

CFL/LS/212/2016-17

August 03, 2016

<b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001. Tel No.: 022 – 2272 2039/ 37/3121  BSE- Scrip Code: 532938	<b>National Stock Exchange of India Limited</b> Exchange Plaza, Bandra Kurla Complex, Bandra (East) Mumbai – 400 051. Tel No.: 022 – 2659 8237/ 38  NSE - Symbol - CAPF
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**Sub.: Outcome of the Board Meeting held on August 03, 2016**

Dear Sir / Madam,

The Board of Directors at its meeting held today i.e. August 03, 2016 has *inter-alia* considered and approved the Audited Financial Results (Standalone and Consolidated) for the quarter and three months ended June 30, 2016. Please find enclosed said Audited Results along with Audit Report.

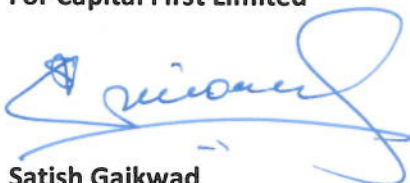
The aforesaid Board meeting commenced at 12.30 p.m. and concluded at 03.15 p.m.

Please take the above on record and acknowledge receipt of the same.

Thanking you,

Yours faithfully,

For Capital First Limited

**Satish Gaikwad**

Head – Legal, Compliance &amp; Company Secretary



Encl.: As above

**Auditor's Report on Quarterly Financial 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 ("the Company") for the quarter ended June 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 quarterly 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:
  - 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 June 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: August 3, 2016



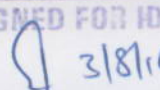
**STATEMENT OF STANDALONE AUDITED RESULTS FOR THE QUARTER ENDED JUNE 30, 2016**

(Rs. In Lakhs)

PARTICULARS	QUARTER ENDED			YEAR ENDED
	30.06.2016 (Audited)	31.03.2016 (Audited) (Refer note 'g')	30.06.2015 (Audited)	31.03.2016 (Audited)
1 <b>Income from operations</b>				
a) Income from operations	60,117.10	54,568.24	38,779.22	184,499.09
b) Other operating income	25.94	13.03	65.48	222.84
<b>Total Income from operations (net)</b>	<b>60,143.04</b>	<b>54,581.27</b>	<b>38,844.70</b>	<b>184,721.93</b>
2 <b>Expenses</b>				
a) Employee benefits expenses	5,669.28	4,790.73	3,685.92	17,554.90
b) Depreciation and amortisation expense	288.52	268.42	216.98	995.53
c) Provision and write offs (Refer note 'b' and 'c')	9,863.68	7,565.17	5,055.97	23,471.39
d) Amortised loan origination cost	4,851.06	4,098.33	2,257.83	12,240.19
e) Legal and Professional charges	1,309.46	1,279.79	741.97	4,109.37
f) Other expenses	4,881.21	5,221.78	2,846.38	14,956.94
<b>Total Expenses</b>	<b>26,863.21</b>	<b>23,224.22</b>	<b>14,805.05</b>	<b>73,328.32</b>
3 <b>Profit from Operations before Other Income, Finance Cost &amp; Exceptional items (1-2)</b>	<b>33,279.83</b>	<b>31,357.05</b>	<b>24,039.65</b>	<b>111,393.61</b>
4 Other Income	528.17	-	-	62.13
5 <b>Profit from Ordinary activities before Finance costs &amp; Exceptional Items (3+4)</b>	<b>33,808.00</b>	<b>31,357.05</b>	<b>24,039.65</b>	<b>111,455.74</b>
6 Finance Costs	26,844.72	24,667.82	19,296.59	87,594.37
7 <b>Profit from Ordinary activities after Finance costs but before Exceptional Items (5-6)</b>	<b>6,963.28</b>	<b>6,689.23</b>	<b>4,743.06</b>	<b>23,861.37</b>
8 Exceptional Items	-	-	-	-
9 <b>Profit/(Loss) from Ordinary activities before tax (7+8)</b>	<b>6,963.28</b>	<b>6,689.23</b>	<b>4,743.06</b>	<b>23,861.37</b>
10 Tax expense (including Deferred Tax)	2,445.65	2,257.94	1,642.56	8,170.31
11 <b>Net Profit/(Loss) from Ordinary activities after tax (9-10)</b>	<b>4,517.63</b>	<b>4,431.29</b>	<b>3,100.50</b>	<b>15,691.06</b>
12 Extraordinary Item	4,517.63	4,431.29	3,100.50	15,691.06
13 <b>Net Profit/(Loss) for the period / year (11-12)</b>	<b>9,136.72</b>	<b>9,123.77</b>	<b>9,109.82</b>	<b>9,123.77</b>
14 Paid up Equity Share Capital (Face Value-Rs.10 per share)	-	-	-	156,836.00
15 Reserves excluding Revaluation Reserves as per balance sheet	-	-	-	-
16 a) Earnings per share (EPS) (before Extraordinary items) (Face Value-Rs.10 per share) *				
-Basic (Rs.)	4.95	4.86	3.41	17.22
-Diluted (Rs.)	4.67	4.62	3.23	16.36
b) Earnings per share (EPS) (after Extraordinary items) (Face Value-Rs.10 per share) *				
-Basic (Rs.)	4.95	4.86	3.41	17.22
-Diluted (Rs.)	4.67	4.62	3.23	16.36
*EPS for the quarters is not annualised				

