



CAPITAL INDIA

Rediscover Business

Saturday, October 6, 2018
Ref. No.: CIFL/BSE-08/2018-19

To,
The Manager,
Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001

Ref.:- Scrip Code No. BSE-530879

Sub.: Submission of Outcome of Board Meeting of Capital India Finance Limited (formerly known as Bhilwara Tex-Fin Limited) ("Company")

Dear Sir/ Ma'am,

In compliance with provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to hereby inform BSE Limited that, among others, the following matters were decided at the meeting of the Board of Directors ("**Board**") of the Company held on October 6, 2018, at One BKC, A-Wing, 14th floor, G Block, BKC, Bandra East, Mumbai - 400051:

1. The Board approved and took on record:
 - the Audited Special Purpose Standalone and Consolidated Interim Financial Information for the three-months period ended June 30, 2018 and the auditor's reports thereon;
 - the Restated Standalone Financial Information for the Financial Years ended on March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017, March 31, 2018 and as at and for the three-months period ended June 30, 2018 and the examination report thereon, issued by Deloitte Haskins & Sells LLP, Chartered Accountants (Statutory Auditors); and
 - the Restated Consolidated Financial Information for the Financial Year ended on March 31, 2018 and as at and for the three-months period ended June 30, 2018 and the examination report thereon, issued by Deloitte Haskins & Sells LLP, Chartered Accountants (Statutory Auditors).


A copy of the Audited Special Purpose Standalone and Consolidated Interim Financial Information for the three-months period ended June 30, 2018 and the auditor's reports thereon is attached.

The Meeting commenced at 3:00 P.M. and concluded at 5:45 P.M.

Request you to take note of the above information on your record and oblige.

Thanking you,
Yours sincerely,

For Capital India Finance Limited
(formerly known as Bhilwara Tex-Fin Limited)


Rachit Malhotra
Company Secretary & Compliance Officer
Membership No. - A39894
Encl: As above.



Corporate office :
A-1402, One Bkc, 14th Floor,
G - Block, Bandra Kurla Complex,
Bandra (East) Mumbai,
Maharashtra- 400051

Registered Office :
2nd Floor, DLF Centre,
Sansad Marg,
New Delhi - 110001

P : +91 22 4503 6000
E : info@capitalindia.com
CIN No: L74899DL1994PLC128577
(Capital India Finance Ltd - Formerly known as Bhilwara Tex-Fin Ltd)

P : +91 11 4954 6000
W : www.capitalindia.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of CAPITAL INDIA FINANCE LIMITED (Formerly known as Bhilwara Tex-Fin Limited)

Report on the Audit of the Special Purpose Standalone Interim Financial Information

1. Opinion

We have audited the accompanying special purpose standalone interim financial information (the "Special Purpose Standalone Interim Financial Information") of Capital India Finance Limited (Formerly known as Bhilwara Tex-Fin Limited) (the "Company"), which comprise the Balance Sheet as at June 30, 2018, the Statement of Profit and Loss and the Statement of Cash Flows for the three months period then ended, and a summary of significant accounting policies and other explanatory information.

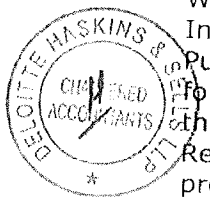
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Standalone Interim Financial Information is prepared, in all material respects, in accordance with the basis set out in note 2.1 to the Special Purpose Standalone Interim Financial Information.

2. Basis for Opinion

We conducted our audit of the Special Purpose Standalone Interim Financial Information in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Special Purpose Standalone Interim Financial Information section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the ICAI together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 (the "Act") and the Rules made thereunder, and we have fulfilled our other responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the Special Purpose Standalone Interim Financial Information.

3. Emphasis of Matter- Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2.1 to the Special Purpose Standalone Interim Financial Information, which describes the purpose and basis of preparation. The Special Purpose Standalone Interim Financial Information have been prepared by the Company for the purpose of preparation of the restated financial information as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations")



in relation to the proposed rights issue of the Company and for the purpose of filing with BSE Limited. As a result, the Special Purpose Standalone Interim Financial Information may not be suitable for any another purpose. The Special Purpose Standalone Interim Financial Information cannot be referred to or distributed or included in any offering document or used for any other purpose except with our prior consent in writing. Our opinion is not modified in respect of this matter.

4. Responsibilities of Management and Those Charged with Governance for the Special Purpose Standalone Interim Financial Information

The Company's Board of Directors is responsible for the preparation and presentation of these Special Purpose Standalone Interim Financial Information that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the basis stated in Note 2.1 to the Special Purpose Standalone Interim Financial Information for the purpose set out in paragraph 3 above.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Standalone Interim Financial Information that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing of these Special Purpose Standalone Interim Financial Information, the Company's management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

5. Auditor's Responsibilities for the Audit of the Special Purpose Standalone Interim Financial Information

Our objectives are to obtain reasonable assurance about whether the Special Purpose Standalone Interim Financial Information as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Special Purpose Standalone Interim Financial Information.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



Identify and assess the risks of material misstatement of the Special Purpose Standalone Interim Financial Information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one

**Deloitte
Haskins & Sells LLP**

resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Special Purpose Standalone Interim Financial Information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants
(Firm's Registration No. 117366W/ W-100018)



Kalpesh J. Mehta
Partner

(Membership No. 48791)


Mumbai, October 6, 2018

Special Purpose Standalone Interim Financial Information
Capital India Finance Limited
Balance sheet as at 30th June 2018
(All figures are in rupees, except otherwise stated)

Particulars	Notes	As at
		30th June 2018
I. EQUITY AND LIABILITIES		
(1) Shareholders' funds		
(a) Share capital	3	43,18,57,000
(b) Reserves and surplus	4	2,13,47,45,740
		2,56,66,02,740
(2) Non-current liabilities		
(a) Long-term borrowings	5	7,00,00,000
(b) Other long term liabilities	6	67,83,581
(c) Long-term provisions	7	5,03,967
		7,72,87,548
(3) Current liabilities		
(a) Other current liabilities	6	2,21,68,444
(b) Short term provisions	7	81,59,796
		3,03,28,240
Total		2,67,42,18,528
II. ASSETS		
(1) Non-current assets		
(a) Fixed assets	8	
(i) Tangible assets		12,65,32,425
(ii) Intangible assets		2,15,136
(iii) Intangible assets under development		73,85,000
(b) Non-current investments	9	15,04,00,000
(c) Deferred tax assets (net)	12	22,67,150
(d) Long-term loans and advances	10	4,73,84,628
		33,41,84,339
(2) Current assets		
(a) Current investment	9	1,21,25,86,347
(b) Trade receivables	13	2,48,40,000
(c) Cash and cash equivalents	14	10,00,55,052
(d) Short-term loans and advances	10	98,10,40,657
(e) Other current assets	11	2,15,12,133
		2,34,00,34,189
Total		2,67,42,18,528

Notes 1 to 28 forms part of the Special Purpose Standalone Interim Financial Information
In terms of our report attached


For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration No. : 117366W/W -100018


Kalpesh J. Mehta
Partner
Membership No : 48791

For and on behalf of the board
Capital India Finance Limited


Keshav Porwal
Managing Director
DIN : 06706341


Amit Sahai Kulshreshtha
CEO & Executive Director
DIN : 07869849

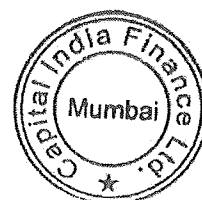

Neeraj Toshniwal
Chief Financial Officer


Rachit Malhotra
Company Secretary

Place: Mumbai
Date: 6th October, 2018

Place: Mumbai
Date: 6th October, 2018

Place: Mumbai
Date: 6th October, 2018



Special Purpose Standalone Interim Financial Information
 Capital India Finance Limited
 Statement of profit and loss for the period ended 30th June 2018
 (All figures are in rupees, except otherwise stated)

Particulars	Notes	Period ended 30th June 2018
I. Revenue from operations	15	6,86,46,747
II. Other income	16	50,94,532
III. Total revenue		7,37,41,279
IV. Expenses		
Employee benefit expenses	17	2,56,96,940
Finance costs	18	51,69,912
Depreciation & amortisation expenses	8	51,47,125
Other expenses	19	2,50,68,675
Total expenses		6,10,82,652
V. Profit before tax (III-IV)		1,26,58,627
VI. Tax expense		
(1) Current tax		29,57,550
(2) Deferred tax		5,36,854
VII. Profit for the period (V-VI)		91,64,223

Earnings per equity share

Basic and diluted earning per equity share (in Rs.)
 [face value Rs. 10 each] (Not Annualised)

20

0.68

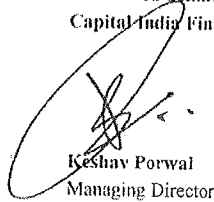
Notes 1 to 28 forms part of the Special Purpose Standalone Interim Financial Information
 In terms of our report attached

For Deloitte Haskins & Sells LLP
 Chartered Accountants
 Firm Registration No. : 117366W/W -100018



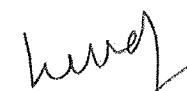
Kalpesh J. Mehta
 Partner
 Membership No : 48791


For and on behalf of the board
 Capital India Finance Limited


 Keshav Porwal
 Managing Director
 DIN : 06706341



Amit Sahai Kulshreshtha
 CEO & Executive Director
 DIN : 07869849


 Neeraj Toshniwal
 Chief Financial Officer


 Rachit Malhotra
 Company Secretary

Place: Mumbai
 Date: 6th October, 2018

Place: Mumbai
 Date: 6th October, 2018

Place: Mumbai
 Date: 6th October, 2018



Special Purpose Standalone Interim Financial Information
Capital India Finance Limited
Cash flow statement for the period ended 30th June 2018
(All figures are in rupees, except otherwise stated)

