

CFL/LS/463/2016-17

January 31, 2017

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001. Tel No.: 022 – 2272 2039/ 37/3121 BSE- Scrip Code: 532938	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East) Mumbai – 400 051. Tel No.: 022 – 2659 8237/ 38 NSE - Symbol – CAPF
---	--

Sub.: Outcome of the Board Meeting held on January 31, 2017

Dear Sir / Madam,

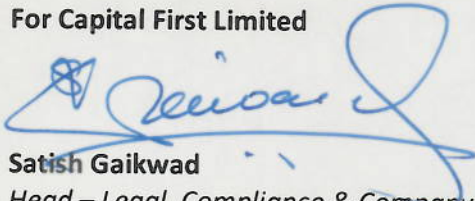
The Board of Directors at its meeting held today i.e. January 31, 2017 has *inter-alia* considered and approved the Audited Financial Results (Standalone and Consolidated) for the quarter and nine months ended December 31, 2016. Please find enclosed said Audited Results along with Audit Report;

The aforesaid Board meeting commenced at 12:30 p.m. and concluded at 2.20 p.m.

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

Thanking you,

Yours faithfully,

For Capital First Limited**Satish Gaikwad**

Head – Legal, Compliance & Company Secretary




Encl.: As above

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

To
Board of Directors of
Capital First Limited,

1. We have audited the quarterly financial results of Capital First Limited (the "Company") for the quarter ended December 31, 2016 and the year-to-date results for the period April 1, 2016 to December 31, 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year-to-date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the Company's management and have been approved by the Board of Directors. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", specified under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:
 - i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in this regard; and
 - ii. give a true and fair view of the net profit and other financial information for the quarter ended December 31, 2016 as well as the year to date results for the period from April 1, 2016 to December 31, 2016

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


per Viren H. Mehta
Partner
Membership No.: 048749
Place: Mumbai
Date: January 31, 2017

STATEMENT OF STANDALONE AUDITED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2016

PARTICULARS	QUARTER ENDED			NINE MONTHS ENDED		YEAR ENDED
	31.12.2016 (Audited)	30.09.2016 (Audited)	31.12.2016 (Audited)	31.12.2016 (Audited)	31.12.2016 (Audited)	31.03.2016 (Audited)
1 Income from operations						
a) Income from operations	70,784.81	65,465.05	48,019.41	107,347.03	120,050.05	184,400.00
b) Other operating income	958.72	369.03	1.78	1,301.09	209.61	232.84
Total income from operations (net)	71,743.53	65,834.08	48,021.17	108,648.12	120,259.66	184,632.84
2 Expenses						
a) Employee benefits expenses	6,328.03	5,705.01	4,084.72	17,763.12	12,704.47	17,604.50
b) Depreciation and amortisation expense	377.83	470.78	589.48	1,144.02	737.11	605.50
c) Provision and write off (Refer note 'b' and 'd')	18,241.13	10,200.54	0,171.00	32,311.05	18,008.32	23,471.30
d) Amortised loan origination cost	6,583.91	0,051.10	3,800.43	10,485.76	8,141.05	12,240.19
e) Legal and Professional charges	1,850.92	2,035.01	1,218.35	5,204.39	2,920.03	4,109.87
f) Other expenses	6,042.30	6,300.27	5,034.85	18,023.07	9,755.19	14,980.94
Total Expenses	32,223.40	30,868.60	18,328.83	65,936.41	50,104.11	73,320.32
3 Profit from Operations before Other Income, Finance Cost & Exceptional Items (1-2)	39,520.13	34,965.48	29,692.34	42,711.71	69,155.55	111,312.52
4 Other Income	24.00	-	62.13	250.05	62.13	62.13
5 Profit from Ordinary activities before Finance costs & Exceptional Items (3+4)	39,544.13	34,965.48	29,754.47	42,961.76	69,217.68	111,374.65
6 Finance Costs	30,014.81	28,791.16	22,003.07	65,650.40	62,020.60	87,904.37
7 Profit from Ordinary activities after Finance costs but before Exceptional Items (5-6)	9,529.32	6,174.32	7,751.40	22,548.41	7,197.08	23,470.28
8 Exceptional Items	-	-	-	-	-	-
9 Profit/(Loss) from Ordinary activities before tax (7+8)	9,529.32	6,174.32	7,751.40	22,548.41	7,197.08	23,470.28
10 Tax expense (including Deferred Tax)	2,935.42	2,504.07	2,215.00	7,880.04	5,012.37	6,170.31
11 Net Profit/(Loss) from Ordinary activities after tax (9-10)	6,593.90	3,670.25	5,536.40	14,668.37	2,184.71	17,300.00
12 Extraordinary Item	-	-	-	-	-	-
13 Net Profit/(Loss) for the period / year (11-12)	6,593.90	3,670.25	5,536.40	14,668.37	2,184.71	17,300.00
14 Paid up Equity Share Capital (Face Value-Rs.10 per share)	0,707.00	0,233.00	0,119.17	0,737.00	0,119.17	0,123.77
15 Reserves including Revaluation Reserves as per balance sheet	-	-	-	-	-	150,035.00
16 a) Earnings per share (EPS) (before Extraordinary Items)						
(Face Value-Rs 10 per share) *						
- Basic (Rs.)	6.07	6.08	4.59	16.01	12.30	17.80
- Diluted (Rs.)	6.00	4.76	4.30	14.00	11.74	10.00
b) Earnings per share (EPS) (after Extraordinary Items)						
(Face Value-Rs 10 per share) *						
- Basic (Rs.)	6.07	6.08	4.59	16.01	12.30	17.80
- Diluted (Rs.)	6.00	4.76	4.30	14.00	11.74	10.00

