

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 accompanying statement of quarterly standalone financial results of Capital First Limited ('the Company') for the quarter ended March 31, 2017 and for the year ended March 31, 2017, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. The quarterly standalone financial results are the derived figures between the audited figures in respect of the year ended March 31, 2017 and the published year-to-date figures up to December 31, 2016, being the date of the end of the third quarter of the current financial year, which were audited by us. The standalone financial results for the quarter ended March 31, 2017 and year to date ended March 31, 2017 have been prepared on the basis of the standalone financial results for the nine-month period ended December 31, 2016, the audited annual standalone financial statements as at and for the year ended March 31, 2017, and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, which 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 standalone financial results based on our audit of the standalone financial results for the nine-month period ended December 31, 2016 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 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; our audit of the annual standalone financial statements as at and for the year ended March 31, 2017; and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
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 standalone 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 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, 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, 2017 and for the year ended March 31, 2017.
4. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2017 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2017 and the published year-to-date figures up to December 31, 2016, being the date of the end of the third quarter of the current financial year, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

For S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005


per Viren H. Mehta
Partner
Membership No.: 048749
Place: Mumbai
Date: May 10, 2017

CAPITAL FIRST LIMITED
(CIN no. L29120MH2005PLC156795)

Regd. Office : One Indiabulls Centre, Tower 2A & 2B, 10th Floor, Senapati Bapat Marg , Lower Parel (West), Mumbai - 400 013
email: customer.care@capitalfirst.com; website: www.capitalfirst.com

STATEMENT OF STANDALONE AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2017

(Rs. In Lakhs)

| Sr | Particulars | QUARTER ENDED | | | YEAR ENDED | |
|----|---|---|-------------------------|-------------------------|-------------------------|-------------------------|
| | | 31.03.2017 (Audited) (refer note 'j') | 31.12.2016 (Audited) | 31.03.2016 (Audited) | 31.03.2017 (Audited) | 31.03.2016 (Audited) |
| 1 | Revenue from operations | 72,908.86 | 71,731.33 | 54,581.27 | 271,618.11 | 184,721.93 |
| 2 | Other Income | 514.31 | 24.89 | - | 1,067.37 | 62.13 |
| 3 | Total Revenue (1+2) | 73,423.17 | 71,756.22 | 54,581.27 | 272,685.48 | 184,784.06 |
| 4 | Expenses | | | | | |
| a | Employee benefits expense | 5,526.27 | 6,328.83 | 4,790.73 | 23,319.39 | 17,554.90 |
| b | Finance Costs | 27,140.72 | 30,014.61 | 24,667.82 | 112,791.21 | 87,594.37 |
| c | Depreciation and amortisation expense | 518.40 | 377.62 | 268.42 | 1,663.32 | 995.53 |
| d | Provision and write offs (Refer note 'b' and 'c') | 11,778.11 | 12,241.13 | 7,565.17 | 44,089.46 | 23,471.39 |
| e | Amortised loan origination cost | 7,007.71 | 5,583.51 | 4,098.33 | 23,493.47 | 12,240.19 |
| f | Legal and Professional charges | 2,531.37 | 1,859.92 | 1,279.79 | 7,735.76 | 4,109.37 |
| g | Other expenses | 8,340.47 | 6,842.39 | 5,221.78 | 26,364.34 | 14,956.94 |
| | Total Expenses | 62,843.05 | 63,248.01 | 47,892.04 | 239,456.95 | 160,922.69 |
| 5 | Profit / (Loss) before exceptional items and tax (3-4) | 10,580.12 | 8,508.21 | 6,689.23 | 33,228.53 | 23,861.37 |
| 6 | Exceptional Items | - | - | - | - | - |
| 7 | Profit / (Loss) before extraordinary items and tax (5-6) | 10,580.12 | 8,508.21 | 6,689.23 | 33,228.53 | 23,861.37 |
| 8 | Extraordinary Items | - | - | - | - | - |
| 9 | Profit / (Loss) before tax (7-8) | 10,580.12 | 8,508.21 | 6,689.23 | 33,228.53 | 23,861.37 |
| 10 | Tax expense | | | | | |
| | -Current Tax | 3,976.18 | 3,804.04 | 3,035.00 | 13,019.05 | 9,359.29 |
| | -Deferred Tax | (319.89) | (868.62) | (777.06) | (1,476.72) | (1,188.98) |
| | Tax expense | 3,656.29 | 2,935.42 | 2,257.94 | 11,542.33 | 8,170.31 |
| 11 | Profit (Loss) for the period from continuing operations (9-10) | 6,923.83 | 5,572.79 | 4,431.29 | 21,686.20 | 15,691.06 |
| 12 | Profit/(loss) from discontinued operations | - | - | - | - | - |
| 13 | Tax expense of discontinued operations | - | - | - | - | - |
| 14 | Profit/(loss) from Discontinued operations (after tax) (12-13) | - | - | - | - | - |
| 15 | Profit/(loss) for the period/ year | 6,923.83 | 5,572.79 | 4,431.29 | 21,686.20 | 15,691.06 |
| 16 | Minority Interest | - | - | - | - | - |
| 17 | Net Profit/Loss after taxes and minority interest (15-16) | 6,923.83 | 5,572.79 | 4,431.29 | 21,686.20 | 15,691.06 |
| 18 | Paid-up equity share capita | 9,742.21 | 9,737.83 | 9,123.77 | 9,742.21 | 9,119.17 |
| 19 | Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year | - | - | - | 213,979.17 | 156,836.00 |
| 20 | i) Earnings per share (before extraordinary items) (face value of Rs. 10/- each) * | | | | | |
| | Basic EPS | 7.11 | 5.97 | 4.86 | 23.20 | 17.22 |
| | Diluted EPS | 6.68 | 5.59 | 4.62 | 21.76 | 16.36 |
| | ii) Earnings per share (after extraordinary items) (face value of Rs. 10/- each) * | | | | | |
| | Basic EPS | 7.11 | 5.97 | 4.86 | 23.20 | 17.22 |
| | Diluted EPS | 6.68 | 5.59 | 4.62 | 21.76 | 16.36 |