PARTICULARS	Period ended 30th June 2018
A) CASH FROM OPERATING ACTIVITIES:	
Net profit before tax	1,26,58,627
Adjustments for :	
Depreciation and amortisation	51,47,125
Provision for employee benefits	32,52,532
Income from mutual fund units	(50,94,532)
Operating profit before working capital changes	1,59,63,752
Adjustments for changes in working capital :	
Decrease in loans and advances	7,57,38,072
(Increase) in trade receivables	(2,16,00,000)
Increase in other long term liabilities	12,56,548
(Increase) in other current assets	(80,25,459)
(Decrease) in other current liabilities	(12,23,38,591)
Cash (used in) operations	(5,90,05,678)
Income tax paid	(69,10,373)
Net Cash (used in) operating activities (A)	(6,59,16,051)
B) CASH FROM INVESTING ACTIVITIES:	
Purchase of fixed assets	(3,25,22,483)
Purchase of current investments	(1,24,75,15,958)
Proceeds from sale of current investments	4,00,24,143
Net Cash (used in) investing activities (B)	(1,24,00,14,298)
C) CASH FLOW FROM FINANCING ACTIVITIES:	
Proceeds from issue of equity shares at premium	2,49,26,35,412
Payment of dividend and dividend distribution tax thereon (Refer note 4 (d))	(42,15,769)
Repayment of advance towards share application money	(1,25,00,00,000)
Proceeds from short term borrowings	1,25,00,00,000
Repayment of short term borrowings	(1,25,00,00,000)
Net cash generated from financing activities (C)	1,23,84,19,643
D) Net (decrease) in cash and cash equivalents (A+B+C)	(6,75,10,706)
E) Cash and cash equivalents as at the beginning of the period	16,75,65,758
F) Cash and cash equivalents as at the end of the period	10,00,55,052

Cash and cash equivalents comprises:

Particulars	As at 30th June 2018
Cash in hand	42,248
Cheques in hand	20,00,000
Balances with banks	
- in current accounts	3,30,12,804
- in deposit accounts	6,50,00,000
	10,00,55,052

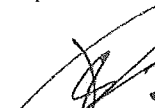
Notes 1 to 28 forms part of the Special Purpose Standalone Interim Financial Information
In terms of our report attached

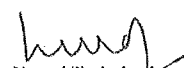
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration No. : 117366W/W - 100018



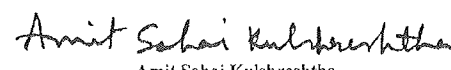
Kalpesh J. Mehta
Partner
Membership No. : 48791

For and on behalf of the board
Capital India Finance Limited


Keshav Porwal
Managing Director
DIN : 06706341

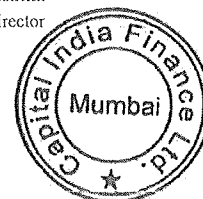

Neeraj Toshniwal
Chief Financial Officer

Place: Mumbai
Date: 6th October, 2018


Amit Sahai Kulshreshtha
CEO & Executive Director
DIN : 07869849


Rachit Malhotra
Company Secretary

Place: Mumbai
Date: 6th October, 2018



Special Purpose Standalone Interim Financial Information
Capital India Finance Limited
Notes to the standalone financial statements for the period ended 30th June 2018
(All figures are in rupees, except otherwise stated)

1 Background

Capital India Finance Limited ('the Company') is a public Company domiciled in India and incorporated on 16 November 1994 under the provisions of Companies Act, 1956. The Company has received a Certificate of Registration number B-14.03278 dated 30th August 2017 from the Reserve Bank of India ('RBI') to carry on the business of Non-Banking Financial Institution ('NBFC') without accepting public deposits.

2 Significant accounting policies

2.1 Basis of accounting and preparation of financial statements

These Special Purpose Standalone Interim Financial Information comprises of the Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows and a summary of Significant Accounting Policies and notes thereon (collectively the "Special Purpose Standalone Interim Financial Information"). These Special Purpose Standalone Interim Financial Information have been prepared by the Company for the purpose of preparation of the restated standalone financial information as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations") in relation to the proposed rights issue of the Company and for the purpose of filing with BSE Limited. These Special Purpose Standalone Interim Financial Information are prepared and presented in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Accounting Standards) Rules, 2006, as amended, provisions of the Companies Act, 2013 (to the extent notified) and as per the guidelines issued by Reserve Bank of India as applicable to a Non-Banking Financial (Non deposit accepting or holding) Companies ('NBFC Regulations') and accounting policies as mentioned in Note 2 to these Special Purpose Standalone Interim Financial Information, except that comparative period financial information have not been presented. The Special Purpose Standalone Financial Information, being for the specific purpose as stated above, are not a complete set of Financial Statements prepared in accordance with the requirements of the Act and the Accounting Standards issued thereunder, and hence information disclosed including the manner of disclosure may not be as required by the Act and/ or the Accounting Standards.

2.2 Use of Estimates

The preparation of financial statements is in conformity with the Generally Accepted Accounting Principles ('GAAP') requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and disclosure of contingent liabilities on the date of the financial statements. Management believes that the estimates made in the preparation of financial statements are prudent and reasonable. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Operating cycle

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.4 Fixed assets, depreciation and amortisation

Tangible fixed assets

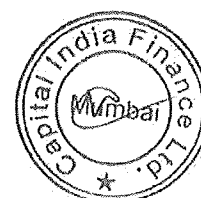
- a) Tangible fixed assets are carried at cost of acquisition or construction less accumulated depreciation and / or accumulated impairment loss, if any. The cost of an item of tangible fixed asset comprises its purchase price and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates. Tangible fixed assets under construction are disclosed as capital work-in-progress.

Acquired intangible assets

- b) Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

Leasehold improvements

- c) Leasehold improvement includes all expenditure incurred on the leasehold premises that have future economic benefits. Leasehold improvements are written off over the period of lease.



Special Purpose Standalone Interim Financial Information
Capital India Finance Limited
Notes to the standalone financial statements for the period ended 30th June 2018
(All figures are in rupees, except otherwise stated)

2 Significant accounting policies (Continued)

Depreciation and amortization

- d) Depreciation / amortisation is provided over the useful life of the assets, pro rata for the period of use, on a straight-line method. The useful life estimates prescribed in Part C of Schedule II to the 2013 Act have been considered as useful life for tangible assets. Acquired intangible assets are amortised over a period as per management estimates of their useful life. Pursuant to this policy, the useful life estimates in respect of the following assets are as follows:

Tangible fixed assets	Estimated useful life
Computers & Printers	3 Years
Furniture & Fixtures	10 Years
Leasehold Improvements	5 Years
Office Equipments	5 Years
Vehicles	5 Years
Acquired intangible assets	
Computer software	3 Years

- e) Depreciation is provided on a pro-rata basis i.e. from the month in which asset is ready for use. Individual assets costing less than or equals to Rs. 5,000 are depreciated in full, in the year of purchase. Depreciation on assets sold during the year is recognized on a pro-rata basis in the statement of profit and loss up to the month prior to the month in which the assets have been disposed off.

Gains / losses on disposal of assets

- f) Losses arising from retirement or gains or losses arising from disposal of tangible and intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss.

2.5 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit which the asset belongs to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

2.6 Leases

Assets acquired under lease other than finance lease are classified as operating lease. The total lease rentals in respect of assets taken on operating lease are charged to the statement of profit and loss on a straight line basis over the lease term (in accordance with AS-19 'Leases' as prescribed by Companies (Accounting Standards) Rules, 2006).

2.7 Loans

Loans are stated at the amount advanced, as reduced by the amounts received up to the balance sheet date.

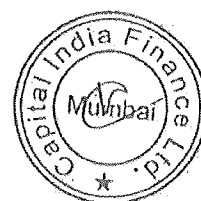
2.8 Provisioning/ Write-off on assets

Provisioning/ Write-off on overdue assets

The provisioning / write-off on overdue assets is as per the management estimates, subject to the minimum provision required as per Master Direction-Non Banking Financial Company-Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

Provision on standard assets

Provision on standard assets has been made @ 0.40% which is in accordance with Reserve Bank of India ("RBI") guidelines.



Special Purpose Standalone Interim Financial Information
Capital India Finance Limited
Notes to the standalone financial statements for the period ended 30th June 2018
(All figures are in rupees, except otherwise stated)

2 Significant accounting policies (Continued)

2.9 Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non current investments.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Unquoted investments in the units of mutual funds are valued at the net asset value declared by the mutual fund in respect of each particular scheme as per NBFC prudential norms.

Non current investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

Profit or loss on sale of investments is determined on a first in first out basis. Any reduction in the carrying amount and any reversals of such reductions are charged or credited to statement of profit and loss.

2.10 Revenue recognition

Revenue is recognized on accrual basis, when no significant uncertainty as to determination or realization exists.

Interest income is recognised on time proportionate basis. In case of non performing assets, interest income is recognised on receipt basis as per NBFC prudential norms. Penal interest is recognised on receipt basis.

Fee income is recognised on an accrual basis on completion of services as enumerated in the milestones specified in the relevant mandate letters.

Upfront/ processing fees is recognised as income as per terms mentioned in the loan agreement.

Dividend income is recognised when the shareholders' right to receive payment is established by the balance sheet date. Dividend from the units of mutual funds is recognized on receipt basis in accordance with the NBFC Regulation.

2.11 Retirement and other employee benefits

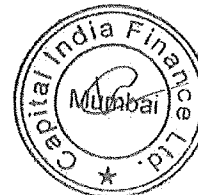
All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. These benefits include salary, bonus, allowances and compensated absences. The undiscounted amount of short term employee benefits expected to be paid in exchange for the service rendered by the employees is recognised as an expense as the service is rendered by the employees.

The Company operates defined benefit plans for its employees pertaining to gratuity liability. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out using the projected unit credit method. Actuarial gains and losses for this defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/ losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

2.12 Borrowing costs

Borrowing costs consists of interest and other cost that an entity incurs in connection with borrowing of funds. Borrowing costs are recognized as an expense in the period in which these are incurred.



