



CAPITAL FIRST LIMITED

Registered Office:

Indiabulls Finance Centre, 15th Floor, Tower 2, Senapati Bapat Marg, Elphinstone (West), Mumbai - 400013.

Notice

NOTICE is hereby given that an **EXTRAORDINARY GENERAL MEETING** of the Members of **CAPITAL FIRST LIMITED** will be held at Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018, on Friday, March 28, 2014, at 09:30 a.m. to transact the following business:

SPECIAL BUSINESS

Item No. 1: Issue and allotment of Equity Shares on Preferential basis

To consider and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution**:-

“RESOLVED THAT pursuant to Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory amendments thereto or modification or re-enactment thereof for the time being in force), such of the provisions of the Companies Act, 2013, as are in force and as may be applicable for issuance of further shares and in accordance with the provisions of the Memorandum and Articles of Association of the Company and the equity Listing Agreements entered into with the Stock Exchanges in India where the equity shares of the Company are listed (the “Stock Exchanges”), the Securities and Exchange Board of India (Issue of Capital and Disclosure of Requirements) Regulations, 2009 (“ICDR Regulations”) as amended from time to time, the applicable provisions of, Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, including any amendment from time to time and the rules and regulations framed thereunder, and the regulations/guidelines, if any, prescribed by the Securities and Exchange Board of India, Reserve Bank of India, the Stock Exchanges, the Government of India or any other relevant authority from time to time and subject to all applicable laws and subject to any necessary approvals, consents, permissions and/or sanctions of the Central Government, Reserve Bank of India and/or any other appropriate authorities, including banks, financial institutions or other lenders/creditors as may be necessary, and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission or sanction and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the **“Board”** which expression shall be deemed to include any Committee or authorized representative/s thereof), the consent and approval of the members of the Company be and is hereby accorded to the Board to offer, issue and allot, on a preferential basis upto 1,16,07,145 equity shares of face value of Rs. 10/- upto an aggregate consideration of Rs.178,51,78,901/- (Rupees One Hundred Seventy Eight Crore Fifty One Lakhs Seventy Eight Thousand Nine Hundred and One only) (**“Subscription Amount”**), at a proposed price of Rs. 153.80/- per Equity Share including premium(face value of Rs.10/- each and premium of Rs. 143.80 per share), which price shall be subject to and in accordance with the applicable provisions of the Securities and Exchange Board of India

(Issue of Capital and Disclosure Requirements) Regulations, 2009 (including any modifications or re-enactment thereof, for the time being in force) ("SEBI Regulations") to the following persons:

Sr. No.	Name and address of proposed allottees	No of Equity Shares to be allotted	Category
1.	Cloverdell Investment Ltd ("Cloverdell") c/o Multiconsult Limited, Rogers House, 5, President John Kennedy Street, Port Louis, Mauritius	83,57,145	Promoter
2.	HDFC Standard Life Insurance Company Limited ("HDFC Life") 13 th Floor, Lodha Excelus, Apollo Mills Compound, N M Joshi Road, Mahalaxmi, Mumbai 400 011.	32,50,000	Non promoter
Total		1,16,07,145	

RESOLVED FURTHER THAT the Equity Shares to be issued and allotted, in accordance with its term thereof, shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company and shall rank *pari passu* in all respects including as to dividend with the existing Equity Shares of the Company

RESOLVED FURTHER THAT the said Equity Shares shall be listed on the Stock Exchanges on which the existing Equity Shares of the Company are listed.

RESOLVED FURTHER THAT the Securities shall be issued and allotted within a period of 15 (fifteen) days from the date of passing of this Special Resolution, provided that where any application for any approval or permission by any statutory or regulatory authority is pending, the period of fifteen days shall be counted from the date of such approval or permission, as the case may be or such other extended period as may be permitted under applicable SEBI Regulations, as amended from time to time.

RESOLVED FURTHER THAT the Relevant Date for determining the price of the Equity Shares to be allotted, shall be, February 26, 2014, being the date which is 30 days prior to the date on which the shareholders meeting is proposed to be held to approve the preferential issue, i.e. March 28, 2014.