**Notes**

- The audited financial results for the quarter ended June 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 August 3, 2016.
- During the quarter ended June 30, 2016, the Company has changed its estimates related to provisioning for retail mortgage and housing loans. Consequent to the change in such estimates, provision and write off for the quarter ended June 30, 2016 is higher by Rs. 1,163.51 lakhs.
- 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 ended June 30, 2016 is higher by Rs. 664.22 lakhs.
- During the quarter ended June 30, 2016, 129,500 stock options were exercised by eligible employees under various CFL Employees Stock Options
- RBI vide its notification no DNBR. 011/CGM (CDS)-2015 dated March 27, 2015 has 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. 3,349.00 lakhs. However, there is no significant impact of this change on provision for the quarter ended June 30, 2016.
- 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.
- The figures for the quarter ended March 31, 2016 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2016 and the year to date audited figures for the nine months period ended December 31, 2015.
- Figures for previous quarter/ year have been regrouped and/or reclassified wherever considered necessary, to conform to current quarter/ year's classifications.

SIGNED FOR IDENTIFICATION  
BY   
S. R. BATLIBOI & CO. LLP  
MUMBAI



For CAPITAL FIRST LIMITED

  
V. Vaidyanathan  
Chairman & Managing Director  
DIN No.00082596

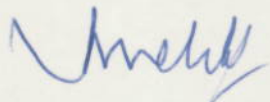


**Auditor's Report on Quarterly Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

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 June 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 have been prepared from consolidated 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 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 ('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 consolidated quarterly financial results:
  - (i) include the quarterly financial results of the following entities:
    - a) Capital First Limited;
    - b) Capital First Securities Limited;
    - c) Capital First Commodities Limited; and
    - d) Capital First Home Finance 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 June 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: August 3, 2016



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

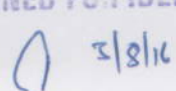
Regd. Office : 15th Floor, Tower 2, IndiaBulls Finance Centre, Senapati Bapat Marg, Elphinstone (W), Mumbai - 400 013