Special Purpose Standalone Interim Financial Information
Capital India Finance Limited
Notes to the standalone financial statements for the period ended 30th June 2018
(All figures are in rupees, except otherwise stated)

2 Significant accounting policies (Continued)

2.13 Share issue expenses

Share issue expenses related to issuance of equity are debited against securities premium account in accordance with the provisions of Section 52 of the Companies Act, 2013.

2.14 Foreign currency transactions

Foreign exchange transactions are recorded the spot rate on the date of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the statement of profit and loss for the period.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognised in the statement of profit and loss.

Non monetary assets and liabilities are carried at historical cost using exchange rates as on the date of the respective transactions.

2.15 Taxation

Income tax expense comprises current tax including minimum alternate tax ('MAT') (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year).

The interim period income tax expense is calculated by applying, to the interim period's pre-tax income, the tax rate that would be applicable to expected total annual earnings, i.e., the estimated average annual effective income tax rate.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized to the extent there is virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realized.

MAT paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future years and is recognized as tax credit in statement of profit and loss.

2.16 Provisions and contingencies

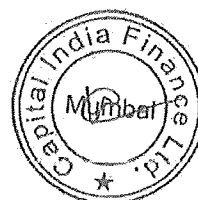
The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.17 Earnings per share

The basic earnings per share is computed by dividing the net profit / loss after tax attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.18 Cash and cash equivalents

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash in hand and cash at bank including fixed deposit with original maturity period of three months and short term highly liquid investments with an original maturity of three months or less.



Special Purpose Standalone Interim Financial Information
 Capital India Finance Limited
 Notes to the standalone financial statements for the period ended 30th June 2018
 (All figures are in rupees , except otherwise stated)

3 Share capital

	As at 30th June 2018	
	Number	Amount
Authorised share capital		
Equity shares of Rs. 10 each	20,40,00,000	2,04,00,00,000
Preference shares of Rs. 10 each	1,00,00,000	10,00,00,000
	21,40,00,000	2,14,00,00,000
Issued, subscribed and fully paid up		
Equity shares of Rs. 10 each	4,31,85,700	43,18,57,000
Total issued, subscribed and fully paid up share capital	4,31,85,700	43,18,57,000

a. Reconciliation of the shares and amount outstanding at the beginning and at the end of the reporting period:

	As at 30th June 2018	
	Number	Amount
At the beginning of the period	35,02,700	3,50,27,000
Add : Allotment during the period	3,96,83,000	39,68,30,000
Outstanding at the end of the period	4,31,85,700	43,18,57,000

b. Terms and rights attached to fully paid up equity shares:

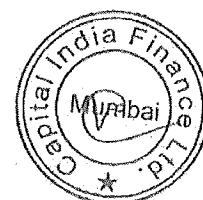
The Company has only one type of equity shares having par value of Rs. 10 each. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their holdings.

c. Shares in the Company held by each shareholder holding more than 5% shares:

	As at 30th June 2018	
	Number	%
Equity shares of Rs. 10 each		
Capital India Corp LLP (formerly known as Trident Holdings LLP)	2,96,15,300	68.58%
Dharampal Satyapal Limited	48,97,800	11.34%
Total	3,45,13,100	79.92%

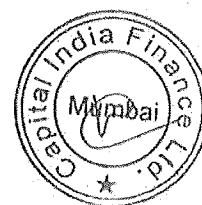
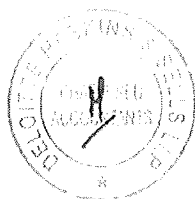
d. Advance towards share application money:

During the current quarter, the Company has refunded back an amount of ₹ 125,00,00,000 received from Capital India Corp LLP as advance against share application money towards its entitlement under the proposed Rights Issue of the Company.



Special Purpose Standalone Interim Financial Information
Capital India Finance Limited
Notes to the standalone financial statements for the period ended 30th June 2018
(All figures are in rupees, except otherwise stated)

	As at 30th June 2018
4 Reserves and surplus	
a) General reserve	
Opening Balance	1,76,099
Add : Transfer during the period	-
Total	1,76,099
b) Statutory Reserve under Section 45-IC of the RBI Act, 1934	
Opening Balance	75,80,010
Add : Transfer during the period	18,32,845
Total	94,12,855
c) Securities premium account	
Opening Balance	-
Add : Proceeds from issue of equity shares	2,10,31,99,000
Less: Share issue expenses	73,93,588
Total	2,09,58,05,412
d) Surplus in the statement of profit and loss	
Opening Balance	2,62,35,765
Add : Profit for the period	91,64,223
	3,53,99,988
Less : Transfer to Statutory Reserve under Section 45-IC of the RBI Act, 1934	18,32,845
Less : Dividend on equity shares	35,02,700
Less : Dividend tax thereon	7,13,069
Net Surplus in the statement of profit and loss	2,93,51,374
Total reserves and surplus	2,13,47,45,740



Special Purpose Standalone Interim Financial Information
Capital India Finance Limited
Notes to the standalone financial statements for the period ended 30th June 2018
(All figures are in rupees , except otherwise stated)

	As at	
	30th June 2018	
	Non-current	Current
5 Borrowings		
Unsecured		
From corporates (Inter corporate deposits)	7,00,00,000	-
	7,00,00,000	-
Additional information for Borrowings as on June 30, 2018:		
<u>Details of Unsecured borrowings from Corporates:</u>		
- Inter corporate deposits of Rs. 7,00,00,000 is raised at an interest rate of 8% and repayable on 16 February, 2022		
- Inter corporate deposits of Rs. 1,25,00,00,000 is raised at an interest rate of 11% and repayable on demand. The same has been repaid during the period.		
6 Other liabilities		
Interest accrued but not due on borrowings	67,83,581	-
Rent equalisation reserve	-	43,44,250
Statutory dues payable	-	38,54,176
Creditors for capital goods	-	1,08,78,224
Other payables	-	30,91,794
	67,83,581	2,21,68,444
7 Provisions		
Provision for employee benefits	3,92,856	41,13,157
Provision for standard assets	1,11,111	40,46,639
	5,03,967	81,59,796



Special Purpose Standalone Interim Financial Information

Capital India Finance Limited

Notes to the standalone financial statements for the period ended 30th June 2018

(All figures are in rupees, except otherwise stated)

8 Fixed assets

Particulars	Gross block (at Cost)				Accumulated depreciation / amortisation				Net block
	As at 1st April, 2018	Additions during the period	Deletions during the period	As at 30th June, 2018	As at 1st April, 2018	Depreciation for the period	Adjustments during the period	As at 30th June, 2018	As at 30th June, 2018
Tangible assets									
Leasehold improvements	3,22,66,265	2,07,66,325	-	5,30,32,590	21,49,179	28,31,687	-	49,80,866	4,80,51,724
Data processing equipments	37,59,374	12,14,847	5,37,992	44,36,229	3,51,523	3,04,038	46,247	6,09,314	38,26,915
Office equipments	71,92,509	14,83,019	-	86,75,528	3,04,824	4,07,447	-	7,12,271	79,63,257
Furniture & fixtures	4,40,49,041	1,86,56,703	-	6,27,05,744	14,62,866	13,83,741	-	28,46,607	5,98,59,137
Vehicles	-	70,30,000	-	70,30,000	-	1,98,608	-	1,98,608	68,31,392
Total tangible assets	8,72,67,189	4,91,50,894	5,37,992	13,58,80,091	42,68,392	51,25,521	46,247	93,47,666	12,65,32,425
Intangible assets									
Computer softwares	2,59,987	-	-	2,59,987	23,247	21,604	-	44,851	2,15,136
Total intangible assets	2,59,987	-	-	2,59,987	23,247	21,604	-	44,851	2,15,136
Grand total	8,75,27,176	4,91,50,894	5,37,992	13,61,40,078	42,91,639	51,47,125	46,247	93,92,517	12,67,47,561
Capital work in progress	2,04,96,665	-	2,04,96,665	-	-	-	-	-	-
Intangible assets under development	30,25,000	43,60,000	-	73,85,000	-	-	-	-	73,85,000



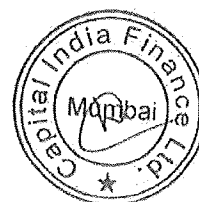
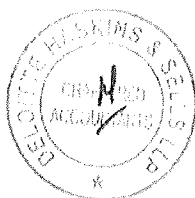
Special Purpose Standalone Interim Financial Information
Capital India Finance Limited
Notes to the standalone financial statements for the period ended 30th June 2018
(All figures are in rupees , except otherwise stated)

		As at 30th June 2018	
		Non-current	Current
9	Investments		
	<i>(at cost, unless otherwise stated)</i>		
	Non Trade investments		
	Investment in equity instruments (unquoted):		
	<i>-In subsidiary companies</i>		
	<u>15,000,000 equity shares @ Rs 10/- per share</u>		
	- Capital India Home Loans Limited	15,00,00,000	-
	<u>10,000 equity shares @ Rs 10/- per share</u>		
	- Capital India Asset Management Private Limited	1,00,000	-
	- Capital India Wealth Management Private Limited	1,00,000	-
	- CIFL Holding Private Limited	1,00,000	-
	- CIFL Investment Manager Private Limited	1,00,000	-
	Trade investments		
	Investment in mutual fund units (At Net Assets Value):		
	Aditya Birla Sun Life Cash Plus - Direct Growth	-	25,10,38,573
	Franklin India Liquid Fund - Direct - Growth	-	22,34,91,407
	HDFC Liquid Fund - Direct - Growth	-	24,60,09,104
	ICICI Prudential Liquid Plan -Direct - Growth	-	25,10,40,457
	Reliance Liquid Fund - Direct - Growth	-	24,10,06,806
		15,04,00,000	1,21,25,86,347
10	Loans and advances		
	<i>(Secured, considered good)</i>		
	Loans and advances relating to financing activity	2,77,77,778	84,32,48,590
	<i>(Unsecured, considered good)</i>		
	Loans and advances relating to financing activity	-	11,00,00,000
	<u>Other loans and advances</u>		
	- Advances to related parties	-	31,50,901
	- Loans and advances to employees	11,06,640	13,86,644
	- Advances to suppliers	-	26,25,670
	- Security deposits	1,85,00,210	-
	- Balance with statutory authorities	-	26,66,707
	- Advance taxes (net of provision for tax)	-	1,65,87,346
	- Prepaid expenses	-	13,74,799
		4,73,84,628	98,10,40,657
11	Other assets		
	Interest accrued and due	-	1,82,73,278
	Interest accrued but not due	-	32,38,855
		-	2,15,12,133