RESOLVED FURTHER THAT the Board be and is hereby authorized in its entire discretion to decide to proceed with the issue of the Equity Shares and authorized to accept and to agree any request for modification in number of offer, issue/ allotment of the Equity Shares.

RESOLVED FURTHER THAT to give effect to the aforesaid resolution, the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or any Director or any other officer(s) of the Company and for the purpose of giving effect to this resolution, the Board acting on its own or through a Committee of Directors or any other person duly authorized in this regard by the Board/Committee, be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary and settle any or all questions/matters arising with respect to the offer, issue and allotment (including deciding the terms and conditions for the same), utilization of the proceeds of the issue of the Equity Shares, execute all such deeds, documents, agreements and writings as may be necessary for the purpose of giving effect to the aforesaid resolution, take such further steps as are required for the allotment and listing on one or more stock exchange(s) of the equity shares to be issued, offered and allotted as

aforesaid, to take such other steps that are incidental and ancillary in this regard; and to do, make or accept such alterations, modifications or variations in the foregoing, as may be considered desirable or expedient by the Board/Committee/such Authorised Person in the best interest of the Company and its shareholders.”

By Order of the Board of Directors

**Sd/-
Satish Gaikwad
Company Secretary**

Place : Mumbai

Date : March 04, 2014

Registered Office:

Indiabulls Finance Centre,
15th Floor, Tower -2,
Senapati Bapat Marg, Elphinstone (West),
Mumbai - 400 013

NOTES:

- a) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts in respect of the Special Business set out in the Notice, is annexed hereto.
- b) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND ON POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- c) Proxies in order to be effective should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Extraordinary General Meeting.
- d) Corporate Members intending to send their authorised representative(s) to attend the Meeting are requested to send a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the Extraordinary General Meeting.
- e) Documents referred to in the accompanying Notice and the Explanatory Statement is open for inspection at the Registered Office of the Company on all working days except on Saturdays, Sundays & Public Holidays of the Company, between 2:00 p.m. to 5:00 p.m. up to the date of the Extraordinary General Meeting.
- f) Members/Proxies are requested to bring the Attendance Slip(s) duly filled in.
- g) Members are requested to note that the Company's shares are under compulsory demat trading for all investors. Members are, therefore, requested to dematerialize their shareholding to avoid inconvenience.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. I

Capital First Limited (**"the Company"**) proposes to issue and allot Equity Shares on preferential basis to Cloverdell Investment Ltd, a private company limited by shares incorporated under the laws of Mauritius with its registered office at c/o Multiconsult Limited, Rogers House, 5, President John Kennedy Street, Port Louis, Mauritius (**"Cloverdell"**) and M/s. HDFC Standard Life Insurance Company Limited, having its registered office at 13, Floor, Lodha Excelus, Apollo Mills Compound, N M Joshi Road, Mahalaxmi, Mumbai 400 011(**"HDFC Life"**) (**collectively "allottees"**). The preferential issue of Equity Shares will be issued at a price of Rs. 153.80/-(Rupees One Hundred Fifty Three and Eighty Paise) per Equity Share(face value of Rs.10/- each and premium of Rs. 143.80 per share) for an aggregate consideration of Rs.178,51,78,901/- (Rupees One Hundred Seventy Eight Crore Fifty One Lakhs Seventy Eight Thousand Nine Hundred and One only), subject to and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**"ICDR Regulations"**) as amended from time to time.

HDFC Life is one of the leading life insurance company in India registered with the Insurance Regulatory and Development Authority in accordance with the provisions of sub-section (2A) of section 3 of the Insurance Act, 1938 (IV of 1938) in the year 2000. HDFC Life is a joint venture between Housing Development Finance Corporation Limited (**"HDFC"**), one of India's leading financial services organizations and listed on recognized stock exchanges in India with approximately US\$24.9 billion market capitalization as of January 31, 2014 and Standard Life Group which is a leading provider of long term savings and investments globally and listed in the United Kingdom with approximately £8.9 billion market capitalization as of January 31, 2014, through its wholly owned subsidiary Standard Life (Mauritius Holdings) 2006 Ltd (**"Standard Life"**).

