

**Auditor's Report on Quarterly Consolidated Financial Results and Consolidated 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**  
**Capital First Limited**

1. We have audited the quarterly consolidated financial results of Capital First Limited (the "Company") for the quarter ended September 30, 2016 and the consolidated year to date financial results for the period April 1, 2016 to September 30, 2016, 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 consolidated quarterly financial results as well as the consolidated year-to-date financial results have been prepared from consolidated interim financial statements, which are the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated interim financial statements, which have been 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 read with relevant rules issued thereunder 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 consolidated quarterly financial results as well as the consolidated year to date results:
  - (i) include the quarterly financial results and year-to-date results of the following entities
    - a) Capital First Limited;
    - b) Capital First Home Finance Limited;
    - c) Capital First Securities Limited; and
    - d) Capital First Commodities Limited
  - (ii) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in this regard; and
  - (iii) give a true and fair view of the consolidated net profit and other financial information for the quarter ended September 30, 2016 as well as the consolidated year to date financial results for the period from April 1, 2016 to September 30, 2016

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

ICAI Firm Registration Number: 301003E/E300005

Chartered Accountants



per **Viren H. Mehta**

Partner

Membership No.: 048749

Place: Mumbai

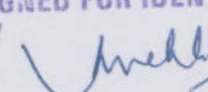
Date: November 9, 2016



**STATEMENT OF CONSOLIDATED AUDITED RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2016**

PART I	PARTICULARS	QUARTER ENDED			HALF YEAR ENDED		(Rs. In Lakhs)
		30.09.2016 (Audited)	30.06.2016 (Audited)	30.09.2015 (Audited)	30.09.2016 (Audited)	30.09.2015 (Audited)	YEAR ENDED 31.03.2016 (Audited)
1	<b>Income from operations</b>						
	a) Income from operations	68,153.24	61,608.11	43,345.38	129,761.35	82,845.73	185,223.87
	b) Other operating income	473.67	39.60	178.09	513.27	492.76	581.72
	<b>Total Income from operations (net)</b>	<b>68,626.91</b>	<b>61,647.71</b>	<b>43,523.47</b>	<b>130,274.62</b>	<b>83,338.49</b>	<b>185,805.59</b>
2	<b>Expenses</b>						
	a) Employee benefits expenses	5,864.90	5,717.41	4,444.46	11,582.31	8,159.14	17,681.26
	b) Depreciation and amortisation expense	478.78	288.52	250.65	767.30	467.63	995.53
	c) Provision and write offs (Refer note 'c' and 'd')	10,315.52	9,945.40	4,713.47	20,260.92	9,796.51	23,647.50
	d) Amortised loan origination cost	6,074.16	4,873.38	2,518.26	10,947.54	4,790.38	12,321.38
	e) Legal and Professional charges	1,926.37	1,325.93	878.80	3,252.30	1,640.35	4,221.20
	f) Other expenses	6,314.31	4,892.18	3,338.27	11,206.49	6,204.89	15,101.28
	<b>Total Expenses</b>	<b>30,974.04</b>	<b>27,042.82</b>	<b>16,143.91</b>	<b>58,016.86</b>	<b>31,058.90</b>	<b>73,968.15</b>
3	<b>Profit from Operations before Other Income, Finance Cost &amp; Exceptional Items (1-2)</b>	<b>37,652.87</b>	<b>34,604.89</b>	<b>27,379.56</b>	<b>72,257.76</b>	<b>52,279.59</b>	<b>114,837.44</b>
4	<b>Other Income</b>	5.24	532.08	17.76	537.32	37.61	102.08
5	<b>Profit from ordinary activities before Finance costs &amp; Exceptional Items (3+4)</b>	<b>37,658.11</b>	<b>35,136.97</b>	<b>27,397.32</b>	<b>72,795.08</b>	<b>52,317.20</b>	<b>114,939.52</b>
6	<b>Finance Costs</b>	29,608.27	27,604.07	21,161.46	57,212.34	41,023.14	89,724.60
7	<b>Profit from Ordinary activities after Finance costs but before Exceptional Items (5-6)</b>	<b>8,049.84</b>	<b>7,532.90</b>	<b>6,235.86</b>	<b>15,582.74</b>	<b>11,294.06</b>	<b>25,214.90</b>
8	<b>Exceptional Items</b>	-	-	-	-	-	-
9	<b>Profit from Ordinary activities before tax (7+8)</b>	<b>8,049.84</b>	<b>7,532.90</b>	<b>6,235.86</b>	<b>15,582.74</b>	<b>11,294.06</b>	<b>25,214.90</b>
10	<b>Tax expense (including Deferred Tax)</b>	2,292.38	2,616.92	2,131.94	4,909.30	3,878.49	8,596.39
11	<b>Net Profit from Ordinary activities after tax (9-10)</b>	<b>5,757.46</b>	<b>4,915.98</b>	<b>4,103.92</b>	<b>10,673.44</b>	<b>7,415.57</b>	<b>16,618.51</b>
12	<b>Extraordinary Item</b>	5,757.46	4,915.98	4,103.92	10,673.44	7,415.57	16,618.51
13	<b>Net Profit for the period (11-12)</b>	-	-	-	-	-	-
14	<b>Share of profit/ (loss) of associates</b>	-	-	-	-	-	-
15	<b>Minority interest</b>	5,757.46	4,915.98	4,103.92	10,673.44	7,415.57	16,618.51
16	<b>Net Profit after taxes, minority interest and share of profit/ (loss) of associates (13+14+15)</b>	-	-	-	-	-	-
17	<b>Paid up Equity Share Capital (Face Value-Rs.10 per share)</b>	9,233.83	9,136.72	9,114.40	9,233.83	9,114.40	9,123.77
18	<b>Reserves excluding Revaluation Reserves as per balance sheet</b>	-	-	-	-	-	161,212.28
19	<b>i) Earnings per share (EPS) (before Extraordinary items) (of Rs.10/- each) *</b>						
	-Basic (Rs.)	6.26	5.39	4.50	11.65	8.14	18.24
	-Diluted (Rs.)	5.87	5.08	4.27	10.92	7.73	17.33
	<b>ii) Earnings per share (EPS) (after Extraordinary items) (of Rs.10/- each) *</b>						
	-Basic (Rs.)	6.26	5.39	4.50	11.65	8.14	18.24
	-Diluted (Rs.)	5.87	5.08	4.27	10.92	7.73	17.33