*EPS for the quarters is not annualised



Notes

- a The audited financial results for quarter and year ended March 31, 2017, have been reviewed by the Audit Committee and subsequently approved by the Board of Directors (the "Board") at their respective meetings held on May 10, 2017.
- b 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 year ended March 31, 2017 is higher by Rs. 271.49 lakhs and Rs. 383.16 lakhs respectively.
- c 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 as at March 31, 2017 is higher by Rs. 736.38 lakhs.
- d During the quarter ended March 31, 2017, stock options numbering 43,750 were exercised by eligible employees under various CFL Employees Stock Options Schemes.
- e The Secured Listed Non-Convertible Debt securities of the Company as on March 31, 2017 are secured by first pari-passu charge on the fixed asset owned by the Company and first pari-passu/exclusive charge by way of hypothecation, over standard present and future receivables. The total asset cover thereof has been maintained as per the terms and conditions stated in the respective Debenture Trust Deeds.
- f RBI vide its notification no DNBR. 011/CGM (CDS)-2015 dated March 27, 2015 had revised the asset classification norms for non-performing assets ('NPA') 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. 5,342.80 lakhs. However, there is no significant impact of this change on provision for year ended March 31, 2017.
- g 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 Section 133 of the Companies Act, 2013 (the 'Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standard) Amendment Rules, 2016.
- h The Board of Directors have recommended, subject to the approval of shareholders, dividend of Rs. 2.60 per share (26%)
- i Pursuant to circular no. DBR.No.BP.BC.37/21.04.048/2016-17 dated November 21, 2016 and DBR.No.BP.BC.49/21.04.048/2016-17 dated December 28, 2016 issued by the Reserve Bank of India (RBI) which permits Regulated Entities to defer the down grade of an account that was standard as on November 1, 2016, the Company has not opted for 90 days' relaxation extended by RBI for recognition of loan as Non-Performing Assets ('NPA')
- j The figures for the quarter ended March 31, 2017 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2017 and the year to date audited figures for the nine months period ended December 31, 2016.
- k Figures for previous quarter/ year have been regrouped and/or reclassified wherever considered necessary, to conform to current quarter/ year's classifications.

Place : Mumbai
Date : May 10, 2017


V. Vaidyanathan
Chairman & Managing Director
DIN No.00082596



CAPITAL FIRST LIMITED
(CIN no. L29120MH2005PLC156795)

Regd. Office : One Indiabulls Centre, Tower 2A & 2B, 10th Floor, Senapati Bapat Marg , Lower Parel (West),
Mumbai - 400 013

STANDALONE STATEMENT OF AUDITED ASSETS AND LIABILITIES

(Rs. in Lakhs)

| PARTICULARS | As at 31.03.2017 (Audited) | As at 31.03.2016 (Audited) |
|--|----------------------------------|----------------------------------|
| A EQUITY AND LIABILITIES | | |
| 1 Shareholders' Funds | | |
| (a) Share Capital | 9,742.21 | 9,123.77 |
| (b) Reserves and Surplus | 213,979.17 | 156,836.00 |
| Sub-total shareholders' funds | 223,721.38 | 165,959.77 |
| 2 Share application money pending allotment | - | 14.96 |
| 3 Non - Current Liabilities | | |
| (a) Long term borrowings | 860,458.72 | 709,421.12 |
| (b) Other long term liabilities | 7,145.03 | 5,793.73 |
| (c) Long term provisions | 11,430.30 | 11,222.73 |
| Sub-total non-current liabilities | 879,034.05 | 726,437.58 |
| 4 Current Liabilities | | |
| (a) Short term borrowings | 250,569.06 | 155,244.11 |
| (b) Trade payables | 17,508.58 | 12,218.06 |
| (c) Other current liabilities | 308,384.60 | 332,918.83 |
| (d) Short term provisions | 14,217.67 | 10,452.42 |
| Sub-total current liabilities | 590,679.91 | 510,833.42 |
| TOTAL - EQUITY & LIABILITIES | 1,693,435.34 | 1,403,245.73 |
| B ASSETS | | |
| 1 Non - Current Assets | | |
| (a) Fixed Assets | 6,463.96 | 2,924.00 |
| (b) Non - current investments | 29,532.05 | 22,232.05 |
| (c) Deferred tax assets (Net) | 6,912.61 | 5,435.90 |
| (d) Long term loans and advances | 880,715.76 | 813,096.43 |
| (e) Other non current assets | 13,300.44 | 15,574.28 |
| Sub-total non-current assets | 936,924.82 | 859,262.66 |
| 2 Current Assets | | |
| (a) Current Investments | 2,440.24 | 3,183.99 |
| (b) Trade receivables | 6,153.18 | 2,667.69 |
| (c) Cash and cash equivalents | 152,049.14 | 103,470.13 |
| (d) Short term loans and advances | 563,632.29 | 404,571.04 |
| (e) Other current assets | 32,235.67 | 30,090.22 |
| Sub-total current assets | 756,510.52 | 543,983.07 |
| TOTAL - ASSETS | 1,693,435.34 | 1,403,245.73 |