PROPOSAL

Members' approval is being sought in terms of Section 81(1A) of the Companies Act, 1956, which provides, *inter alia*, that whenever it is proposed to increase the subscribed capital of a company by issue and allotment of further shares, such further shares shall be offered to the persons who on the date of the offer are holders of the equity shares of the company in proportion to the capital paid-up on that date unless the shareholders decide otherwise. The Equity Listing Agreements executed by the Company with the Stock Exchanges also provide that the Company shall, in the first instance, offer all securities for subscription *pro rata* to the shareholders unless the shareholders decide otherwise.

The following disclosure for the preferential issue of securities is made in accordance with the provisions of Chapter VII of ICDR Regulations relating to the Preferential Issue is as under:

1 Objects of the preferential issue:

The proceeds from the proposed preferential issue shall be used for such purposes as may be approved by the Board including for implementing future growth plans of the Company and other general corporate purposes.

2 Proposal of Promoters, Directors or Key Managerial Personnel of the Company to subscribe to the offer:

Cloverdell, Promoter of the Company, has expressed its interest to subscribe to 83,57,145 Equity Shares out of the further issuance. None of the Directors and Key Management Personnel of the Company intend to subscribe to the Equity shares.

3 The shareholding pattern of the Company before and after the preferential issue:

Sr. No	Category	Pre-issue		Post-issue	
		No of Equity shares	% of total shares	No of Equity Shares	% of total shares
1.	Promoters				
A.	Cloverdell	4,98,80,500	70.2	5,82,37,645	70.5
B.	Dayside Investment Ltd	12,47,957	1.8	12,47,957	1.5
(a) Total Promoter Holding		5,11,28,457	72.0	5,94,85,602	72.0
2.	Non Promoters				
A.	HDFC Standard Life Insurance Company Limited	0	0	32,50,000	3.9
B.	Other Public	1,98,95,867	28.0	1,98,95,867	24.1
(b)Total Public Shareholding		1,98,95,867	28.0	2,31,45,867	28.0
Total Paid Up Capital (a+b)		7,10,24,324	100.0	8,26,31,469	100.0

4 Time within which preferential issue will be completed:

The Company shall complete the allotment of securities to Cloverdell and to HDFC Life on the same day or within a period of 15 (fifteen) days from the date of passing of the Special Resolution, provided that where any application for any approval or permission by any statutory or regulatory authority is pending, the period of fifteen days shall be counted from the date of such approval or permission, as the case may be or such other extended period as may be permitted under applicable ICDR Regulations, as amended from time to time.

5 Identity of natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the Company consequent to the preferential issue:

- a) **Identity of natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control proposed allottees**

A. CLOVERDELL INVESTMENT LTD

Cloverdell, a company incorporated under the laws of Mauritius, holds 70.2% equity capital in the Company. The board members of Cloverdell are Sharmila Baichoo, Gyaneshwarnath Gowrea, Uday Gujadhur, Timothy Curt and Tara O'Neill. In addition, Dayside Investment Ltd ("Dayside"), a company incorporated under the laws of Mauritius, is an affiliate of Cloverdell and holds 1.8% equity capital in the Company.

The following private equity funds: (i) Warburg Pincus Private Equity XI, L.P., a Delaware limited partnership, (ii) Warburg Pincus Private Equity XI-B, L.P., a Delaware limited partnership, (iii) Warburg Pincus XI Partners, L.P., a Delaware limited partnership, (iv) WP XI Partners, L.P., a Delaware limited partnership, and (v) Warburg Pincus Private Equity XI-C, L.P., a Cayman Islands exempted limited partnership (collectively, the "WP XI Fund") collectively hold 100% equity capital of Cloverdell.