Notes

- The audited financial results for the quarter and nine months ended December 31, 2016 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors (the "Board") at their respective meetings held on January 31, 2017.
- The Company had changed its estimates related to provisioning for retail mortgage and housing loans during the quarter ended June 30, 2016. Consequent to the change in such estimates, provision and write off for the quarter and nine months ended December 31, 2016 is higher by Rs. 637.02 lakhs and Rs. 640.71 lakhs respectively.
- The Company has accounted for provision on standard assets as per Reserve Bank of India (RBI) notification no. RBI/2014-15/290 dated November 10, 2014, which requires increased provision on standard assets in a phased manner over a period of three years commencing from March 31, 2016. As a result of which provision for standard assets as at December 31, 2016 is higher by Rs. 705.41 lakhs.
- During the quarter ended December 31, 2016, 200,000 stock options were exercised by eligible employees under various CFL Employees Stock Options Schemes.
- During the quarter under review, the Board of Directors vide Circular Resolution dated December 14, 2016 allotted 4,700,000 equity shares of the Company of Rs. 10/- each, at the premium of Rs 702.70 per equity share on preferential basis amounting to Rs. 34,087.00 lakhs. The said funds aggregating to Rs. 34,087.00 lakhs retained pursuant to the aforesaid allotment have been utilized as on December 31, 2016. The aforesaid allotment is subject to lock-in requirements as per the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time, with regard to said Preferential Issue.
- RBI vide its notification no. DNBR. 011/COM (ODS)-2016 dated March 27, 2016 had revised the asset classification norms for non-performing assets (NPA) and substandard assets (under its prudential norms applicable to NBFCs) in a phased manner commencing from financial year ending March 31, 2016. This has resulted in increase in gross non-performing assets by Rs. 4,000.00 lakhs. However, there is no significant impact of this change on provision for the nine months ended December 31, 2016.
- The main business of the Company is financing. As such, there are no separate reportable segments as per the Accounting Standard (AS) - 17 'Segment Reporting' specified under Section 133 of the Companies Act, 2013 (the 'Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016.
- Pursuant to circular no. DBR No. DP-BC.37/21.04.01/2016-17 dated November 21, 2016 and DBR No. DP-DC.40/21.04.04/2016-17 dated December 28, 2016 issued by the Reserve Bank of India (RBI) which permits Regulated Entities to defer the down grade of an account that was standard as on November 1, 2016, the Company has not opted for 90 days' relaxation extended by RBI for recognition of loan as Non-Performing Assets (NPA).
- Figures for previous quarter/nine month/year have been regrouped and/or reclassified wherever considered necessary, to conform to current quarter/nine month's classifications.

SIGNED FOR IDENTIFICATION
BY
S. R. Datlivoi 31.1.17
S. R. DATLIVOI & CO. LLP
MUMBAI



For CAPITAL FIRST LIMITED
V. Vaidyanathan
V. Vaidyanathan
Chairman & Managing Director
DIN No.00032898

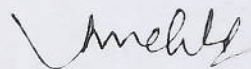
Place: Mumbai
Date: January 31, 2017

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

To,
Board of Directors
Capital First Limited

1. We have audited the quarterly consolidated financial results of Capital First Limited (the "Company") for the quarter ended December 31, 2016 and the consolidated year to date results for the period April 1, 2016 to December 31, 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These consolidated quarterly financial results as well as the consolidated year-to-date financial results have been prepared from consolidated interim financial statements, which are the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated interim financial statements, which have been prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", specified under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us these consolidated quarterly financial results as well as the consolidated year to date results:
 - (i) include the quarterly financial results and year-to-date results of the following entities
 - a) Capital First Limited;
 - b) Capital First Home Finance Limited;
 - c) Capital First Securities Limited; and
 - d) Capital First Commodities Limited
 - (ii) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in this regard; and
 - (iii) give a true and fair view of the consolidated net profit and other financial information for the quarter ended December 31, 2016 as well as the consolidated year to date results for the period from April 1, 2016 to December 31, 2016

