs.)		4.36	4.14	3.31	11.74	8.90	12.85

*EPS for the quarters and nine months are not annualised

Notes

- a. The audited financial results for the quarter and nine months period ended December 31, 2015 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors (the "Board") at their respective meetings held on February 10, 2016.
- b. During the quarter ended June 30, 2015, the Company had changed its estimates related to provisioning for mortgage loans. Consequent to the change in such estimates, provision and write off for the quarter and nine months ended December 31, 2015 is higher by Rs. 41.08 lakhs and Rs. 963.83 lakhs respectively.
- c. During the quarter ended September 30, 2015, the Company has changed its policy related to debenture issue expenses. The debenture issue expenses aggregating to Rs. 444.20 lakhs (net of tax) are charged against Securities Premium Account as per Section 52 of the Companies Act, 2013 which were hitherto amortised and charged to the Statement of Profit and Loss Account. Consequent to the change in such policy, profit for the quarter and nine months ended December 31, 2015 is higher by Rs. 23.82 lakhs and Rs. 65.95 lakhs respectively.
- d. During the quarter ended December 31, 2015, 47,750 stock options were exercised by eligible employees under various CFL Employees Stock Options Schemes.
- e. 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' specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013) (the 'Act') read with Rule 7 of the Companies (Accounts) Rules, 2014.
- f. Figures for previous quarter/nine months/ year have been regrouped and/or reclassified wherever considered necessary, to conform to current quarter's classifications.

**SIGNED FOR IDENTIFICATION
BY**

S. R. BAILIBOI & CO. LLP
MUMBAI



For CAPITAL FIRST LIMITED

V. Vaidyanathan

V. Vaidyanathan
Chairman & Managing Director
(DIN: 00082596)

Place : Mumbai
Date : February 10, 2016