The main investors in WP XI Fund (called limited partner investors) are state and private pension funds, financial institutions, foundations and endowments and other institutional investors. No limited partner investor has a direct or indirect interest of 10% or greater in the WP XI Fund, in the aggregate. The WP XI Fund belongs to Warburg Pincus, a leading global private equity firm focused on growth investing. Further information on Warburg Pincus can be obtained at <http://www.warburgpincus.com>.

B. HDFC STANDARD LIFE INSURANCE CO. LTD

HDFC Life is a leading life insurance company in India, having its registered office at 13th Floor, Lodha Excelus, Apollo Mills Compound, N M Joshi Road, Mahalaxmi, Mumbai 400 011.

HDFC Limited, which owns 72.37% of HDFC Standard Life Insurance Company Ltd, is a leading Housing finance provider in India, and has its registered office at HUL House, 169 Backbay Reclamation, H T Parekh Marg, Mumbai – 400020. HDFC Limited is listed on the National Stock Exchange of India Limited and BSE Limited.

Standard Life (Mauritius Holdings) 2006 Ltd, which owns 26% of HDFC Standard Life Insurance Company Limited, is a wholly owned subsidiary of Standard Life plc, registered in Scotland, and the office of Standard Life Plc is situated at Standard Life House, 30 Lothian Road, Edinburgh EH1 2DH, Scotland, United Kingdom. Standard Life PLC is listed on the London Stock exchange.

- b) Percentage of post-preferential issued and paid-up share capital of the Company that may be held by the proposed allottee:

Sr. No	Category	Pre-issue		Post –issue	
		No of Equity shares	% of total shares	No of Equity Shares	% of total shares
1.	Cloverdell (Promoter)	4,98,80,500	70.2	5,82,37,645	70.5

Cloverdell is already classified as a promoter of the Company and the proposed participation in the preferential allotment by Cloverdell shall not result in a change of control.

Sr. No	Category	Pre-issue		Post –issue	
		No of Equity shares	% of total shares	No of Equity Shares	% of total shares
1.	HDFC Life (non promoter)	0	0	32,50,000	3.9

- c) The proposed allotment would not result in any change in the control of the Company.

6 Undertaking that the Company will re-compute the price of the specified securities proposed to be issued to the allottees in terms of the ICDR Regulations where it is required to do so:

The price for the proposed preferential issue is computed in compliance with ICDR Regulations. The Company undertakes that it shall, if required, re-compute the price of the securities in terms of the ICDR Regulations.

7 Undertaking that if the amount payable on account of re-computation of price is not paid within time stipulated in the ICDR Regulations, the specified securities shall continue to be locked-in till the time such amount is paid by the allottees:

The Company undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in the ICDR Regulations, the equity shares shall continue to be locked in till the time such amount is paid by the allottees.

8 The Company is in the process of obtaining a certificate from M/s. S.R. Batliboi & Co.LLP, Chartered Accountants, Statutory Auditors of the Company, certifying that the present preferential offer is being made in accordance with requirements of ICDR Regulations. A copy of this certificate shall be placed before the shareholders' at the Extra-Ordinary General Meeting.

9 The Equity shares to be allotted to each of Cloverdell and HDFC Life under the proposed offering shall be subject to lock in restrictions, in accordance with the ICDR Regulations.

10 Pricing of the Securities: The Equity Share are proposed to be issued and allotted at a price of Rs. 153.80/- (Rupees One Hundred Fifty Three and Eighty paise) per Equity Share (calculated at a price of Rs. 10/- (Rupees Ten only) per Equity Share towards face value and Rs.143.80/- (Rupees One Hundred Forty Three and Eighty paise per Equity Share towards premium) or at such price which is not less than the higher of the following, in terms of ICDR Regulations:

(a) Average of weekly high and low of the closing price during 26 weeks preceding the relevant date; OR

(b) Average of weekly high and low of the closing price during 2 weeks preceding the relevant date.

Relevant Date for the purpose shall be the 30th day prior to the date of Extraordinary General Meeting to consider the proposed issue by the shareholders in terms of Section 81(1A) of the Companies Act, 1956 is declared, which in the present case is February 26, 2014.