**STATEMENT OF CONSOLIDATED AUDITED RESULTS FOR THE QUARTER ENDED JUNE 30, 2016**

**PART I**

PARTICULARS		QUARTER ENDED			YEAR ENDED
		30.06.2016 (Audited)	31.03.2016 (Audited) (Refer note 'h')	30.06.2015 (Audited)	31.03.2016 (Audited)
<b>1</b>	<b>Income from operations</b>				
	a) Income from operations	61,608.11	55,819.53	39,500.35	188,223.87
	b) Other operating income	39.60	13.22	314.67	581.72
	<b>Total Income from operations (net)</b>	<b>61,647.71</b>	<b>55,832.75</b>	<b>39,815.02</b>	<b>188,805.59</b>
<b>2</b>	<b>Expenses</b>				
	a) Employee benefits expenses	5,717.41	4,826.16	3,714.68	17,681.26
	b) Depreciation and amortisation expense	288.52	268.42	216.98	995.53
	c) Provision and write offs (Refer note 'c' and 'd')	9,945.40	7,659.57	5,083.04	23,647.50
	d) Amortised loan origination cost	4,873.38	4,129.60	2,272.12	12,321.38
	e) Legal and Professional charges	1,325.93	1,330.77	761.55	4,221.20
	f) Other expenses	4,892.18	5,235.60	2,866.62	15,101.28
	<b>Total Expenses</b>	<b>27,042.82</b>	<b>23,450.12</b>	<b>14,914.99</b>	<b>73,968.15</b>
<b>3</b>	<b>Profit from Operations before Other Income, Finance Cost &amp; Exceptional Items (1-2)</b>	<b>34,604.89</b>	<b>32,382.63</b>	<b>24,900.03</b>	<b>114,837.44</b>
<b>4</b>	<b>Other Income</b>	<b>532.08</b>	<b>0.17</b>	<b>19.85</b>	<b>102.06</b>
<b>5</b>	<b>Profit from ordinary activities before Finance costs &amp; Exceptional Items (3+4)</b>	<b>35,136.97</b>	<b>32,382.80</b>	<b>24,919.88</b>	<b>114,939.50</b>
<b>6</b>	<b>Finance Costs</b>	<b>27,604.07</b>	<b>25,237.67</b>	<b>19,861.68</b>	<b>89,724.60</b>
<b>7</b>	<b>Profit from Ordinary activities after Finance costs but before Exceptional Items (5-6)</b>	<b>7,532.90</b>	<b>7,145.13</b>	<b>5,058.20</b>	<b>25,214.90</b>
<b>8</b>	<b>Exceptional Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>9</b>	<b>Profit from Ordinary activities before tax (7+8)</b>	<b>7,532.90</b>	<b>7,145.13</b>	<b>5,058.20</b>	<b>25,214.90</b>
<b>10</b>	<b>Tax expense (including Deferred Tax)</b>	<b>2,616.92</b>	<b>2,394.90</b>	<b>1,746.55</b>	<b>8,596.39</b>
<b>11</b>	<b>Net Profit from Ordinary activities after tax (9-10)</b>	<b>4,915.98</b>	<b>4,750.23</b>	<b>3,311.65</b>	<b>16,618.51</b>
<b>12</b>	<b>Extraordinary Item</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>13</b>	<b>Net Profit for the period (11-12)</b>	<b>4,915.98</b>	<b>4,750.23</b>	<b>3,311.65</b>	<b>16,618.51</b>
<b>14</b>	<b>Share of profit/ (loss) of associates</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>15</b>	<b>Minority interest</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>16</b>	<b>Net Profit after taxes, minority interest and share of profit/ (loss) of associates (13+14+15)</b>	<b>4,915.98</b>	<b>4,750.23</b>	<b>3,311.65</b>	<b>16,618.51</b>
<b>17</b>	<b>Paid up Equity Share Capital (Face Value-Rs.10 per share)</b>	<b>9,136.72</b>	<b>9,123.77</b>	<b>9,109.82</b>	<b>9,123.77</b>
<b>18</b>	<b>Reserves excluding Revaluation Reserves as per balance sheet</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>161,212.28</b>
<b>19</b>	<b>i) Earnings per share (EPS) (before Extraordinary items) (of Rs.10/- each) *</b>				
	-Basic (Rs.)	5.39	5.21	3.64	18.24
	-Diluted (Rs.)	5.08	4.95	3.45	17.33
	<b>ii) Earnings per share (EPS) (after Extraordinary items) (of Rs.10/- each) *</b>				
	-Basic (Rs.)	5.39	5.21	3.64	18.24
	-Diluted (Rs.)	5.08	4.95	3.45	17.33

\*EPS for the quarters is not annualised

SIGNED FOR IDENTIFICATION  
BY   
S. R. BATLIBOI & CO. LLP  
MUMBAI





**Notes**

- a. 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.
- b. The consolidated financial results for quarter ended June 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 August 3, 2016.
- c. During the quarter ended June 30, 2016, the Company has changed its estimates related to provisioning for retail mortgage and housing loans. Consequent to the change in such estimates, provision and write off for the quarter ended June 30, 2016 is higher by Rs. 1,170.16 lakhs.
- d. 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 ended June 30, 2016 is higher by Rs. 664.22 lakhs.
- e. During the quarter ended June 30, 2016, 129,500 stock options were exercised by eligible employees under various CFL Employees Stock Options Schemes.
- f. RBI vide its notification no DNBR. 011/CGM (CDS)-2015 dated March 27, 2015 has 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. 3,349.00 lakhs. However, there is no significant impact of this change on provision for the quarter ended June 30, 2016.
- g. 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.
- h. The figures for the quarter ended March 31, 2016 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2016 and the year to date audited figures for the nine months period ended December 31, 2015.
- i. 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			YEAR ENDED
	30.06.2016 (Audited)	31.03.2016 (Audited) (Refer note 'h')	30.06.2015 (Audited)	31.03.2016 (Audited)
Revenues (including other income)	60,671.21	54,581.27	38,844.70	184,784.06
Profit before tax	6,963.28	6,689.23	4,743.06	23,861.37
Profit after tax	4,517.63	4,431.29	3,100.50	15,691.06

For CAPITAL FIRST LIMITED

V. Vaidyanathan

Chairman &amp; Managing Director

DIN No.00082596

Place : Mumbai

Date : August 3, 2016