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



per Viren H. Mehta
Partner

Membership No.: 048749

Place: Mumbai

Date: January 31, 2017

STATEMENT OF CONSOLIDATED AUDITED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2016

PART I	PARTICULARS	QUARTER ENDED			NINE MONTHS ENDED		(Rs. in Lakhs)
		31.12.2016 (Audited)	30.09.2016 (Audited)	31.12.2015 (Audited)	31.12.2016 (Audited)	31.12.2015 (Audited)	31.03.2016 (Audited)
1	Income from operations	72,553.63	55,153.24	49,555.51	202,355.01	182,404.34	188,223.67
	a) Income from operations	555.74	475.57	75.74	1,450.01	580.50	631.72
	b) Other operating income	70,599.40	55,025.51	48,854.36	203,855.02	182,072.64	189,689.50
	Total Income from operations (net)						
2	Expenses	6,390.75	6,554.59	4,555.55	17,073.05	12,855.10	17,551.20
	a) Employee benefits expenses	277.02	475.79	259.40	1,144.62	727.11	905.53
	b) Depreciation and amortisation expense	12,388.54	10,315.51	6,191.42	32,050.70	15,557.93	23,647.50
	c) Provision and write offs (Refer note 'c' and 'd')	5,820.51	6,074.11	5,401.40	16,555.15	9,101.73	12,321.88
	d) Amortised loan origination cost	1,755.55	1,925.27	1,250.05	5,038.10	2,800.43	4,221.20
	e) Legal and Professional charges	6,550.25	6,514.21	3,500.70	18,036.77	9,555.55	16,101.20
	f) Other expenses	33,434.55	30,974.03	19,459.13	91,451.54	50,518.05	73,955.75
	Total Expenses						
3	Profit from Operations before Other Income, Finance Cost & Exceptional Items (1-2)	40,125.42	37,552.07	39,175.22	112,303.10	82,454.01	114,507.44
4	Other Income	34.12	5.25	54.23	571.44	101.59	102.05
5	Profit from ordinary activities before Finance costs & Exceptional Items (3+4)	40,163.54	37,555.11	39,229.55	112,854.52	82,555.70	114,939.50
6	Finance Costs	20,822.15	20,005.27	20,453.70	65,034.40	64,455.55	60,724.00
7	Profit from Ordinary activities after Finance costs but before Exceptional Items (5-6)	19,341.39	17,549.84	18,775.85	47,820.12	18,100.15	26,214.00
8	Exceptional Items	-	-	0,775.71	24,223.13	18,059.77	25,214.00
9	Profit from Ordinary activities before tax (7+8)	19,341.39	17,549.84	19,551.56	72,043.25	36,159.92	51,428.00
10	Tax expense (including Deferred Tax)	3,201.50	2,292.33	2,523.03	8,111.10	5,201.40	6,555.50
11	Net Profit from Ordinary activities after tax (9-10)	16,139.89	15,257.51	17,028.53	63,932.15	30,958.52	44,872.50
12	Extraordinary Item	0,135.55	5,757.45	4,452.71	15,005.55	11,555.20	15,015.51
13	Net Profit for the period (11+12)	16,275.44	21,014.96	21,481.24	78,937.70	42,513.72	59,888.01
14	Share of profit/ (loss) of associates	-	-	-	-	-	-
15	Minority Interest	-	-	-	-	-	-
16	Net Profit after taxes, minority interest and share of profit/ (loss) of associates (13+14+15)	16,275.44	21,014.96	21,481.24	78,937.70	42,513.72	59,888.01
17	Paid up Equity Share Capital (Face Value-Rs.10 per share)	8,737.53	9,233.43	9,119.17	9,737.53	9,119.17	9,123.77
18	Reserves excluding Revaluation Reserves as per balance sheet	-	-	-	-	-	-
19	ii) Earnings per share (EPS) (before Extraordinary Items) of Rs 10/- each) *						
	-Basic (Rs.)	0.57	0.28	4.59	15.23	13.03	18.24
	-Diluted (Rs.)	5.15	5.57	4.54	17.07	12.55	17.33
20	ii) Earnings per share (EPS) (after Extraordinary Items) of Rs 10/- each) *						
	-Basic (Rs.)	0.57	0.28	4.59	15.23	13.03	18.24
	-Diluted (Rs.)	5.15	5.57	4.54	17.07	12.55	17.33