The Board has accordingly decided to seek approval of the members for issue of Equity shares on preferential basis and recommends the passing of the Special Resolution as set out in Item No. 1 above.

None of the Directors, Key Management Personnel of the Company or their relatives is concerned or interested in the Resolution.

By Order of the Board of Director

**Sd/-
Satish Gaikwad
Company Secretary**

Place : Mumbai

Date : March 04, 2014

Registered Office:

Indiabulls Finance Centre,
15th Floor, Tower-2,
Senapati Bapat Marg,
Elphinstone (West),
Mumbai 400013



CAPITAL FIRST LIMITED

REGD. OFFICE: Indiabulls Finance Centre, Tower-2, 15th Floor, Senapati Bapat Marg, Elphinstone (West), Mumbai - 400 013.

ATTENDANCE SLIP

I hereby record my presence at the EXTRAORDINARY GENERAL MEETING of CAPITAL FIRST LIMITED to be held at Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018 on Friday, March 28, 2014, at 09.30 a.m.

Full Name of the Member / Representative / Proxy :

Registered Folio No.:	and / or	DP ID No. / Client ID No.:
No. of Shares held:		No. of Shares held:

SIGNATURE OF THE SHAREHOLDER OR PROXY OR REPRESENTATIVE ATTENDING THE MEETING

If Shareholder / Representative, please sign here	If Proxy, please sign here

- NOTE:** 1. Members attending the Meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.
2. Members attending the Meeting are requested to bring their copies of the Notice with them.



CAPITAL FIRST LIMITED

REGD OFFICE: Indiabulls Finance Centre, Tower-2, 15th Floor, Senapati Bapat Marg, Elphinstone (West), Mumbai - 400 013.

PROXY FORM

I/We of..... being a Member/
Members of CAPITAL FIRST LIMITED hereby appoint Mr./Mrs. of
..... or failing him, ... of as
my/our proxy to vote for me/us and on my/our behalf at the EXTRAORDINARY GENERAL MEETING of CAPITAL FIRST LIMITED to be held at the
Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018 on Friday, March 28, 2014, at 09.30 a.m.

Signed this day of, 2014

Affix revenue
stamp

Signature across Revenue Stamp

Registered Folio No.:	and / or	DP ID No. / Client ID No.:
No. of Shares held:		No. of Shares held:

- NOTE:** 1. This form of proxy duly completed, stamped and signed should be deposited at the Registered Office of the Company not less than 48 hours before commencement of the Meeting
2. A Proxy need not be a Member.

GREEN INITIATIVE

REGARDING SERVICE OF DOCUMENTS TO SHAREHOLDERS BY E-MAIL

The Ministry of Corporate Affairs, New Delhi ("MCA") has taken a "Green Initiative" in the Corporate Governance by permitting paperless compliances by companies (vide its Circular No. 17/2011 dated April 21, 2011 and Circular No.18/2011 dated April 29, 2011) and clarified that the service of documents by a company can be made through electronic mode instead of sending the physical copy of the document(s).

Keeping in view the underlying theme and the circulars issued by MCA, henceforth we propose to send all communications/ documents including the Notice calling the Annual General Meeting, Audited Financial Statements, Directors Report, Auditors Report, etc. via electronic mode. In connection with the same, we request you to provide your latest/updated email address on which future communication/correspondence/documents can be send to you.

We are sure that you would welcome the Go Green Initiative taken by the MCA and your company's desire to participate in the same. Investors desirous to receive the aforesaid documents in electronic form, may send their request to the Company for the same by sending an email at capfirstgogreen@linkintime.co.in. Alternatively you may write to the Registrar & Transfer Agent of the Company viz. Link Intime India Private Limited. You may, however, change your instructions at any time and request us to send you the documents in the physical form only. The documents that we propose e-mailing you will also be available for ready access on our website www.capfirst.com

We trust, as a responsible citizen, you will join us in our initiative to conserve our environment through the curtailment of consumption of paper.