\*EPS for the quarters is not annualised

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







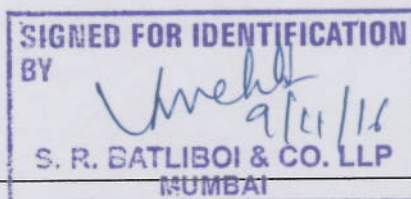
# Notes

- The audited consolidated financial results relates to Capital First Limited (the "Company") and its subsidiaries (together referred as 'Group'). 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' notified under section 133 of the Companies Act 2013 (the 'Act') read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standard) Amendment Rules, 2016. 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.
- The consolidated financial results for quarter and half year ended September 30, 2016, have been reviewed by the Audit Committee and subsequently approved by the Board of Directors (the "Board") at their respective meetings held on November 9, 2016.
- The Company had changed its estimates related to provisioning for retail mortgage and housing loans during the quarter ended June 30, 2016. Consequent to the change in such estimates, provision and write off for the quarter and half year ended September 30, 2016 is higher by Rs. 317.19 lakhs and Rs. 523.73 lakhs respectively.
- The Company has accounted for provision on standard assets as per Reserve Bank of India ('RBI') notification no. RBI/2014-15/299 dated November 10, 2014, which requires increased provision on standard assets in a phased manner over a period of three years commencing from March 31, 2016. As a result of which provision for standard assets for the quarter and half year ended September 30, 2016 is higher by Rs. 673.45 lakhs.
- During the quarter ended September 30, 2016, 971,050 stock options were exercised by eligible employees under various CFL Employees Stock Options Schemes.
- RBI vide its notification no DNBR. 011/CGM (CDS)-2015 dated March 27, 2015 had revised the asset classification norms for NPAs and substandard assets under its prudential norms applicable to NBFCs in a phased manner commencing from financial year ending March 31, 2016. This has resulted in increase in gross non-performing assets by Rs. 4,171.11 lakhs. However, there is no significant impact of this change on provision for the quarter and half year ended September 30, 2016.
- 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' notified under section 133 of the Companies Act 2013 (the 'Act') read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standard) Amendment Rules, 2016.
- Figures for previous quarter/ half year/ year have been regrouped and/or reclassified wherever considered necessary, to conform to current quarter/ half year's classification respectively.
- The Standalone Financial Results are available on the Company's website viz. [www.capitalfirst.com](http://www.capitalfirst.com) and on the websites of BSE ([www.bseindia.com](http://www.bseindia.com)) and NSE ([www.nseindia.com](http://www.nseindia.com)).