Special Purpose Standalone Interim Financial Information
 Capital India Finance Limited
 Notes to the standalone financial statements for the period ended 30th June 2018
 (All figures are in rupees , except otherwise stated)

	As at 30th June 2018
12 Deferred tax assets (net)	
Deferred tax asset comprises of:	
Provision for standard assets	11,56,690
Provision for employee benefits	12,53,570
Rent equalisation reserve	12,08,570
Depreciation on fixed assets	43,760
Deferred tax liability comprises of:	
Timing differences in recognition of income	(13,95,440)
Deferred tax assets (net)	22,67,150
13 Trade receivables	
<i>(Unsecured, considered good)</i>	
Outstanding for a period exceeding six months from the date they are due for payment	-
Other receivables	2,48,40,000
	2,48,40,000
14 Cash and bank balances	
Cash and cash equivalents	
Cash on hand	42,248
Balances with banks	
- in current accounts	3,30,12,804
- in fixed deposits with original maturity less than 3 months	6,50,00,000
Cheques in hand	20,00,000
	10,00,55,052



Special Purpose Standalone Interim Financial Information
Capital India Finance Limited
Notes to the standalone financial statements for the period ended 30th June 2018
(All figures are in rupees , except otherwise stated)

	Period ended 30th June 2018
15 Revenue from operations	
Interest income	4,26,46,747
Fee income	2,60,00,000
	<u><u>6,86,46,747</u></u>
16 Other income	
Income from mutual fund units	50,94,532
	<u><u>50,94,532</u></u>
17 Employee benefit expense	
Salaries, bonus and allowances	2,43,50,189
Contribution to provident and other funds	10,51,203
Staff welfare expenses	2,95,548
	<u><u>2,56,96,940</u></u>
18 Finance costs	
Interest expenses	51,63,287
Bank charges	6,625
	<u><u>51,69,912</u></u>
19 Other expenses	
Rent	1,33,55,444
Rate, fee & taxes	1,60,322
Repairs & maintenance - others	9,17,504
Office expenses	12,08,596
Electricity charges	3,14,596
Communication expenses	4,32,545
Printing & stationery	4,28,970
Insurance	1,14,724
Membership & subscription	40,816
Travelling & conveyance	37,63,528
Advertisement, marketing & business promotion expenses	1,42,237
Auditor's remuneration	
- Audit fees	3,43,750
Legal & professional charges	23,66,534
Listing fee	2,82,310
Directors sitting fees	5,80,000
Miscellaneous expenses	6,16,799
	<u><u>2,50,68,675</u></u>
20 Earnings per share (Not Annualised)	
Net profit attributable to equity shareholders (Rs.)	91,64,223
Weighted average number of equity shares outstanding during the period	1,35,32,469
Nominal value of an equity share (Rs.)	10
Basic and diluted earnings per share (in Rs.)	0.68



Special Purpose Standalone Interim Financial Information

Capital India Finance Limited

Notes to the standalone financial statements for the period ended 30th June 2018

(All figures are in rupees, except otherwise stated)

21 Contingent liabilities

There are no contingent liabilities as on 30 June 2018

There were no pending litigations which would impact the financial position of the company.

There are no long-term contracts including derivative contracts for which there were any material foreseeable losses.

22 Capital & other commitments

- Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for as at 30 June 2018 is Rs. 84,36,000/-.

- Other commitments pertaining to undrawn committed credits as on 30 June 2018 is Rs. 45,30,68,000/-

23 Segment information

The Company operates in a single reportable segment i.e. financing, which has similar risks and returns for the purpose of AS 17 on 'Segment Reporting' specified under section 133 of the Companies Act 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The Company operates in a single geographical segment i.e. domestic.

24 Leases (Operating Lease)

The registered office and corporate office are taken on operating lease. The corporate office premises has a non-cancellable lease for 60 months with an escalation clause of 15% after 36 months. The registered office premises are rented on non-cancellable lease for 36 months without an escalation clause. There are no subleases. Lease payments during the year are charged to statement of profit and loss.

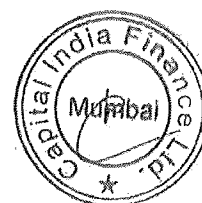
Description	30-Jun-18
Operating lease payments recognized during the period	1,33,55,444
Minimum Lease Obligations	
Not later than one year	4,92,53,640
Later than one year but not later than five years	13,30,79,805
Later than five years	-

25 Related party disclosures

Disclosures as required by the Accounting Standard 18 (AS – 18) "Related Party Disclosures" are given below :

(i) Names of related parties with whom transactions have taken place during the year and description of relationship:

Name of the related party	Nature of relationship
Capital India Home Loans Limited	Subsidiary Company
Capital India Asset Management Private Limited	Subsidiary Company
Capital India Wealth Management Private Limited	Subsidiary Company
CIFL Holding Private Limited	Subsidiary Company
CIFL Investment Manager Private Limited	Subsidiary Company
Capital India Corp LLP	Enterprise having significant influence or control
Sahyog Homes Limited	Enterprise where key management personnel exercise significant influence
Mr. Keshav Porwal	Managing Director
Mr. Amit Sahai Kulshreshtha	CEO & Executive Director



Special Purpose Standalone Interim Financial Information
 Capital India Finance Limited
 Notes to the standalone financial statements for the period ended 30th June 2018
 (All figures are in rupees, except otherwise stated)

(ii) Details of transaction with related parties mentioned in (i) above are as follows:

Nature of the Transaction	Subsidiary Companies				
	Capital India Home Loans Limited	Capital India Asset Management Private Limited	Capital India Wealth Management Private Limited	CIFL Holding Private Limited	CIFL Investment Manager Private Limited
Transactions during the period					
Reimbursement of expenses\$	19,88,956	-	-	-	-
Closing balances					
Receivable	19,88,956	26,935	26,935	26,935	26,935

Nature of the Transaction	Enterprise where key management personnel exercise significant influence		Key Managerial Personnel	
	Capital India Corp LLP	Sahyog Homes Limited	Mr. Keshav Porwal	Mr. Amit Sahai Kulshreshtha
Transactions during the period				
Reimbursement of expenses	-	45,207	-	-
Remuneration paid	-	-	26,34,501	26,25,501
Issue of equity shares	1,72,51,29,000	-	-	-
Repayment of advance towards share application money	1,25,00,00,000	-	-	-
Closing balances	-	-	-	-
Receivable	-	10,54,205	-	-

\$ Includes allocated shared expenses

Investments in equity shares of subsidiaries have been disclosed under "Non-current investments" (Refer Note 9)



Special Purpose Standalone Interim Financial Information
 Capital India Finance Limited
 Notes to the standalone financial statements for the period ended 30th June 2018
 (All figures are in rupees, except otherwise stated)

26 Gratuity and other post-employment benefit

Defined Contribution Plan

The Company has recognized Rs. 794,125 for the period ended 30th June 2018 in Statement of Profit and Loss under Company's Contribution to Provident Fund.

Defined Benefit Plan

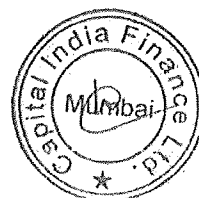
The Company has a defined benefit gratuity plan, under which every employee who has completed atleast five years of service gets a gratuity on departure @15 days of last drawn basic salary for each completed year of service.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet for the gratuity plan.

	30-Jun-18
Statement of profit and loss	
Net employee benefit expense recognized in the employee cost	
Current service cost	2,11,254
Interest cost on benefit obligation	-
Expected return on plan assets	-
Net actuarial (gain) / loss recognized in the period	45,668
Amount not recognized as asset	-
Gratuity expense	2,56,922
Actual return on plan assets	-
Balance sheet	
Benefit asset/ liability	
Present value of defined benefit obligation	3,92,856
Fair value of plan assets	-
Less: Amount not recognize as asset	-
Plan (asset) / liability	3,92,856
Changes in the present value of defined benefit obligation are as follows	
Opening defined benefit obligation	1,35,934
Current service cost	2,11,254
Interest cost	-
Past service cost	-
Benefits paid	-
Actuarial (gains)/ losses on obligation	45,668
Closing defined benefit obligation	3,92,856
The principal assumptions used in determining gratuity liability for the company is shown below:	
Discount rate	8.26%
Expected rate of return on assets	NA
Employee turnover	5.00%
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market	5.00%
Amounts for the current period :	
	30-Jun-18
Defined benefit obligation	3,92,856
Plan assets	-
Surplus / (deficit)	-
Experience adjustments on plan liabilities	-
Experience adjustments on plan assets	-

Notes:

Since the gratuity plan of the Company is not funded, the disclosure regarding change in fair value of plan assets and categories of plan assets are not required.



Special Purpose Standalone Interim Financial Information
Capital India Finance Limited

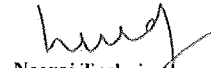
Notes to the standalone financial statements for the period ended 30th June 2018
(All figures are in rupees, except otherwise stated)

- 27 During the quarter ended 30th June 2018, the shareholders of the Company have approved final dividend @ Re. 1 per share (10%) on each equity share having a face value of Rs. 10 each aggregating to Rs. 35,02,700/- in the annual general meeting held on June 2, 2018. The said dividend has also been paid during the quarter.
- 28 During the quarter ended 30th June 2018, the Company has allotted 3,96,83,000 number of equity shares of the face value of Rs.10 each on preferential basis through private placement, at a price of Rs. 63 each (including a premium of Rs. 53 each).