*EPS for the quarters is not annualised

SIGNED FOR IDENTIFICATION
 BY Q 31/11/17
S. R. BATLIBOI & CO. LLP
 MUMBAI



- a The audited consolidated financial results relates to Capital First Limited (the "Company") and its subsidiaries (together referred as "Group"). The consolidated financial results are prepared in accordance with the principles and procedures for the preparation and presentation of consolidated accounts as set out in Accounting Standard (AS) - 21 'Consolidated Financial Statements' notified under section 133 of the Companies Act 2013 (the 'Act') read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standard) Amendment Rules, 2016. The financial results of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses.
- b The consolidated financial results for quarter and nine months ended December 31, 2016, have been reviewed by the Audit Committee and subsequently approved by the Board of Directors (the "Board") at their respective meetings held on January 31, 2017.
- c The Company had changed its estimates related to provisioning for retail mortgage and housing loans during the quarter ended June 30, 2016. Consequent to the change in such estimates, provision and write off for the quarter and nine months ended December 31, 2016 is higher by Rs. 910.89 lakhs and Rs. 652.39 lakhs respectively.
- d The Company has accounted for provision on standard assets as per Reserve Bank of India (RBI) notification no. RBI/2014-15/250 dated November 10, 2014, which requires increased provision on standard assets in a phased manner over a period of three years commencing from March 31, 2015. As a result of which provision for standard assets as of December 31, 2016 is higher by Rs. 706.41 lakhs.
- e During the quarter ended December 31, 2016, 260,026 stock options were exercised by eligible employees under various CFL Employees Stock Options Schemes.
- f During the quarter under review, the Board of Directors vide Circular Resolution dated December 14, 2016 allotted 4,760,000 equity shares of the Company of Rs. 10/- each, at the premium of Rs 702.70 per equity shares on preferential basis amounting to Rs. 34,007.00 lakhs. The said funds aggregating to Rs. 34,007.00 lakhs received pursuant to the aforesaid allotment have been utilized as on December 31, 2016. The aforesaid allotment is subject to lock-in requirements as per the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time, with regard to said Preferential Issue.
- g RBI vide its notification no. CNDR. 011/QOM (CDS)-2015 dated March 27, 2015 had revised the asset classification norms for non-performing assets (NPA) and substandard assets under its prudential norms applicable to NBFCs in a phased manner commencing from financial year ending March 31, 2016. This has resulted in increase in gross non-performing assets by Rs. 4,699.03 lakhs. However, there is no significant impact of this change on provision for the nine months ended December 31, 2016.
- h Pursuant to circular no. DER No BP.BC 37/21.04.048/2015-17 dated November 21, 2016 and DER No BP.BC.40/21.04.048/2016-17 dated December 23, 2016 issued by the Reserve Bank of India (RBI) which permits Regulated Entities to defer the down grade of an account that was standard as on November 1, 2016, the Company has not opted for 60 days' relaxation extended by RBI for recognition of loan as Non-Performing Assets (NPA).
- Pursuant to circular no. NHB(ND)CRS/Policy Circular No 77/2016-17 dated November 21, 2016 issued by the National Housing Bank (NHB) which permits Regulated Entities to defer the down grade of an account that was standard as on November 1, 2016, the Company has not opted for 60 days' relaxation extended by RBI for recognition of loan as Non-Performing Assets (NPA).
- i At the consolidated level, the main business of the Company is financing. As such, there are no separate reportable segments as per the Accounting Standard (AS) - 17 'Segment Reporting' notified under section 133 of the Companies Act 2013 (the 'Act') read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standard) Amendment Rules 2016.
- j Figures for previous quarter/ nine months/ year have been regrouped and/or reclassified wherever considered necessary, to conform to current quarter/ nine months' classification respectively.
- k The Standalone Financial Results are available on the Company's website viz. www.capitalfirst.com and on the website of BSE (www.bseindia.com) and NSE (www.nseindia.com)

STANDALONE FINANCIALS SUMMARY

PARTICULARS	QUARTER ENDED			NINE MONTHS ENDED		YEAR ENDED
	31.12.2016 (Audited)	30.09.2016 (Audited)	31.12.2015 (Audited)	31.12.2016 (Audited)	31.12.2015 (Audited)	31.03.2016 (Audited)
Revenue (including other income)	71,754.23	60,894.00	48,655.30	190,262.31	190,262.70	104,764.06
Profit before tax	8,508.21	7,176.32	8,400.30	22,649.41	17,172.13	23,091.57
Profit after tax	6,672.79	4,671.55	4,185.31	14,782.57	11,259.70	15,601.06

Place Mumbai
Date January 31, 2017



For CAPITAL FIRST LIMITED
V. Vaidyanathan
Chairman & Managing Director
DIN No.0603266

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