## STANDALONE FINANCIALS SUMMARY

PARTICULARS	QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
	30.09.2016 (Audited)	30.06.2016 (Audited)	30.09.2015 (Audited)	30.09.2016 (Audited)	30.09.2015 (Audited)	31.03.2016 (Audited)
Revenues (including other income)	66,834.88	60,671.21	42,674.79	127,506.09	81,519.49	184,784.06
Profit before tax	7,176.92	6,963.28	6,028.68	14,140.20	10,771.74	23,861.37
Profit after tax	4,671.95	4,517.63	3,973.95	9,189.58	7,074.45	15,691.06

Place : Mumbai  
Date : November 9, 2016



For CAPITAL FIRST LIMITED

V. Vaidyanathan  
Chairman & Managing Director  
DIN No.00082596

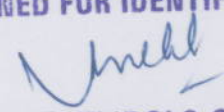
**CAPITAL FIRST LIMITED**  
(CIN no. L29120MH2005PLC156795)

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

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

(Rs. in Lakhs)

PARTICULARS	As at 30.09.2016 (Audited)	As at 31.03.2016 (Audited)
<b>A EQUITY AND LIABILITIES</b>		
<b>1 Shareholders' Funds</b>	9,233.83	9,123.77
(a) Share Capital	173,540.33	161,212.28
(b) Reserves and Surplus	182,774.16	170,336.05
<b>Sub-total shareholders' funds</b>		
<b>2 Share application money pending allotment</b>	-	14.96
<b>3 Non - Current Liabilities</b>	810,357.00	736,771.12
(a) Long term borrowings	7,428.33	6,468.06
(b) Other Long term liabilities	11,092.49	11,333.49
(c) Long term provisions	828,877.82	754,572.67
<b>Sub-total non-current liabilities</b>		
<b>4 Current Liabilities</b>	282,340.17	157,729.99
(a) Short term borrowings	12,748.90	12,553.94
(b) Trade payables	384,113.10	346,748.71
(c) Other current liabilities	9,580.82	10,549.12
(d) Short term provisions	688,782.99	527,581.76
<b>Sub-total current liabilities</b>		
<b>TOTAL - EQUITY &amp; LIABILITIES</b>	<b>1,700,434.97</b>	<b>1,452,505.44</b>
<b>B ASSETS</b>		
<b>1 Non-Current Assets</b>	4,541.90	2,924.00
(a) Fixed Assets	12,800.00	14,200.00
(b) Non - current investments	6,198.77	5,460.32
(b) Deferred tax assets (Net)	913,151.22	852,246.07
(c) Long term loans and advances	13,109.69	15,571.83
(d) Other non current assets	949,801.58	890,402.22
<b>Sub-total non-current assets</b>		
<b>2 Current Assets</b>	4,336.93	4,162.99
(a) Current Investments	3,390.10	2,667.77
(b) Trade receivables	223,342.06	111,270.54
(c) Cash and Bank Balances	485,756.30	413,401.01
(d) Short term loans and advances	33,808.00	30,600.91
(e) Other current assets	750,633.39	562,103.22
<b>Sub-total current assets</b>		
<b>TOTAL - ASSETS</b>	<b>1,700,434.97</b>	<b>1,452,505.44</b>

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