For and on behalf of the board
Capital India Finance Limited


Keshav Porwal
Managing Director
DIN : 06706341

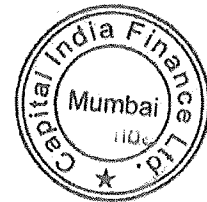

Amit Sahai Kulshreshtha
CEO & Executive Director
DIN : 07869849


Neeraj Toshniwal
Chief Financial Officer


Rachit Malhotra
Company Secretary

Place: Mumbai
Date: 6th October, 2018

Place: Mumbai
Date: 6th October, 2018



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of CAPITAL INDIA FINANCE LIMITED (Formerly known as Bhilwara Tex-Fin Limited)

Report on the Audit of the Special Purpose Consolidated Interim Financial Information

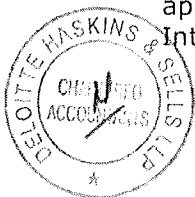
1. Opinion

We have audited the accompanying special purpose consolidated interim financial information (the "Special Purpose Consolidated Interim Financial Information") of Capital India Finance Limited (Formerly known as Bhilwara Tex-Fin Limited) (hereinafter referred to as the "Parent" / "Company"), and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at June 30, 2018, the Consolidated Statement of Profit and Loss and the Consolidated Statement of Cash Flows for the three months period then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial information of the subsidiaries referred to below in the Other Matter paragraph, the aforesaid Special Purpose Consolidated Interim Financial information is prepared, in all material respects, in accordance with the basis set out in note 1 to the Special Purpose Consolidated Interim Financial Information.

2. Basis for Opinion

We conducted our audit of the Special Purpose Consolidated Interim Financial Information in accordance with the Standards on Auditing ("SA"s) issued by the Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Special Purpose Consolidated Interim Financial Information section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the ICAI together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 (the "Act") and the Rules made thereunder, and we have fulfilled our other responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our opinion on the Special Purpose Consolidated Interim Financial Information.



3. Emphasis of Matter- Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 1 to the Special Purpose Consolidated Interim Financial Information, which describes the purpose and basis of preparation. The Special Purpose Consolidated Interim Financial Information have been prepared by the Company for the purpose of preparation of the restated consolidated financial information as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 (the "ICDR Regulations") in relation to the proposed rights issue of the Company and for the purpose of filing with BSE Limited. As a result, the Special Purpose Consolidated Interim Financial Information may not be suitable for any other purpose. The Special Purpose Consolidated Interim Financial Information cannot be referred to or distributed or included in any offering document or used for any other purpose except with our prior consent in writing. Our opinion is not modified in respect of this matter.

4. Other Matter

We did not audit the financial information of four subsidiaries, whose financial information reflect total assets of Rs.399,741 as at June 30, 2018, total revenues of Nil and net cash flow amounting to Rs. Nil for the three months period ended on that date, as considered in the Special Purpose Consolidated Interim Financial Information. These financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Special Purpose Consolidated Interim Financial Information, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the Special Purpose Consolidated Interim Financial Information is not modified in respect of the above matter.

5. Responsibilities of Management and Those Charged with Governance for the Special Purpose Consolidated Interim Financial Information

The Company's Board of Directors is responsible for the preparation and presentation of these Special Purpose Consolidated Interim Financial Information that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the basis stated in Note 1 to the Special Purpose Consolidated Interim Financial Information for the purpose set out in paragraph 3 above.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Consolidated Interim Financial Information that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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In preparing of these Special Purpose Consolidated Interim Financial Information, the Board of Directors of the Holding Company are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

6. Auditor's Responsibilities for the Audit of the Special Purpose Interim Consolidated Financial Information

Our objectives are to obtain reasonable assurance about whether the Special Purpose Consolidated Interim Financial Information as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Special Purpose Consolidated Interim Financial Information.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Special Purpose Consolidated Interim Financial Information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal financial control of the Group.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Special Purpose Consolidated Interim Financial Information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Special Purpose Consolidated Interim Financial Information. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Special Purpose Consolidated Interim



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Financial Information of which we are the independent auditors. For the other entities (referred to in paragraph 4 above) included in the Special Purpose Consolidated Interim Financial Information, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

- We communicate with those charged with governance of the Parent regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants
(Firm's Registration No. 117366W/ W-100018)



Kalpesh J. Mehta
Partner
(Membership No.48791)

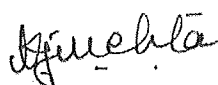
Mumbai, October 6, 2018

Special Purpose Consolidated Interim Financial Information
Capital India Finance Limited
Consolidated Balance sheet as at 30th June 2018
(All figures are in rupees, except otherwise stated)

Particulars	Notes	As at
		30th June 2018
I. EQUITY AND LIABILITIES		
(1) Shareholders' funds		
(a) Share capital	3	43,18,57,000
(b) Reserves and surplus	4	2,13,22,26,351
		2,56,40,83,351
(2) Non-current liabilities		
(a) Long-term borrowings	5	7,00,00,000
(b) Other long term liabilities	6	67,83,581
(c) Long-term provisions	7	7,23,393
		7,75,06,974
(3) Current liabilities		
(a) Other current liabilities	6	2,45,09,717
(b) Short term provisions	7	86,79,520
		3,31,89,237
Total		2,67,47,79,562
II. ASSETS		
(1) Non-current assets		
(a) Fixed assets	8	
(i) Tangible assets		12,87,88,567
(ii) Intangible assets		2,15,136
(iii) Intangible assets under development		88,85,000
(b) Deferred tax assets (net)	12	25,78,007
(c) Long-term loans and advances	10	4,74,09,628
		18,78,76,338
(2) Current assets		
(a) Current investment	9	1,24,78,47,750
(b) Trade receivables	13	3,29,40,000
(c) Cash and cash equivalents	14	20,16,79,836
(d) Short-term loans and advances	10	98,08,40,470
(e) Other current assets	11	2,35,95,168
		2,48,69,03,224
Total		2,67,47,79,562

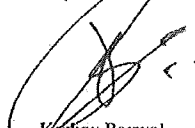
Notes 1 to 28 forms part of Special Purpose Consolidated Interim Financial Information
In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration No : 117366W/W -100018



Kalpesh J. Mehta
Partner
Membership No. : 48791

For and on behalf of the board
Capital India Finance Limited

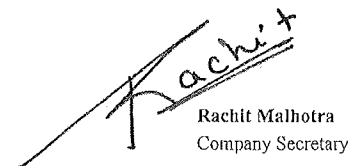

Keshav Porwal
Managing Director
DIN : 06706341



Amit Sahai Kulshreshtha
CEO & Executive Director
DIN : 07869849


Neeraj Toshniwal
Chief Financial Officer

Place: Mumbai
Date: 6th October, 2018


Rachit Malhotra
Company Secretary

Place: Mumbai
Date: 6th October, 2018



Special Purpose Consolidated Interim Financial Information
 Capital India Finance Limited
 Consolidated statement of profit and loss for the period ended 30th June 2018
 (All figures are in rupees , except otherwise stated)

Particulars	Notes	Period ended 30th June 2018
I. Revenue from operations	15	7,79,49,222
II. Other income	16	56,55,935
III. Total revenue		8,36,05,157
IV. Expenses		
Employee benefit expenses	17	3,41,44,396
Finance costs	18	51,69,912
Depreciation & amortization expenses	8	52,82,728
Other expenses	19	2,70,70,265
Total expenses		7,16,67,301
V. Profit before tax (III-IV)		1,19,37,856
VI. Tax expense		
(1) Current tax		29,57,550
(2) Deferred tax		7,36,249
VII. Profit for the period (V-VI)		82,44,057

Earnings per equity share	20	
Basic and diluted earning per equity share (in Rs.)		0.61
[face value Rs. 10 each] (Not Annualised)		

Notes 1 to 28 forms part of Special Purpose Consolidated Interim Financial Information
 In terms of our report attached

For Deloitte Haskins & Sells LLP
 Chartered Accountants
 Firm Registration No. : 117366W/W -100018




Kalpesh J. Mehta
 Partner

Membership No. : 48791

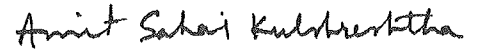
Place: Mumbai
 Date: 6th October, 2018

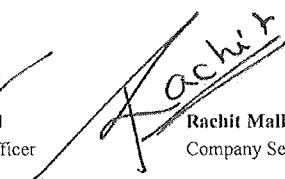
For and on behalf of the board
 Capital India Finance Limited


 Keshav Porwal
 Managing Director
 DIN : 06706341


 Neeraj Toshniwal
 Chief Financial Officer

Place: Mumbai
 Date: 6th October, 2018


 Amit Sahai Kulshreshtha
 CEO & Executive Director
 DIN : 07869849


 Rachit Malhotra
 Company Secretary

Place: Mumbai
 Date: 6th October, 2018



Special Purpose Consolidated Interim Financial Information
 Capital India Finance Limited
 Consolidated Cash flow statement for the period ended 30th June 2018
 (All figures are in rupees, except otherwise stated)

PARTICULARS	Period ended 30th June 2018
A) CASH FROM OPERATING ACTIVITIES:	
Net profit before tax	1,19,37,856
Adjustments for :	
Depreciation and amortisation	52,82,728
Provision for employee benefits	39,91,682
Income from mutual fund units	(56,55,935)
Operating profit before working capital changes	1,55,56,331
Adjustments for changes in working capital :	
Decrease in loans and advances	7,36,96,958
(Increase) in trade receivables	(2,97,00,000)
Increase in other long term liabilities	12,56,548
(Increase) in other current assets	(95,64,259)
(Decrease) in other current liabilities	(12,01,26,615)
Cash (used in) operations	(6,88,81,037)
Income tax paid	(81,77,585)
Net Cash (used in) operating activities (A)	(7,70,58,622)
B) CASH FROM INVESTING ACTIVITIES:	
Purchase of fixed assets	(3,64,14,228)
Purchase of current investment	(1,29,29,64,172)
Proceeds from sale of current investments	5,07,72,357
Net Cash (used in) investing activities (B)	(1,27,86,06,043)
C) CASH FLOW FROM FINANCING ACTIVITIES:	
Proceeds from issue of equity shares at premium	2,49,26,35,412
Payment of dividend and dividend distribution tax thereon (Refer note 4 (d))	(42,15,769)
Repayment of advance towards share application money	(1,25,00,00,000)
Proceeds from short term borrowings	1,25,00,00,000
Repayment of short term borrowings	(1,25,00,00,000)
Net cash generated from financing activities (C)	1,23,84,19,643
D) Net (decrease) in cash and cash equivalents (A+B+C)	(11,72,45,022)
E) Cash and cash equivalents as at the beginning of the period	21,89,24,858
F) Cash and cash equivalents as at the end of the period	10,16,79,836

