

B S R & Co. LLP

Chartered Accountants

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Independent Auditor's Report on Quarterly Consolidated Financial Results of Capital First Limited pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of
Capital First Limited

We have audited the accompanying Statement of quarterly consolidated financial results of Capital First Limited (the "Company") and its subsidiaries (together the "Group") for the quarter ended 30 June 2017 (the "consolidated financial results") being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015.

These consolidated financial results have been prepared from the condensed consolidated interim financial statements, which are the responsibility of the Company's management.

Our responsibility is to express an opinion on these consolidated financial results based on our audit of such condensed consolidated interim financial statements which have been prepared and presented in accordance with the recognition and measurement principles of Accounting Standard 25 ("AS-25"), Interim Financial Reporting as specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India.

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 consolidated financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as consolidated 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.

Attention is drawn to the fact that the figures for the quarter and the year ended 31 March 2017 and the corresponding quarter ended in the previous year as reported in these consolidated financial results were audited by another auditor who expressed an unmodified opinion dated 3 August 2016 and 10 May 2017 on the quarterly consolidated financial results for the quarter ended 30 June 2016 and the annual consolidated financial results for the year ended 31 March 2017 respectively.

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Independent Auditor's Report on Quarterly Consolidated Financial Results of Capital First Limited pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

Capital First Limited

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial results of the Group:

- 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 consolidated net profit and other consolidated financial information for the quarter ended 30 June 2017.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022



Manoj Kumar Vijai
Partner

Membership No: 046882

Mumbai
2 August 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

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STATEMENT OF CONSOLIDATED AUDITED RESULTS FOR THE QUARTER ENDED JUNE 30, 2017

		(Rs. In Lakhs)			
Sr	Particulars	QUARTER ENDED			YEAR ENDED
		30.06.2017 (Audited)	31.03.2017 (Audited)	30.06.2016 (Audited)	31.03.2017 (Audited)
1	Revenue from operations	80,883.08	75,159.78	61,607.36	277,287.07
2	Other income	1,161.51	520.46	569.28	2,799.36
3	Total Revenue	82,044.59	75,680.24	62,176.64	280,086.43
4	Expenses				
a	Employee benefits expense	6,987.51	5,978.79	5,717.41	23,939.35
b	Finance costs	30,647.14	28,025.59	27,604.02	116,060.08
c	Depreciation and amortisation expense	571.08	518.40	288.52	1,663.32
d	Other expenses	33,896.88	30,335.74	21,031.94	102,675.25
	Total Expenses	72,102.61	64,858.52	54,641.89	244,338.00
5	Profit before tax	9,941.98	10,821.72	7,534.75	35,748.43
6	Tax expense				
	- Current tax	5,713.85	3,888.70	3,498.02	13,518.78
	- Minimum Alternate Tax (MAT)	5.40	-	-	-
	- Deferred tax credit	(2,461.96)	(162.61)	(907.37)	(1,763.31)
	- Tax for earlier years	(32.28)	(12.48)	-	(12.48)
	Tax expense	3,225.01	3,713.61	2,590.65	11,742.99
7	Profit for the year from Continuing Operations	6,716.97	7,108.11	4,944.10	24,005.44
8	Profit/(loss) before tax from discontinuing operations	(2.42)	2.20	(1.85)	(4.38)
9	Tax expense/(credit) of discontinuing operations	18.95	27.23	26.27	108.95
10	Profit/(loss) from discontinuing operations (after tax)	(21.37)	(25.03)	(28.12)	(113.33)
11	Profit for the quarter	6,695.60	7,083.08	4,915.98	23,892.11
12	Earnings per share *				
	Basic EPS	6.87	7.27	5.39	25.56
	Diluted EPS	6.45	6.84	5.08	23.97

Notes

- The audited consolidated financial results relate 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 the quarter ended June 30, 2017, have been reviewed by the Audit Committee and subsequently approved by the Board of Directors (the "Board") at their respective meetings held on August 02, 2017.
- The Company has accounted for provision on standard assets as per the 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 financial year ending March 31, 2016. As a result of which provision for standard assets as at June 30, 2017 is higher by Rs. 789.41 lakhs.
- During the quarter ended June 30, 2017, 303,355 stock options were exercised by eligible employees under various CFL Employees Stock Options Schemes.
- The Secured Listed Non-Convertible Debt securities of the Company as on June 30, 2017 are secured by first pari-passu charge on the fixed assets owned by the Company and first pari-passu/exclusive charge by way of hypothecation, over standard present and future receivables. The total asset cover required thereof has been maintained as per the terms and conditions stated in the respective Debenture Trust Deeds.
- 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. 8,073.51 lakhs. However, there is no significant impact of this change on provision for quarter ended June 30, 2017.
- The main business of the Group 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.
- Figures for previous quarter/ year have been regrouped and/or reclassified wherever considered necessary, to conform to current quarter's classification.
- The Standalone Financial Results are available on the Company's website viz. www.capitalfirst.com and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).

(Rs. In Lakhs)

STANDALONE FINANCIALS SUMMARY				
Particulars	QUARTER ENDED			YEAR ENDED
	30.06.2017 (Audited)	31.03.2017 (Audited)	30.06.2016 (Audited)	31.03.2017 (Audited)
Revenues (including other income)	79,473.69	73,423.17	60,671.20	272,685.48
Profit before tax	9,179.46	10,580.12	6,963.27	33,228.53
Profit after tax	6,027.71	6,923.83	4,517.62	21,686.20

Place : Mumbai
Date : August 02, 2017



For CAPITAL FIRST LIMITED

V. Vaidyanathan
V. Vaidyanathan
Chairman & Managing Director
DIN No.00082596