Cash and cash equivalents comprises:

Particulars	As at 30th June 2018
Cash in hand	42,248
Cheques in hand	20,00,000
Balances with banks	
- in current accounts	3,46,37,588
- in deposit accounts	6,50,00,000
	10,16,79,836

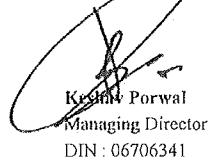
Notes 1 to 28 forms part of Special Purpose Consolidated Interim Financial Information
 In terms of our report attached

For Deloitte Haskins & Sells LLP
 Chartered Accountants
 Firm Registration No : 117366W/W -100018




Kalpesh J. Mehta
 Partner
 Membership No. : 48791

For and on behalf of the board
 Capital India Finance Limited


 Krishna Porwal
 Managing Director
 DIN : 06706341


 Amit Sahai Kulshreshtha
 CEO & Executive Director
 DIN : 07869849


 Neeraj Toshniwal
 Chief Financial Officer


 Raehit Malhotra
 Company Secretary

Place: Mumbai
 Date: 6th October, 2018

Place: Mumbai
 Date: 6th October, 2018

Place: Mumbai
 Date: 6th October, 2018



Special Purpose Consolidated Interim Financial Information
Capital India Finance Limited
Notes to the consolidated financial statements for the period ended 30th June 2018
(All figures are in rupees, except otherwise stated)

1 Basis of preparation & Consolidation

These Special Purpose Consolidated Interim Financial Information relates to Capital India Finance Limited (the Company) & its subsidiary companies. The Company & its subsidiary companies constitute the group. These Special Purpose Consolidated Interim Financial Information comprises of the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and a summary of Significant Accounting Policies and notes thereon (collectively the "Special Purpose Consolidated Interim Financial Information"). These Special Purpose Consolidated Interim Financial Information have been prepared by the Group for the purpose of preparation of the restated consolidated financial information as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations") in relation to the proposed rights issue of the Company and for the purpose of filing with BSE Limited. The Special Purpose Consolidated Interim Financial Information are prepared and presented in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Accounting Standards) Rules, 2006, as amended, provisions of the Companies Act, 2013 (to the extent notified), as per the guidelines issued by Reserve Bank of India as applicable to a Non-Banking Financial (Non deposit accepting or holding) Companies ('NBFC Regulations') and accounting policies as mentioned in Note 2 to these Special Purpose Consolidated Interim Financial Information, except that comparative period financial information have not been presented. The Special Purpose Consolidated Interim Financial Information, being for the specific purpose as stated above, are not a complete set of Financial Statements prepared in accordance with the requirements of the Act and the Accounting Standards issued thereunder, and hence information disclosed including the manner of disclosure may not be as required by the Act and/ or the Accounting Standards.

Principles of consolidation

- a) The Special Purpose Consolidated Interim Financial Information are prepared in accordance with AS - 21 on "Consolidated Financial Statements" notified under Section 133 of the Companies Act, 2013 (the 'Act') read together with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules 2016. The financial statements of these group companies are prepared according to uniform accounting policies, in accordance with accounting principles generally accepted in India. The effects of Inter Company transactions are eliminated on consolidation.

The financial information of the Company and its subsidiaries have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses.

The Special Purpose Consolidated Interim Financial Information are prepared using uniform accounting policies for like transactions and events in similar circumstances and necessary adjustments required for deviations, if any to the extent possible unless otherwise stated, are made in the Special Purpose Consolidated Interim Financial Information and are presented in the same manner as the Company's Special Purpose Standalone Interim Financial Information.

- b) The subsidiary companies considered in the presentation of the Special Purpose Consolidated Interim Financial Information are:

Particulars	Country of incorporation	Proportion of ownership interest as on 30 June 2018	Proportion of ownership interest as on 31 March 2018	Financial year ends on
Capital India Home Loans Limited	India	100%	100%	31 March
Capital India Asset Management Private Limited	India	100%	100%	31 March
Capital India Wealth Management Private Limited	India	100%	100%	31 March
CIFL Holding Private Limited	India	100%	100%	31 March
CIFL Investment Manager Private Limited	India	100%	100%	31 March

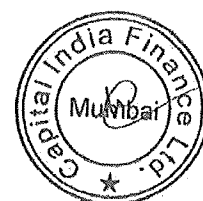
2 Significant accounting policies

2.1 Use of Estimates

The preparation of financial statements is in conformity with the Generally Accepted Accounting Principles ("GAAP") requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and disclosure of contingent liabilities on the date of the financial statements. Management believes that the estimates made in the preparation of financial statements are prudent and reasonable. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.2 Operating cycle

Based on the nature of activities of the Group and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



Special Purpose Consolidated Interim Financial Information
Capital India Finance Limited
Notes to the consolidated financial statements for the period ended 30th June 2018
(All figures are in rupees, except otherwise stated)

2 Significant accounting policies (Continued)

2.3 Fixed assets, depreciation and amortisation

Tangible fixed assets

- a) Tangible fixed assets are carried at cost of acquisition or construction less accumulated depreciation and / or accumulated impairment loss, if any. The cost of an item of tangible fixed asset comprises its purchase price and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates. Tangible fixed assets under construction are disclosed as capital work-in-progress.

Acquired intangible assets

- b) Intangible assets that are acquired by the Group are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

Leasehold improvements

- c) Leasehold improvement includes all expenditure incurred on the leasehold premises that have future economic benefits. Leasehold improvements are written off over the period of lease.

Depreciation and amortization

- d) Depreciation / amortisation is provided over the useful life of the assets, pro rata for the period of use, on a straight-line method. The useful life estimates prescribed in Part C of Schedule II to the 2013 Act have been considered as useful life for tangible assets. Acquired intangible assets are amortised over a period as per management estimates of their useful life. Pursuant to this policy, the useful life estimates in respect of the following assets are as follows:

Tangible fixed assets	Estimated useful life
Computers & Printers	3 Years
Furniture & Fixtures	10 Years
Leasehold Improvements	5 Years
Office Equipments	5 Years
Vehicles	5 Years
 Acquired intangible assets	
Computer software	3 Years

- e) Depreciation is provided on a pro-rata basis i.e. from the month in which asset is ready for use. Individual assets costing less than or equals to Rs. 5,000 are depreciated in full, in the year of purchase. Depreciation on assets sold during the year is recognized on a pro-rata basis in the statement of profit and loss up to the month prior to the month in which the assets have been disposed off.

Gains / losses on disposal of assets

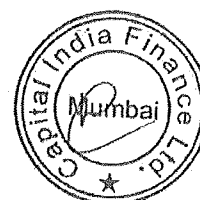
- f) Losses arising from retirement or gains or losses arising from disposal of tangible and intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss.

2.4 Impairment of assets

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit which the asset belongs to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

2.5 Leases

Assets acquired under lease other than finance lease are classified as operating lease. The total lease rentals in respect of assets taken on operating lease are charged to the statement of profit and loss on a straight line basis over the lease term (in accordance with AS-19 'Leases' as prescribed by Companies (Accounting Standards) Rules, 2006).



Special Purpose Consolidated Interim Financial Information
Capital India Finance Limited
Notes to the consolidated financial statements for the period ended 30th June 2018
(All figures are in rupees, except otherwise stated)

2 Significant accounting policies (Continued)

2.6 Loans

Loans are stated at the amount advanced, as reduced by the amounts received up to the balance sheet date.

2.7 Provisioning/ Write-off on assets

Provisioning/ Write-off on overdue assets

The provisioning / write-off on overdue assets is as per the management estimates, subject to the minimum provision required as per Master Direction-Non Banking Financial Company-Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

Provision on standard assets

Provision on standard assets has been made @ 0.40% which is in accordance with Reserve Bank of India ('RBI') guidelines

2.8 Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non current investments

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Unquoted investments in the units of mutual funds are valued at the net asset value declared by the mutual fund in respect of each particular scheme as per NBFC prudential norms.

Non current investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments

Profit or loss on sale of investments is determined on a first in first out basis. Any reduction in the carrying amount and any reversals of such reductions are charged or credited to statement of profit and loss.

2.9 Revenue recognition

Revenue is recognized on accrual basis, when no significant uncertainty as to determination or realization exists.

Interest income is recognised on time proportionate basis. In case of non performing assets, interest income is recognised on receipt basis as per NBFC prudential norms. Penal interest is recognised on receipt basis.

Fee income is recognised on an accrual basis on completion of services as enumerated in the milestones specified in the mandate letter.

Upfront/processing fees is recognised as income as per terms mentioned in loan agreement.

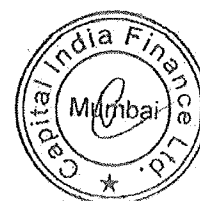
Dividend income is recognised when the shareholders' right to receive payment is established by the balance sheet date. Dividend from the units of mutual funds is recognized on receipt basis in accordance with the NBFC Regulation.

2.10 Retirement and other employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. These benefits include salary, bonus, allowances and compensated absences. The undiscounted amount of short term employee benefits expected to be paid in exchange for the service rendered by the employees is recognised as an expense as the service is rendered by the employees.

The Group operates defined benefit plans for its employees pertaining to gratuity liability. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out using the projected unit credit method. Actuarial gains and losses for this defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/ losses are immediately taken to the statement of profit and loss and are not deferred. The Group presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.



Special Purpose Consolidated Interim Financial Information
Capital India Finance Limited
Notes to the consolidated financial statements for the period ended 30th June 2018
(All figures are in rupees, except otherwise stated)

2 Significant accounting policies (Continued)

2.11 Borrowing costs

Borrowing costs consists of interest and other cost that an entity incurs in connection with borrowing of funds. Borrowing costs are recognized as an expense in the period in which these are incurred.

2.12 Share issue expenses

Share issue expenses related to issuance of equity are debited against securities premium account in accordance with the provisions of Section 52 of the Companies Act, 2013.

2.13 Foreign currency transactions

Foreign exchange transactions are recorded the spot rate on the date of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the statement of profit and loss for the period.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognised in the statement of profit and loss.

Non monetary assets and liabilities are carried at historical cost using exchange rates as on the date of the respective transactions.

2.14 Taxation

Income tax expense comprises current tax including minimum alternate tax ("MAT") (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year).

The interim period income tax expense is calculated by applying, to the interim period's pre-tax income, the tax rate that would be applicable to expected total annual earnings, i.e., the estimated average annual effective income tax rate.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized to the extent there is virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realized.

MAT paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax in future years and is recognized as tax credit in statement of profit and loss.

2.15 Provisions and contingencies

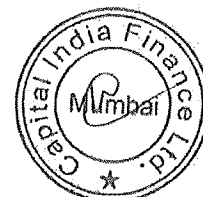
The Group creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.16 Earnings per share

The basic earnings per share is computed by dividing the net profit / loss after tax attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.17 Cash and cash equivalents

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash in hand and cash at bank including fixed deposit with original maturity period of three months and short term highly liquid investments with an original maturity of three months or less.



Special Purpose Consolidated Interim Financial Information
Capital India Finance Limited
Notes to the consolidated financial statements for the period ended 30th June 2018
(All figures are in rupees, except otherwise stated)

3 Share capital

	As at	
	30th June 2018	
	Number	Amount
Authorized share capital		
Equity shares of Rs. 10 each	20,40,00,000	2,04,00,00,000
Preference shares of Rs. 10 each	1,00,00,000	10,00,00,000
	21,40,00,000	2,14,00,00,000
Issued, subscribed and fully paid up		
Equity shares of Rs. 10 each	4,31,85,700	43,18,57,000
Total issued, subscribed and fully paid up share capital	4,31,85,700	43,18,57,000

a. Reconciliation of the shares and amount outstanding at the beginning and at the end of the reporting period:

	As at	
	30th June 2018	
	Number	Amount
At the beginning of the period	35,02,700	3,50,27,000
Add : Allotment during the period	3,96,83,000	39,68,30,000
Outstanding at the end of the period	4,31,85,700	43,18,57,000

b. Terms and rights attached to fully paid up equity shares:

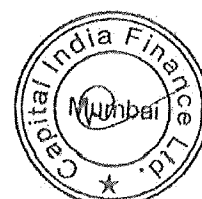
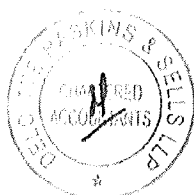
The Company has only one type of equity shares having par value of Rs. 10 each. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their holdings.

c. Shares in the Company held by each shareholder holding more than 5% shares:

	As at	
	30th June 2018	
	Number	%
<u>Equity shares of Rs. 10 each</u>		
Capital India Corp LLP (formerly known as Trident Holding LLP)	2,96,15,300	68.58%
Dharampal Satyapal Limited	48,97,800	11.34%
Total	3,45,13,100	79.92%

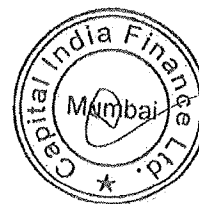
d. Advance towards share application money:

During the current quarter, the Company has refunded back an amount of ₹ 125,00,00,000 received from Capital India Corp LLP as advance against share application money towards its entitlement under the proposed Rights Issue of the Company.



Special Purpose Consolidated Interim Financial Information
Capital India Finance Limited
Notes to the consolidated financial statements for the period ended 30th June 2018
(All figures are in rupees , except otherwise stated)

	As at 30th June 2018
4 Reserves and surplus	
a) General reserve	
Opening balance	1,76,099
Add : Transfer during the period	-
Total	1,76,099
b) Statutory Reserve under Section 45-IC of the RBI Act, 1934	
Opening balance	75,80,010
Add : Transfer during the period	18,32,844
Total	94,12,854
c) Securities premium account	
Opening balance	-
Add : Proceeds from issue of equity shares	2,10,31,99,000
Less: Share issue expenses	73,93,588
	2,09,58,05,412
d) Surplus in the statement of profit and loss	
Opening balance	2,46,36,542
Add : Profit for the period	82,44,057
	3,28,80,599
Less : Transfer to Statutory Reserve under Section 45-IC of the RBI Act, 1934	18,32,844
Less : Dividend on equity shares	35,02,700
Less : Dividend tax thereon	7,13,069
Net Surplus in the statement of profit and loss	2,68,31,986
Total reserves and surplus	2,13,22,26,351



Special Purpose Consolidated Interim Financial Information
Capital India Finance Limited

Notes to the consolidated financial statements for the period ended 30th June 2018
(All figures are in rupees, except otherwise stated)

	As at	
	30th June 2018	
	Non-current	Current
5 Borrowings		
Unsecured		
From corporates (Inter-corporate deposits)	7,00,00,000	-
	7,00,00,000	-

Additional information:

Details of Unsecured borrowings from Corporates:

- Inter Corporate deposits of Rs. 7,00,00,000 at an interest rate of 8% and repayable on 16 February, 2022.
- Inter corporate deposits of Rs. 1,25,00,00,000 is raised at an interest rate of 11% and repayable on demand. The same has been repaid during the period.

6 Other liabilities

Interest accrued but not due on borrowings	67,83,581	-
Rent equalisation reserve	-	43,44,250
Statutory dues payable	-	58,77,809
Creditors for capital goods	-	1,08,78,224
Other payables	-	34,09,434
	67,83,581	2,45,09,717

7 Provisions

Provision for employee benefits	6,12,282	46,32,881
Provision for standard assets	1,11,111	40,46,639
	7,23,393	86,79,520



Special Purpose Consolidated Interim Financial Information

Capital India Finance Limited

Notes to the consolidated financial statements for the period ended 30th June 2018

(All figures are in rupees, except otherwise stated)

8 Fixed assets

Particulars	Gross block (at cost)				Accumulated depreciation / amortization				Net block
	As at 1st April, 2018	Additions during the period	Deletions during the period	As at 30th June 2018	As at 01st April, 2017	Depreciation for the period	Adjustments during the period	As at 30th June 2018	As at 30th June 2018
Tangible assets									
Leasehold improvements	3,22,66,265	2,07,66,325	-	5,30,32,590	21,49,179	28,31,687	-	49,80,866	4,80,51,724
Data processing equipments	37,59,374	17,06,592	5,37,992	49,27,974	3,51,523	3,44,900	46,247	6,50,176	42,77,798
Office equipment	71,92,509	14,83,019	-	86,75,528	3,04,824	4,07,447	-	7,12,271	79,63,257
Furniture & fixtures	4,40,49,041	1,86,56,703	-	6,27,05,744	14,62,866	13,83,741	-	28,46,607	5,98,59,137
Vehicles	-	89,30,000	-	89,30,000	-	2,93,349	-	2,93,349	86,36,651
Total tangible assets	8,72,67,189	5,15,42,639	5,37,992	13,82,71,836	42,68,392	52,61,124	46,247	94,83,269	12,87,88,567
Intangible assets									
Computer softwares	2,59,987	-	-	2,59,987	23,247	21,604	-	44,851	2,15,136
Total intangible assets	2,59,987	-	-	2,59,987	23,247	21,604	-	44,851	2,15,136
Grand total	8,75,27,176	5,15,42,639	5,37,992	13,85,31,823	42,91,639	52,82,728	46,247	95,28,120	12,90,03,703
Capital work in progress	2,04,96,665	-	2,04,96,665	-	-	-	-	-	-
Intangible assets under development	30,25,000	58,60,000	-	88,85,000	-	-	-	-	88,85,000



Special Purpose Consolidated Interim Financial Information
Capital India Finance Limited

Notes to the consolidated financial statements for the period ended 30th June 2018

(All figures are in rupees, except otherwise stated)

9 Investments

	As at	
	30th June 2018	
	Non-current	Current
Trade investments		
Investment in mutual fund units (At Net Assets Value):		
Aditya Birla Sun Life Cash Plus - Direct Growth	-	25,10,38,573
Franklin India Liquid Fund - Direct - Growth	-	22,34,91,407
HDFC Liquid Fund - Direct - Growth	-	24,60,09,104
ICICI Prudential Liquid Plan -Direct - Growth	-	28,63,01,860
Reliance Liquid Fund - Direct - Growth	-	24,10,06,806
	-	1,24,78,47,750

10 Loans and advances

(Secured, considered good)

Loans and advances relating to financing activity	2,77,77,778	84,32,48,590
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(Unsecured, considered good)

Loans and advances relating to financing activity	-	11,00,00,000
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Other loans and advances

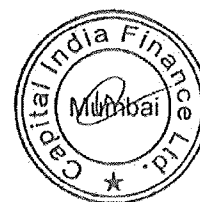
- Advances to related parties	-	10,54,205
- Advance to employees	11,06,640	13,86,644
- Advances to suppliers	-	26,25,670
- Security deposits	1,85,25,210	-
- Balances with statutory authorities	-	32,53,389
- Advance taxes (net of provision for tax)	-	1,78,54,558
- Prepaid expenses	-	14,17,414

	4,74,09,628	98,08,40,470
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11 Other assets

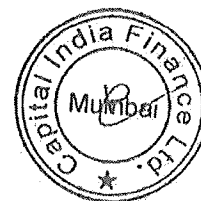
Interest accrued and due	-	1,82,73,279
Interest accrued but not due	-	53,21,889

	-	2,35,95,168
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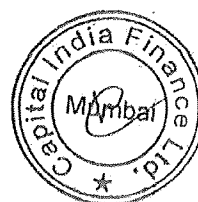
Special Purpose Consolidated Interim Financial Information
 Capital India Finance Limited
 Notes to the consolidated financial statements for the period ended 30th June 2018
 (All figures are in rupees, except otherwise stated)

	As at 30th June 2018
12 Deferred tax assets (net)	
Deferred tax asset comprises of:	
Provision for standard assets	11,56,690
Provision for employee benefits	14,45,749
Rent equalisation reserve	12,08,570
Depreciation on fixed assets	47,706
Others	2,31,268
Deferred tax liability comprises of:	
Timing differences in recognition of income	(15,11,976)
Deferred tax assets (Net)	25,78,007
13 Trade receivables	
<i>(Unsecured, considered good)</i>	
Outstanding for a period exceeding six months from the date they are due for payment	-
Other receivables	3,29,40,000
	3,29,40,000
14 Cash and bank balances	
Cash and cash equivalents	
Cash on hand	42,248
Balances with banks	
- in current accounts	3,46,37,588
- in fixed deposits with original maturity less than 3 months	6,50,00,000
Cheques in hand	20,00,000
	10,16,79,836
Other bank balances	
- Short term deposits with banks	10,00,00,000
(Other bank deposits with maturity less than 12 months)	20,16,79,836



Special Purpose Consolidated Interim Financial Information
Capital India Finance Limited
Notes to the consolidated financial statements for the period ended 30th June 2018
(All figures are in rupees, except otherwise stated)

	<u>Period ended</u> <u>30th June 2018</u>
15 Revenue from operations	
Interest income	4,44,49,222
Fee income	3,35,00,000
	<u>7,79,49,222</u>
16 Other income	
Income from mutual fund units	56,55,935
	<u>56,55,935</u>
17 Employee benefit expense	
Salaries, wages and bonus	3,23,32,785
Contribution to provident and other funds	14,96,263
Staff welfare	3,15,348
	<u>3,41,44,396</u>
18 Finance costs	
Interest expenses	51,63,287
Bank charges	6,625
	<u>51,69,912</u>
19 Other expenses	
Rent	1,42,59,727
Rate, fee & taxes	4,41,812
Repairs & maintenance - others	12,60,156
Office expenses	12,61,888
Electricity charges	3,43,464
Communication expenses	4,56,109
Printing & stationery	4,44,838
Insurance	1,14,724
Membership & subscription	40,816
Travelling & conveyance	38,50,421
Advertisement, marketing & business promotion expenses	1,42,237
<u>Auditor's remuneration</u>	
- Audit fees	5,25,000
Legal & professional charges	24,13,534
Listing fee	2,82,310
Directors sitting fees	5,80,000
Miscellaneous expenses	6,53,229
	<u>2,70,70,265</u>
20 Earnings per share (Not Annualised)	
Net profit attributable to equity shareholders (Rs.)	82,44,057
Weighted average number of equity shares outstanding during the period	1,35,32,469
Nominal value of an equity share (Rs.)	10
Basic and diluted earnings per share (in Rs.)	0.61



Special Purpose Consolidated Interim Financial Information
Capital India Finance Limited
Notes to the consolidated financial statements for the period ended 30th June 2018
(All figures are in rupees, except otherwise stated)

21 Contingent liabilities

There are no contingent liabilities as on 30 June 2018.
 There were no pending litigations which would impact the financial position of the Group.
 There are no long-term contracts including derivative contracts for which there were any material foreseeable losses.

22 Capital & other commitments

- Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for as at 30 June 2018 is Rs.99,36,000.
 - Other commitments pertaining to undrawn committed credits as on 30 June 2018 is Rs. 45,30,68,000.

23 Segment information

The Group operates in a single reportable segment i.e. financing, which has similar risks and returns for the purpose of AS 17 on 'Segment Reporting' specified under section 133 of the Companies Act 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The Housing Finance business has not yet commenced as registration with National Housing Board is pending. The Group operates in a single geographical segment i.e. domestic.

24 Leases (Operating Lease)

The registered office and corporate office are taken on operating lease. The corporate office premises has a non-cancellable lease for 60 months with an escalation clause of 15% after 36 months. The registered office premises are rented on non-cancellable lease for 36 months without an escalation clause. There are no subleases. Lease payments during the year are charged to statement of profit and loss.

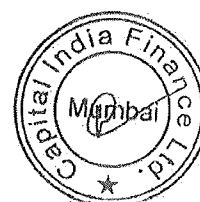
Description	30-Jun-18
Operating lease payments recognized during the year	1,24,28,413
Minimum Lease Obligations	
Not later than one year	4,92,53,640
Later than one year but not later than five years	13,30,79,805
Later than five years	-

25 Related party disclosures

Disclosures as required by the Accounting Standard 18 (AS – 18) "Related Party Disclosures" are given below :

(i) Names of related parties with whom transactions have taken place during the year and description of relationship:

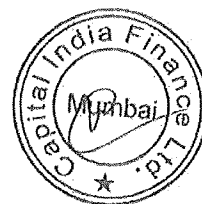
Name of the related party	Nature of relationship
Capital India Corp LLP	Enterprise where key management personnel exercise significant influence
Sahyog Homes Limited	Enterprise where key management personnel exercise significant influence
Mr. Keshav Porwal	Managing Director
Mr. Amit Sahai Kulshreshtha	Executive Director & CEO of Capital India Finance Ltd.
Mr. Vineet Kumar Saxena	Executive Director & CEO of Capital India Home Loans Ltd.



Special Purpose Consolidated Interim Financial Information
Capital India Finance Limited
Notes to the consolidated financial statements for the period ended 30th June 2018
(All figures are in rupees, except otherwise stated)

(ii) Details of transaction with related parties mentioned in (i) above are as follows:

Nature of the Transaction	Enterprise where key management personnel exercise significant influence		Key Managerial Personnel		
	Capital India Corp LLP	Sahyog Homes Limited	Mr. Keshav Porwal	Mr. Amit Sahai Kulshreshtha	Mr. Vineet Kumar Saxena
Transactions during the period					
Reimbursement of expenses	-	45,207	-	-	-
Remuneration paid	-	-	26,34,501	26,25,501	29,88,918
Issue of equity shares	1,72,51,29,000	-	-	-	-
Repayment of advance towards share application money	1,25,00,00,000	-	-	-	-
Closing balances					
Receivable	-	10,54,205	-	-	-



Special Purpose Consolidated Interim Financial Information
Capital India Finance Limited

Notes to the consolidated financial statements for the period ended 30th June 2018

(All figures are in rupees, except otherwise stated)

26 Gratuity and other post-employment benefit

Defined Contribution Plan

The Company has recognized Rs. 10,19,759 for the period ended 30th June 2018 in Statement of Profit and Loss under Company's Contribution to Provident Fund.

Defined Benefit Plan

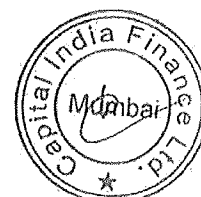
The Group has a defined benefit gratuity plan, under which every employee who has completed atleast five years of service gets a gratuity on departure @15 days of last drawn basic salary for each completed year of service.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet for the gratuity plan.

	30-Jun-18
Statement of profit and loss	
Net employee benefit expense recognized in the employee cost	
Current service cost	4,30,680
Interest cost on benefit obligation	-
Expected return on plan assets	-
Net actuarial (gain) / loss recognized in the period	45,668
Amount not recognized as asset	-
Gratuity expense	4,76,348
Actual return on plan assets	-
Balance sheet	
Benefit asset/ liability	
Present value of defined benefit obligation	6,12,282
Fair value of plan assets	-
Less: Amount not recognize as asset	-
Plan (asset) / liability	6,12,282
Changes in the present value of defined benefit obligation are as follows	
Opening defined benefit obligation	1,35,934
Current service cost	4,30,680
Interest cost	-
Past service cost	-
Benefits paid	-
Actuarial (gains)/ losses on obligation	45,668
Closing defined benefit obligation	6,12,282
The principal assumptions used in determining gratuity liability for the Group is shown below:	
Discount rate	8.26%
Expected rate of return on assets	NA
Employee turnover	5.00%
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.	5.00%
Amounts for the current period:	
	30-Jun-18
Defined benefit obligation	6,12,282
Plan Assets	-
Surplus / (deficit)	-
Experience adjustments on plan liabilities	-
Experience adjustments on plan assets	-

Notes:

Since the gratuity plan of the Group is not funded, the disclosure regarding change in fair value of plan assets and categories of plan assets are not required.



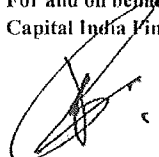
Special Purpose Consolidated Interim Financial Information
Capital India Finance Limited

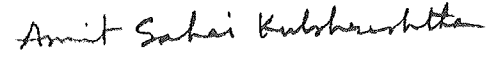
Notes to the consolidated financial statements for the period ended 30th June 2018

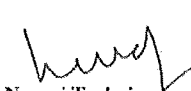
(All figures are in rupees, except otherwise stated)


- 27 During the quarter ended 30th June 2018, the shareholders of the Company have approved final dividend @ Re. 1 per share (10%) on each equity share having a face value of Rs. 10 each aggregating to Rs. 35,02,700/- in the annual general meeting held on June 2, 2018. The said dividend has also been paid during the quarter.
- 28 During the quarter ended 30th June 2018, the Company has allotted 3,96,83,000 number of equity shares of the face value of Rs.10 each on preferential basis through private placement, at a price of Rs. 63 each (including a premium of Rs. 53 each).

For and on behalf of the board
Capital India Finance Limited


Keshav Porwal
Managing Director
DIN : 06706341


Amit Sahai Kulshreshtha
CEO & Executive Director
DIN : 07869849


Neeraj Toshniwal
Chief Financial Officer


Rachit Malhotra
Company Secretary

Place: Mumbai
Date: 6th October, 2018

Place: Mumbai
Date: 6th October, 2018

